



FILED

03-10-10
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**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE
STATE OF CALIFORNIA**

In the matter of the Application of the **GOLDEN STATE WATER COMPANY (U 133 W)** for an order authorizing it to increase rates for water service by \$2,911,400 or 29.9% in 2011 and by \$321,200 or 2.5% in 2012 in its Arden Cordova Service Area;) APPLICATION NO.
to increase rates for water service by \$1,782,400 or 33.2% in 2011 and by -\$66,200 or -0.9% in 2012 in its Bay Point Service Area;) 10-01-009
to increase rates for water service by \$409,100 or 22.6% in 2011 and by \$23,300 or 1.0% in 2012 in its Clearlake Service Area;)
to increase rates for water service by \$1,467,000 or 48.5% in 2011 and by \$50,100 or 1.1% in 2012 in its Los Osos Service Area;)
to increase rates for water service by \$1,647,900 or 38.8% in 2011 and by \$343,200 or 5.9% in 2012 in its Ojai Service Area;)
to increase rates for water service by \$2,350,700 or 25.2% in 2011 and by \$363,200 or 3.1% in 2012 in its Santa Maria Service Area and;)
to increase rates for water service by \$799,500 or 6.5% in 2011 and by \$213,000 or 1.6% in 2012 in its Simi Valley Service Area.)

**GOLDEN STATE WATER COMPANY
APPLICATION FOR AN ORDER AUTHORIZING
AN INCREASE IN RATES IN ITS
LOS OSOS CUSTOMER SERVICE AREA**

NOTICE OF COMPLIANCE

Yvonne Pinedo
Associate Regulatory Analyst
GOLDEN STATE WATER COMPANY
630 East Foothill Boulevard
San Dimas, CA 91773-9016
Telephone: (909) 394-3600 Ext. 636
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Email: ypinedo@gswater.com

March 4, 2010

AFFIDAVIT OF MAILING
(45-Day Notice)

YVONNE PINEDO, deposes and says: That she caused to be mailed, postage paid, to each water customer within the Los Osos Service Area of Golden State Water Company, on March 2, 2010, **Notice of Application For Rate Increase By Golden State Water Company Los Osos Service Area Request For Public Comments Application No. 10-01-009**, a copy of which is attached hereto and hereby made part of this affidavit.

I declare under penalty of perjury that the foregoing is true and correct.

Executed at San Dimas, California, on March 12, 2010.

/s/ Yvonne Pinedo
Associate Regulatory Analyst

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 RATE INCREASE BY
GOLDEN STATE WATER COMPANY
LOS OSOS SERVICE AREA
REQUEST FOR PUBLIC COMMENTS
APPLICATION NO. 10-01-009**

Dear Valued Customer,

The California Public Utilities Commission (CPUC) is seeking public comments from Golden State Water Company's (GSWC) customers in the Los Osos Service Area regarding a proposed request by GSWC to increase rates for service in 2011 and 2012. 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 10-01-009 on January 13, 2010 with the CPUC requesting authorization to increase revenue in the Los Osos Service Area by \$1,467,000 or 48.49% over present revenue for 2011, and an additional increase of \$50,100 or 1.12% in 2012. As an alternative, GSWC is recommending that the requested increases should be levelized between 2011 and 2012. Under GSWC's alternate recommendation, the requested increases would be \$926,100 or 30.61% over present revenue for 2011 and an additional increase of \$1,132,900 or 28.71% in 2012.

The proposed requested rate increases are necessary because the present rates are insufficient as they do not produce adequate revenue to allow for investment in plant, property and other equipment devoted to providing quality utility service to customers. GSWC contends that the increase in rates is necessary by the effects of the Company's investment in water system improvements, as well as increased operating costs for items such as the cost of wholesale water, postage, liability insurance, depreciation, materials, purchased services, the General Office allocated costs, labor and payroll taxes. If approved, the rate increases would fund more than \$5 million in local capital investments from now through 2012 that are critical to providing reliable, high quality water to the area.

GSWC amended A.10-01-009 on January 27, 2010 to request amortization of the under-collection in the Supply Cost Balancing Account in the Los Osos Customer Service Area as of August 31, 2009 by \$48,834 or 1.61% over present revenue for 2011.

In this application, GSWC is proposing a special Sprinkler System Rate for customers who are required by a local ordinance to have sprinkler systems in their homes. Customers who are required to have a larger domestic meter in their homes to meet these fire requirements will be eligible for this special rate.

GSWC is also requesting approval to convert from bi-monthly billing to monthly billing. The switch to monthly billing will help customers budget for their water bills more accurately and will also give them more immediate feedback on their usage to assist them in conserving water.

The table below shows the average monthly bill by customer class for metered customers with the un-levelized increase.

Year	Residential				Commercial			
	Monthly Bill for a 5/8 x 3/4" meter using 10 CCF				Monthly Bill for a 5/8 x 3/4" meter using 41 CCF			
	Current	Proposed	Dollar Increase	% Increase	Current	Proposed	Dollar Increase	% Increase
2011	\$53.27	\$78.83	\$25.57	48.00%	\$160.38	\$216.29	\$55.91	34.86%
2012	\$78.83	\$79.33	\$0.50	0.63%	\$216.29	\$218.04	\$1.75	0.81%

Year	Industrial				Public Authority			
	Monthly Bill for a 1" meter using 35 CCF				Monthly Bill for a 2" meter using 191 CCF			
	Current	Proposed	Dollar Increase	% Increase	Current	Proposed	Dollar Increase	% Increase
2011	\$176.72	\$262.10	\$85.38	48.32%	\$828.36	\$1,166.23	\$337.87	40.79%
2012	\$262.10	\$265.06	\$2.96	1.13%	\$1,166.23	\$1,176.39	\$10.17	0.87%

PUBLIC COMMENT

If you wish to comment on 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 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 Golden State Water Company's Application No. 10-01-009 on any written or e-mail correspondences. 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.

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 who independently evaluate the proposals of utilities and present their recommendations to the CPUC.

The CPUC may hold Evidentiary Hearings (EH) whereby parties of record present their proposals in testimony and are subject to cross-examination before an 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.

FOR FURTHER INFORMATION AND TO OBTAIN A COPY OF THE APPLICATION

A copy of GSWC's Application No. 10-01-009 and related exhibits may be examined at the following GSWC locations:

- Los Osos Customer Service Area Office located at 1140 Los Olivos Ave., Los Osos, California 93402;
- GSWC General Office located at 630 East Foothill Blvd., San Dimas, California 91773.

Copies are also available for review at the California Public Utilities Commission's Central Files, Monday – Friday, 8am – 12 noon, at 505 Van Ness Ave., San Francisco, CA 94102.

If you need additional information, you may call our 24-hour Customer Service Center; toll free at 1-800-999-4033, TTY 1-877-933-9533.

GOLDEN STATE WATER COMPANY

CERTIFICATE OF SERVICE

I certify that, pursuant to the Commission's Rules of Practice and Procedures, that I have by U.S. mail service and/or electronic mail this day served a true copy of this Notice of Compliance on all parties listed in the Service List for A.10-01-009.

[XX] **By Electronic Mail:** serving the enclosed, via e-mail transmission, to each of the parties listed on the official service list for A.10-01-009 with an e-mail address.

[XX] **By U.S. Mail:** by placing the enclosed for collection and mailing, in the course of ordinary business practice, with other correspondence of Golden State Water Company, enclosed in a sealed envelope, with postage fully paid, addressed to those parties listed on the official service list for A.10-01-009 without an e-mail address.

Date March 12, 2010 in San Dimas, California.

/s/ Yvonne Pinedo

Yvonne Pinedo
GOLDEN STATE WATER COMPANY
630 East Foothill Blvd.
San Dimas, CA 91771-9016



California Public
Utilities Commission

CPUC Home

CALIFORNIA PUBLIC UTILITIES COMMISSION Service Lists

**PROCEEDING: A1001009 - IN THE MATTER OF THE
FILER: GOLDEN STATE WATER COMPANY
LIST NAME: LIST
LAST CHANGED: FEBRUARY 11, 2010**

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Parties

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FOR: GOLDEN STATE WATER COMPANY

Information Only

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State Service

DOUGLAS M. LONG
CALIF PUBLIC UTILITIES COMMISSION
DIVISION OF ADMINISTRATIVE LAW JUDGES
ROOM 5023
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3214

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GOLDEN STATE WATER COMPANY

DISTRIBUTION LIST

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STaylor@ArroyoGrande.org

Cambria Community Services District
1316 Tamson Drive, Suite 201
P.O. Box 65
Cambria, CA 93428

Morro Bay City Water (City Hall)
595 Harbor Blvd.
Morro Bay, CA 93442
(805) 772-1214

San Luis Obispo City Water
955 Morro St.
San Luis Obispo, CA 93403
(805) 549-7132
GHenderson@slocity.org

S & T Mutual Water Co.
P.O. Box 6391
Los Osos, CA 93412
dctolley@charter.net

Utilities Department
Los Osos Community Services District
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Los Osos, CA 93412

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