RS1/eam 2/9/2012

FILED
02-09-12
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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 (U133W) for an order authorizing it to increase rates for water service by $58,053,200 or 21.4% in 2013, by $8,926,200 or 2.7% in 2014; and by $10,819,600 or 3.2% in 2015.	Application 11-07-017 (Filed July 21, 2011)

ADMINISTRATIVE LAW JUDGE'S RULING SCHEDULING PUBLIC PARTICIPATION HEARINGS

Summary

This ruling establishes the dates, time, and locations for additional public participation hearings (PPHs) in this proceeding to provide members of the public an opportunity to comment on Application (A.) 11-07-017.

Background

Pursuant to the October 18, 2011 Administrative Law Judge's (ALJ's) ruling, PPHs were held from November 28 through December 8, 2011, in eight communities served by Golden State Water Company (Golden State).[1] Most of the PPHs were well-attended, with approximately 1,500 members of the public and numerous public officials participating.

Prior to and during the PPHs, the Commission received requests for PPHs in other communities served by Golden State from many Golden State customers

[1] PPHs were held in Rancho Cordova, Bay Point, Clearlake, Los Osos, Carson, Claremont, Barstow, and Apple Valley.

and others. In addition, legislators and other public officials representing Bell Gardens, Calipatria, Ojai, Placentia, and Stanton have asked the Commission to hold PPHs in or near these communities.

On December 16, 2011, the ALJ issued a ruling requesting parties' input on whether the schedule for this proceeding could accommodate additional PPHs without impairing parties' ability to effectively participate in the evidentiary hearings and other events scheduled in this proceeding, and, if so, when and where additional PPHs should be held (December 16 Ruling).[2]

Comments in response to the December 16 Ruling were filed by the Division of Ratepayer Advocates (DRA) on December 27, 2011, and by Golden State and the City of Ojai on January 4, 2012. Reply comments were filed by DRA on January 11, 2012.

DRA recommends that the Commission hold PPHs in Ojai, Bell Gardens, Calipatria, and the Placentia/Orange County area during the same week sometime between February 20, 2012 and April 10, 2012.[3] Ojai restates its request for a PPH in that community, and recommends that the PPH take place during the period between February 20, 2012 and April 10, 2012.

Golden State does not object to the Commission holding additional PPHs, and believes that the current schedule for this proceeding can be maintained if the Commission holds no more than four additional PPHs and completes them

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[2] The December 16 Ruling noted that the best opportunity for any additional PPHs appeared to be after intervenor testimony is served on February 20, 2012, and before Golden State serves its rebuttal testimony on April 10, 2012.

[3] DRA states that holding all of the PPHs during the same week will reduce DRA's travel costs and minimize the impact on DRA's ability to prepare for and participate in evidentiary hearings.

by March 31, 2012. If Golden State is required to participate in more than four additional PPHs or if any PPH is held during the first two weeks of April, Golden State requests a day-for-day extension of the April 10, 2012 deadline to serve its rebuttal testimony.

Golden State does not object to holding additional PPHs in the communities recommended by DRA. However, Golden State notes that customers from Bell Gardens attended the December 5, 2011 PPH in Carson, approximately 15 miles from Bell Gardens.

Two sessions (an afternoon and an evening session) have been held in most of the PPHs in this proceeding.[4] According to Golden State, holding only one session in smaller communities such as Calipatria would require participants to devote only one working day to the PPH and could eliminate the need for participants to stay overnight.

Discussion

Comments from parties indicate that the Commission can hold additional PPHs without jeopardizing the schedule for this proceeding or impairing parties' ability to effectively participate in the evidentiary hearings and other events scheduled in this proceeding. Because most of the PPHs held so far have been very well-attended and because customers and public officials have requested PPHs in their communities the Commission will hold additional PPHs at the locations, dates, and times shown below.

Ojai
February 29, 2012 at 2:00 p.m. and 6:00 p.m.
Chaparral High School Auditorium

[4] The Bay Point PPH consisted of an evening session only.

414 East Ojai Avenue
Ojai, CA 93023

Bell Gardens
March 1, 2012 at 2:00 p.m. and 6:00 p.m.
City of Bell Gardens Council Chamber
7100 South Garfield Avenue
Bell Gardens, CA 90201

Orange County
March 2, 2012 at 2:00 p.m. and 6:00 p.m.
Stanton Community Center
7800 Katella Avenue
Stanton, CA 90680

Calipatria-Niland
March 13, 2012 at 4:00 p.m.
Calipatria High School Wirt Auditorium
601 West Main Street
Calipatria, CA 92233

Pursuant to Rule 13.1(c), Golden State must prepare draft newspaper notice(s) to Golden State customers in Regions I, II and III and obtain the Public Advisor's Office (PAO) approval of the draft newspaper notice(s). Golden State must publish for ten consecutive days prior to and including the day of the public participation hearing the approved notice(s) in local newspapers of general circulation in each respective service area listed in this ruling, of the time, date, and place of the PPH for that service area. Proof of publication and sample copies of the notices must be filed with the Commission within 10 days after publication.

In addition, Golden State must prepare a draft bill insert notice to Golden State customers in Regions I, II and III, obtain PAO approval of the draft bill insert notice, and provide the approved notice, via a bill insert providing there is sufficient time to meet the next billing cycle or a separate mailing such as a

tri-fold flyer or post card, to customers in each respective service area as noted above, of the time, date, and place of the PPH for that service area. Golden State must provide customer notice via bill insert or separate mailing not less than ten nor more than 30 days prior to and including the day of the PPH for the respective service area.

This ruling does not address Golden State's request for the opportunity to adjust its estimate of rate case expenses for costs associated with any additional PPHs and to address such costs in its rebuttal testimony.[5] Golden State must use the procedures established in the revised rate case plan for seeking discretionary post-application modifications.[6]

IT IS RULED that:

1. There will be public participation hearings addressing Application 11-07-017 on: (1) February 29, 2012 at 2:00 p.m. and 6:00 p.m., at Chaparral High School Auditorium, 414 East Ojai Avenue, Ojai, CA; (2) March 1, 2012 at 2:00 p.m. and 6:00 p.m., at City of Bell Gardens Council Chamber, 7100 South Garfield Avenue, Bell Gardens, CA; (3) March 2, 2012 at 2:00 p.m. and 6:00 p.m., at Stanton Community Center, 7800 Katella Avenue,

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[5] Golden State requests the opportunity to adjust its estimate of rate case expenses depending on the costs associated with any additional PPHs and to address such costs in its rebuttal testimony. DRA opposes this request because, according to DRA, (1) Golden State's regulatory expense budget is already incorporated into its rates from its previous General Rate Cases; (2) Golden State's regulatory expenses do not increase as long as only Golden State employees attend; (3) increasing its estimate of its rate case expenses during Rebuttal violates the Rate Case Plan's requirements concerning notice of rate increases; and (4) the addition of a few PPHs does not qualify as an extraordinary circumstance warranting discretionary post-application additions.

[6] *See* D.07-05-062, Appendix A, Section IV.F.

Stanton, CA; and (4) March 13, 2012 at 4:00 p.m., Calipatria High School Wirt Auditorium, 501 West Main Street, Calipatria, CA.

2. Golden State must prepare a draft newspaper notice and obtain approval from the Public Advisor's Office, and publish for ten consecutive days prior to and including the day of the public participation hearing (PPH) a notice in local newspapers of general circulation in each respective service area for Regions I, II and III, of the time, date, and place of the PPH for that service area listed in this ruling. Proof of publication and sample copies of the notices must be filed within 10 days after publication.

3. Golden State must prepare a draft bill insert notice and obtain approval from the Public Advisor's Office, and provide notice, via a bill insert notice providing there is sufficient time to meet the next billing cycle or separate mailing such as a tri-fold flyer or post card to customers in each respective service area, of the time, date, and place of the public participation hearing (PPH) for that service area in Regions I, II and III. Golden State must provide customer notice via bill insert or separate mailing such as a tri-fold flyer or post card not less than ten nor more than 30 days prior to and including the day of the PPH for the respective service area.

Dated February 9, 2012, at San Francisco, California.

/s/ RICHARD SMITH

Richard Smith
Administrative Law Judge