

**Si necesita asistencia en Español, tenemos representantes de servicio al cliente disponibles para ayudarle cuando lo solicite, por favor llame al número 1-800-999-4033.**

**NOTICE OF APPLICATION FOR A GENERAL RATE INCREASE BY  
GOLDEN STATE WATER COMPANY  
REGION 3 SERVICE AREA  
APPLICATION NO. 11-07-017**

**REQUEST FOR PUBLIC COMMENTS**

The California Public Utilities Commission (CPUC) is seeking public comments from Golden State Water Company's (GSWC) customers in the Region 3 Service Area regarding a proposed request by GSWC to increase rates for service in 2013, 2014, and 2015. As part of its decision-making process, the CPUC is interested in your comments on any aspect of the company's operation including proposed rates, service quality or any other issue of concern.

GSWC filed Application 11-07-017 on July 21, 2011 with the CPUC requesting authorization to increase revenues in the Region 3 Service Area for test years 2013 through 2015.

The following table illustrates the increase in revenue requirement (\$1,000's) over current adopted revenues, proposed in this Application:

Revenue Requirement Increase				
Test Year	Adopted Revenue	Proposed	\$	%
2011	\$121,098.2			
2013		\$133,444.3	\$12,346.1	10.20%
2014		\$136,788.3	\$3,344.0	2.50%
2015		\$141,100.2	\$4,311.9	3.20%

If the proposed application is approved by the CPUC, an average residential customer with a 5/8 x 3/4" meter would see a monthly bill increase of \$11.59 or 24.54% from \$47.23 to \$58.82 excluding any applicable surcharges.

GSWC's Region 3 Service Areas serve approximately 98,000 customers in all or portions of the cities of Barstow, Lenwood, Town of Apple Valley, Lucerne Valley, Morongo Valley, Wrightwood, Calipatria and the community of Niland, and adjacent territory in Imperial County. Cypress, La Palma, Los Alamitos, Placentia, Seal Beach, Stanton, Yorba Linda, Cowan Heights, Lemon Heights Rossmoor, Claremont, Montclair, Pomona, Upland, San Dimas, Charter Oak, Glendora, Monterey Park, Rosemead, San Gabriel, Arcadia, El Monte, Irwindale, Monrovia and Temple City and adjacent vicinity in the Los Angeles, Orange and San Bernardino Counties.

These increases are necessary to keep up with increased purchased water and pumping costs which are out of GSWC's control and to meet GSWC's goals to ensure a safe and reliable source of supply, improve infrastructure and to promote the efficient use of water.

Starting in 2013, tariff schedules R3-DEM-1 for Morongo Valley (Desert) and R3-WW-1 and R3-WW-2 for Wrightwood will be unfrozen and joining regional tariff schedule R3-1-R for residential general metered services and R3-1-NR for non-residential meter services. The rates in these two areas were frozen in order to stabilize rates, and make rates more affordable. The Commission approved the freezing of the rates in Decision 00-06-075, dated June 27, 2000. These rates were to remain frozen until the regionalized rates in Region 3, increased to the level of the frozen rates. GSWC's proposed rates for 2013 exceed the frozen rate levels.

On May 2, 2011, in a separate proceeding GSWC filed their Cost of Capital Application No. 11-05-004 with the CPUC. In the Application, GSWC has requested that the CPUC review and authorize a cost of capital for 2012, 2013, and 2014. The authorized cost of capital determines the amount of money GSWC is allowed in rates as a return on its invested capital. The approval of this application may impact rates in the Region 3 Customer Service area.

**FOR FURTHER INFORMATION AND TO OBTAIN A COPY OF THE APPLICATION**

A copy of GSWC's Application No. 11-07-017 and related exhibits may be examined at the following GSWC locations:

- Apple Valley Customer Service Area Office located at 13608 Hitt Road, Apple Valley, California 92308;
- Barstow Customer Service Area Office located at 1521 East Main Street, Barstow, California 92311;
- Calipatria-Niland Customer Service Area Office located at 631 South Sorensen Avenue, Calipatria, California 92233;
- Claremont Customer Service Area Office located at 915 W. Foothill Blvd., Suite E, Claremont, California 91711;
- Morongo Valley Customer Service Area Office located at 49634 Twenty-Nine Palms Highway, Morongo Valley, California 92256;
- Los Alamitos Customer Service Area Office located at 10852 South Cherry Street, Los Alamitos, California 90720;
- Placentia Customer Service Area Office located at 500 Cameron Street, Placentia, California 92870;
- San Gabriel Customer Service Area Office located 110 East Live Oak Avenue, Arcadia, California 91006;
- San Dimas Customer Service Area Office located 121 Exchange Place, San Dimas, California 91773;
- Wrightwood Customer Service Area Office located at 1500 State Highway #2, Wrightwood, California 92397

If you need additional information, you may visit [www.gswater.com](http://www.gswater.com) or call our 24-hour Customer Service Center; toll free, at 1-800-999-4033, TTY 1-877-933-9533.

### **PUBLIC COMMENT**

If you wish to comment on or protest this filing as a customer of GSWC, you may do so by e-mail or writing to the Public Advisor's Office (PAO). Written public comments by GSWC customers is very much desired by the CPUC and may be sent to the PAO at the address shown below. All public comments received by the PAO are provided to the CPUC Commissioners and the Administrative Law Judge (ALJ) assigned to the proceeding. All e-mails and written correspondences become part of the formal file under public comments. Participating Divisions within the CPUC who are reviewing the request by GSWC will also receive a copy of all public comments.

### **EVIDENTIARY HEARINGS**

The CPUC may hold Evidentiary Hearings (EH) whereby parties of record present their proposals in testimony and are subject to cross-examination before an Administrative Law Judge (ALJ). These hearings are open to the public, but only those who are parties of record can present evidence or cross-examine witnesses during EH. Members of the public may attend these hearings, but are not allowed to participate.

After considering all proposals and evidence presented during the hearing process, the ALJ will issue a draft decision. When the CPUC acts on this application, it may adopt all or part of GSWC's request, amend or modify it, or deny the application. The CPUC's final decision may be different from GSWC's proposed application.

### **PROTESTING THE APPLICATION**

Formal protests to this application must be filed with the CPUC no later than **August 20, 2011**. The CPUC's PAO was established to assist members of the public who want to protest or otherwise participate in the CPUC's proceedings. For assistance in filing a formal protest with the CPUC or otherwise participating in the formal proceeding, please contact the **Public Advisor's Office at 320 West 4<sup>th</sup> St., Ste. 500, Los Angeles, CA 90013** or via e-mail to [public.advisor.la@cpuc.ca.gov](mailto:public.advisor.la@cpuc.ca.gov). Please refer to GSWC's Application No. 11-07-017 on any written or e-mail correspondences.

### **THE CPUC PROCESS**

The CPUC's Division of Ratepayer Advocates (DRA) will review this Application. DRA is an independent arm of the CPUC created by the Legislature to represent the interests of all utility customers throughout the state and obtain the lowest possible rate for service consistent with reliable and safe service levels. DRA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. DRA's views do not necessarily reflect those of the CPUC. Other parties of record will also participate.

Copies of the proposed application filing are also available for review at the California Public Utilities Commission's Central Files office at 505 Van Ness Ave., San Francisco, CA 94102 from 8:00 a.m. to noon daily.

### **GOLDEN STATE WATER COMPANY**