



FILED

05-04-11

04:59 PM

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of California-American Water Company (U210W), California Water Service Company (U60W), Golden State Water Company (U133W), Park Water Company (U314W) and Apple Valley Ranchos Water Company (U346W) to Modify D.08-02-036, D.08-06-002, D.08-08-030, D.08-09-026, D.08-11-023, D.09-05-005, D.09-07-021, and D.10-06-038 regarding the Amortization of WRAM-related Accounts.

APPLICATION 10-09-017
(Filed September 20, 2010)

**PARK WATER COMPANY RULE 3.2 (d)
COMPLIANCE FILING**

Edward N. Jackson
Director of Revenue Requirements
Park Water Company
9750 Washburn Road
P. O. Box 7002
Downey, CA 90241
Phone: (562) 923-0711
Fax: (562) 861-5902
E-mail: ed.jackson@parkwater.com

May 4, 2011

PARK WATER COMPANY RULE 3.2 (d)
COMPLIANCE FILING

Rule 3.2 (d)

On September 20, 2010, California-American Water Company (U210W), California Water Service Company (U60W), Golden State Water Company (U133W), Park Water Company (U314W), and Apple Valley Ranchos Water Company (U346W) filed Application 10-09-017, requesting Commission authorization for a temporary surcharge rate increase. Notice of the proposed temporary surcharge rate increase for Park Water Company (Park), (Attachment A), was mailed directly to Park customers as bill inserts between February 23, 2011 and April 25, 2011.

Dated at Downey, California, May 4, 2011.

Respectfully submitted,

PARK WATER COMPANY



EDWARD N. JACKSON

Park Water Company
9750 Washburn Road
Downey, CA 90241
562.923.0711, ext 1212
ed.jackson@parkwater.com

VERIFICATION

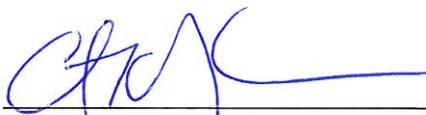
STATE OF CALIFORNIA) ss.
COUNTY OF LOS ANGELES)

I, Leigh K. Jordan, am Executive Vice President of the Applicant corporation herein and am authorized to make this verification on its behalf. The statements in the foregoing document are true to my own knowledge, except as to the matters which are therein stated on information and belief, and as to those matters I believe them to be true.

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

Executed at Downey, California, this 4th day of May 2011.

PARK WATER COMPANY



LEIGH K. JORDAN
Executive Vice President

Park Water Company
9750 Washburn Road
P. O. Box 7002
Downey, CA 90241
Phone: (562) 923-0711
Fax: (562) 861-5902

FOR A SPANISH VERSION OF THIS BILL INSERT YOU MAY CALL THE FOLLOWING NUMBER: 1-800-727-5987; OR E-MAIL: www.customerservice@parkwater.com, OR VISIT OUR WEBSITE AT www.parkwater.com

PARA UNA VERSION EN ESPANOL DE ESTE AVISO USTED PUEDE LLAMAR EL NÚMERO SIGUIENTE: 1-800-727-5987, O CORREO ELECTRONICO: customerservice@parkwater.com, O VISITA NUESTRO SITIO WEB EN www.parkwater.com

NOTICE OF APPLICATION FILING BY PARK WATER COMPANY TO REVIEW THE RECOVERY PERIOD FOR THE WATER REVENUE ADJUSTMENT MECHANISM(S) (WRAM) AND MODIFIED COST BALANCING ACCOUNT(S) (MCBA) OF PARK WATER COMPANY

TEMPORARY SURCHARGE RATE INCREASE

Application No. 10-09-017

The California Public Utilities Commission (CPUC) is seeking public comment on proposed Application 10-09-017 filed on September 20, 2010 by Class A water utilities: Park Water Company, California Water Service Company, California-American Water Company, Golden State Water Company, and Apple Valley Ranchos Water Company. Class A water utilities have more than 10,000 customers. Each water company is providing separate bill insert notices to their own customers.

The purpose of the proposed application is to shorten the time periods over which balances in two CPUC-approved regulatory accounts are recovered (to 18 months) through bill surcharges. The two regulatory accounts, Water Revenue Adjustment Mechanisms (WRAMs) and Modified Cost Balancing Accounts (MCBAs), track the differences between actual and adopted water sales and production costs as part of a water conservation program.

This proposed Application requests approval to reduce the time period for recovery of the net WRAM and MCBA balances that are at or over 5% to 18 months or less. This is necessary to ensure that, consistent with Generally Accepted Accounting Principles (GAAP), the balances tracked during the year are collected within 24 months from the end of that year. Existing CPUC policy mandates recovery of some balances over periods of up to 36 months. If approved, the proposed Application affects how customers are billed, but does not affect the total amount that is to be recovered. Reducing the length of time for recovery will result in a **higher surcharge** (temporary rate increase) that lasts for a shorter time period. **Existing surcharges are lower**, but last for a longer time period. Annual net WRAM and MCBA balances that are less than 5% of a district's annual revenue requirement will not be affected. In addition, future bill surcredits (or refunds) that may result from over-collections of revenue tracked in the WRAM and MCBA accounts will not be affected.

For example, the average bimonthly bill of a residential customer using 26 Ccf is \$119.97 not including a surcharge for the WRAM and MCBA balances. The sample illustrative chart reflects the rate increase a typical residential customer would have to pay. Under the CPUC's current rules, an additional monthly surcharge of \$2.13 (3.43% of the bill) for the same usage would end after 24 months. If the Application is approved, the additional monthly surcharge would be \$2.85 (4.53% of the bill) for the same usage, but would end after 18 months. This is illustrated by the chart below.

Average Bimonthly Bill for Residential Customers (5/8" meter size with 26 Ccf)

	Current	After 24 Months	Proposed	After 18 Months
Average Bimonthly Bill	\$119.97	\$119.97	\$119.97	\$119.97
Surcharge	\$0.164		\$0.219	
Duration	for 24 months		for 18 months	
Total Bimonthly Bill	\$124.23	\$119.97	\$125.66	\$119.97
Total Surcharge Collected	\$51.17		\$51.25	
Impact of Temporary Surcharge Adjustment				
Amount of Increase			\$ 1.43	
Percentage Increase (as percentage of bill)			1.15%	

Further Information Regarding This Application Filing

The Application and related exhibits may be inspected at Park Water Company, located at 9750 Washburn Road, Downey, California 90241. If you need additional information, you may call Park Water Company at (562) 923-0711.

The application may also be inspected at the CPUC's Central Files Office in San Francisco at 505 Van Ness Avenue, San Francisco, California 94102 between the hours of 8:00 a.m. and noon daily.

Evidentiary Hearings

The CPUC may hold formal Evidentiary Hearings (EH's) whereby the formal parties of record provide testimony and are subject to cross-examination before the CPUC's Administrative Law Judge (ALJ). These hearings are open to the public to listen, but only those who are formal parties of record are allowed to participate. The CPUC has their own court reporters who will take the comment of those formal parties of record participating in the EH's. The water companies that submitted the proposed Application will provide testimony at the hearings. The Division of Ratepayer Advocates (DRA) consists of engineers, accountants, economists, and attorneys who independently evaluate the proposals of utilities for and present their analyses and recommendations for the CPUC at EH's. Once hearings are completed, the ALJ will consider all of the evidence presented and release the proposed draft decision. When the CPUC issues a final decision, it may adopt, amend, or modify all or part of the ALJ's draft decision. The final decision may differ from the requests in the proposed applications filed by each water utility listed above.

Public Comments

If you wish to comment on this proposed application filing or informally protest this filing as a customer of Park Water Company, you may do so by contacting the CPUC's Public Advisor's Office (PAO). Written public comment by Park Water Company customers is very much desired by the CPUC and may be sent to the Public Advisor's Office at 320 West 4th Street, Ste. 500, Los Angeles, CA 90013 or via e-mail to public.advisor.la@cpuc.ca.gov. Please state that you are writing about Park Water Company's Application 10-09-017 when sending your written correspondence or e-mail. All public comments become part of the formal public comment file in this proceeding. These public comments will be circulated to the assigned Administrative Law Judge, the assigned Commissioner and the appropriate line Division CPUC staff for review.

Public Advisors' Phone Number:

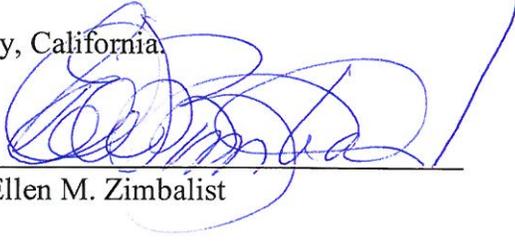
213-576-7055

Toll Free: 1-866-849-8391

CERTIFICATE OF SERVICE

I hereby certify that on this date I served the foregoing “**PARK WATER COMPANY RULE 3.2 (d) COMPLIANCE FILING**” by electronic mail or Federal Express delivery on the Service List for **A.10-09-017** below:

Executed this 4th day of May 2011, at Downey, California.



Ellen M. Zimbalist

By Electronic Mail:

leigh@parkwater.com
ed.jackson@parkwater.com
kswitzer@gswater.com
jeffrey.linam@amwater.com
aly@cpuc.ca.gov
tsmegal@calwater.com
dstephen@amwater.com
davidmorse9@gmail.com
gmilleman@valenciawater.com
dadellosa@sgvwater.com
jgaron@gswater.com
nancitran@gswater.com
robert.maclean@amwater.com
tom@alcowater.com
jhawks_cwa@comcast.net
olivia.para@amwater.com
sarah.leeper@amwater.com
mlane@nossaman.com
mmattes@nossaman.com
turash@calwater.com
tguster@greatoakswater.com
palle_jensen@sjwater.com
lwa@cpuc.ca.gov
cmw@cpuc.ca.gov
jb5@cpuc.ca.gov
jjz@cpuc.ca.gov

jm2@cpuc.ca.gov
mfg@cpuc.ca.gov
ts2@cpuc.ca.gov

By Federal Express:

Christine M. Walwyn
California Public Utilities Commission
Division of Administrative Law Judges
505 Van Ness Avenue
San Francisco, CA 94102-3214