A MESSAGE FROM YOUR GENERAL MANAGER

Golden State Water Company (Golden State Water) has been serving reliable, quality water to Californians for more than 90 years. We always put our customers first, because we understand that water is a critical part of your everyday life.

On May 30, 2019, Golden State Water’s General Rate Case (GRC) was approved by the State of California to set water rates for 2019, 2020 and 2021 and authorize infrastructure investments for the local system. Water rates and infrastructure investments are closely related, as investments to protect the reliability of the water system are a key driver of rates.

New rates approved through the GRC will be implemented on June 8, 2019, and customers may notice the adjustment on their June 2019 water bills. Since the GRC approval was delayed nearly six months (originally expected before Jan. 1, 2019) by factors outside of Golden State Water’s control, the difference between actual rates and approved rates for the period from Jan. 1 – June 7, 2019, will be reconciled at a later time.

If you have any questions, please visit our website at gswater.com/bay-point for more information or call us anytime at 800.999.4033.

On behalf of everyone at Golden State Water, thank you for being a valued customer.

Sincerely,

Paul Schubert
General Manager
Northern District
Golden State Water Company

WATER RATES

Golden State Water delivers quality drinking water and reliable service 24 hours a day, 7 days a week, to approximately 4,900 customers in the Bay Point service area.

Beginning when new rates are implemented on June 8, 2019, an average residential customer in the Bay Point Customer Service Area with a 5/8 x 3/4" meter using 7 Ccf per month would see a monthly bill increase of $3.03 from $56.92 to $59.95 compared to 2018 (excluding any applicable surcharges).

The rate adjustment factors the 3.09 percent rate decrease that was implemented in July 2018 to pass cost savings from the lower federal income tax requirement through to customers (Tax Cuts and Jobs Act of 2017).

EXPENSES

- Approximately 76% of the costs to operate, maintain and improve the water system don’t change when customers use less/more water.

REVENUE

- Approximately 70% of the revenue collected from water bills is variable. When usage decreases, rates must eventually increase to cover fixed costs.

*Rates shown represent companywide average and vary by ratemaking area.
Golden State Water invests to protect the safety and reliability of the local water system. We employ proactive maintenance programs and update our aging pipeline infrastructure on a replacement schedule of approximately 100 years. For comparison, the American Society of Civil Engineers published a report on the country's water infrastructure concerns, noting a national average replacement schedule of 200 years on pipes designed to last 75-100 years.¹

In the approved 2019-21 GRC application, Golden State Water proposed infrastructure investments totaling approximately $3,051,000 for the Bay Point Customer Service Area to address water supply, storage and distribution needs.


Following are capsule summaries of key upcoming projects:

- **Pipeline Replacement Program:** Approximately $1,041,000 is approved to replace aging water pipes to improve water system operation and reliability.

- **Hill Street Plant Upgrades:** Approximately $536,000 is approved to replace the existing control room at the Hill Street Plant and demolish two reservoirs that are no longer online.

- **Meters and Services Installation:** Approximately $838,000 is approved to install new meters and connections.

TO LEARN MORE about local infrastructure investments, water rates or conservation programs/rebates available in your area, please visit gswater.com/Bay-Point, follow us on Twitter @GoldenStateH2O or call us anytime at 800.999.4033.