

**BEFORE THE CALIFORNIA PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

In the Matter of the Application of Golden State Water
Company on Behalf of its Bear Valley Electric Service
Division (U 913 E), for Approval of Booked RPSMA
Costs and Recovery of the Cost in Rates

Application No. 11-06-002



FILED

07-07-11
09:55 AM

**GOLDEN STATE WATER COMPANY
ON BEHALF OF ITS BEAR VALLEY ELECTRIC SERVICE DIVISION (U 913 E)**

NOTICE OF COMPLIANCE

Gladys Rosendo
Regulatory Analyst
Golden State Water Company
630 East Foothill Boulevard
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June 17, 2011

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OF THE STATE OF CALIFORNIA**

In the Matter of the Application of Golden State Water Company on Behalf of its Bear Valley Electric Service Division (U 913 E), for Approval of Booked RPSMA Costs and Recovery of the Cost in Rates

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ON BEHALF OF ITS BEAR VALLEY ELECTRIC SERVICE DIVISION (U 913 E)**

NOTICE OF COMPLIANCE

Golden State Water Company (GSWC) hereby provides proof of compliance with Rule 3.2 of the California Public Utilities Commission's Rules of Practice and Procedure. GSWC published a notice for the above applications in newspapers of general circulation within the Bear Valley Electric Service Division service territory. A copy of the notice and the proof of publications are attached to this compliance filing.

Respectfully Submitted,

/s/ Gladys Rosendo
Regulatory Analyst

Golden State Water Company
630 East Foothill Boulevard
San Dimas, California 91773
(909) 394-3600 ext. 527
(909) 394-7427

Dated: June 17, 2011

PROOF OF PUBLICATION

(2015.5 C.C.P.)

STATE OF CALIFORNIA,

SS.

COUNTY OF SAN BERNARDINO,

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years and not a party to or interested in the above entitled matter. I am the principal clerk of Big Bear Life and the Big Bear Grizzly.

A newspaper of general circulation, published by Hi Desert Publishing Co. Inc., in the City of Big Bear Lake, County of San Bernardino, and which newspaper has been adjudicated a newspaper of general circulation by the Superior Court of the County of San Bernardino, State of California, under date of September 14, 1960, Case Number 102161; that the notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates to-wit: 6/8/11

all in the year 2011.

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Karen Osuna

Karen Osuna

6/8/2011

Date

At: Big Bear Lake

NOTICE OF TWO SEPARATE APPLICATION FILINGS SEEKING RECOVERY COSTS INCURRED RESULTING

IN RATE INCREASES GOLDEN STATE WATER COMPANY BEAR VALLEY ELECTRIC SERVICE DIVISION

Golden State Water Company, on behalf of its Bear Valley Electric Service Division (BVES), has requested approval of two separate proposed applications filed with the California Public Utilities Commission (CPUC) to increase rates for one year to recover costs already incurred by BVES.

In one proposed application, BVES seeks recovery of \$1,249,330 in direct and carrying costs related to the CPUC's Renewables Portfolio Standard (RPS) program. This program is designed to increase the amount of electricity generated in California from renewable resources. These costs relate to legal and outside services provided to BVES to assist it in complying with the RPS program.

This application requests reimbursement of only costs BVES has already incurred. The approximate effect of the requested reimbursement of RPS-related costs would be an increase in revenues of about 3.09% over a 12-month period, which is about a \$3.74 increase on a typical residential customer's monthly bill.

In the second proposed application, BVES seeks recovery of \$858,658 in direct and carrying costs related to the January 2010 storm and the bark beetle infestation. BVES incurred \$307,769 of direct and carrying costs related to the January 2010 wind and snow storm. This storm caused widespread service outages for BVES' customers and badly damaged BVES' electric system. Regarding the bark beetle infestation that attacked trees throughout BVES' service territory, BVES incurred \$550,890 of direct and carrying costs to identify and remove 338 diseased or dead trees threatening BVES' electric system.

This application requests reimbursement of only costs BVES has already incurred. The approximate effect of the requested reimbursement of costs relating to the January 2010 storm and the bark beetle infestation would be an increase in revenues of about 2.14% over a 12-month period, which is about a \$2.55 increase on a typical residential customer's monthly bill.

NEED FOR INCREASE IN RATES

BVES has already incurred the costs for procurement of renewable resources, mitigation of the bark beetle infestation, and restoration of electric service during the January 2010 wind and snow storms requested in the two applications. However,



these costs are not currently covered in rates. The CPUC has authorized BVES to keep track of these costs and then request reimbursement via an application to increase rates. If the CPUC approves the two applications, the combined effect of both applications would increase revenues about 5.23% or about \$6.29 per month for a typical residential customer's monthly bill. The rate increase would be in effect for only a 12-month period. A typical BVES residential customer consumes approximately 450 kWh per month.

The actual rates will include a 20% discount for CARE customers, which represent about 7% of total sales.

SERVICE TERRITORY

BVES provides retail electric service to the City of Big Bear Lake and the communities of Big Bear City, Fawnskin, Sugarloaf, Erwin Lake, Moonridge, Lake Williams, Baldwin Lake and vicinity, San Bernardino County. The BVES service territory is a resort community, comprised primarily of residential customers. BVES provides service to approximately 21,500 full-time and part-time residents, and approximately 1,400 commercial, industrial, or public authority customers. BVES also provides service to two ski resorts in the territory.

FOR FURTHER INFORMATION AND TO OBTAIN A COPY OF THE APPLICATION

A copy of each application and related exhibits and work papers may be examined at the following GSWC location: Bear Valley Electric Service office located 42020 Garstin Drive, Big Bear Lake, California 92315.

If you need additional information, you may call our office at 909-866-4678.

Public Comment

If you wish to comment on or protest this filing as a customer of BVES, you may do so by e-mail or writing to the Public Advisor's Office (PAO). Written public comments by BVES 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 BVES 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 BVES' request, amend or modify it, or deny the application. The CPUC's final decision may be different from BVES' proposed application.

Protesting the Application

Formal protests to this application must be filed with the CPUC no later than July 3, 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 4th St., Ste. 500, Los Angeles, CA 90013 or via e-mail to public.advisor.la@cpuc.ca.gov.

Please refer to BVES Application No. 11-06-001 and Application No. 11-06-002 for RPS 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 offices at 505 Van Ness Ave., San Francisco, CA 94102, from 8:00 a.m. to noon daily.

GOLDEN STATE
WATER COMPANY

Publish: 6/8/11
CNS-2115096#
BIG BEAR LIFE & THE
GRIZZLY

Proof of Publication

Los Angeles Times

STATE OF CALIFORNIA
County of Los Angeles

I am a citizen of the United States, and a resident of the county aforesaid; I am over the age of eighteen years; and I am not a party to or interested in the notice published. I am the chief legal advertising clerk of the publisher of the LOS ANGELES TIME a newspaper of general circulation, printed and published daily in the City of Los Angeles, County of Los Angeles. The LOS ANGELES TIMES has been adjudged a newspaper of general circulation by the Superior Court of the County of Los Angeles, State of California, under the date of May 21, 1952, Case No. 598,599. The notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

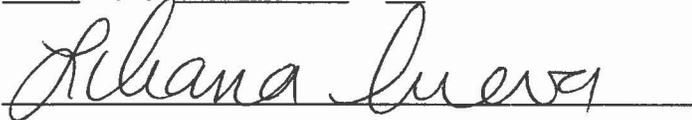
June 8

all in the year 2011

I certify (or declare) under penalty of perjury that the foregoing is true and correct

Dated at Los Angeles, California, this

8 day of June 2011



Signature

2115154

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NOTICE OF TWO SEPARATE APPLICATION FILINGS SEEKING RECOVERY COSTS INCURRED RESULTING IN RATE INCREASES

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