



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

**FILED**  
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Application of California-American Water Company )  
(U210W), California Water Service Company (U60W), ) APPLICATION 10-09-017  
Golden State Water Company (U133W), Park Water ) (Filed September 20, 2010)  
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. )  
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**NOTICE OF EX PARTE COMMUNICATION  
BY CALIFORNIA WATER SERVICE COMPANY (U60W),  
AND GOLDEN STATE WATER COMPANY (U-133-W)  
LATE FILED**

On Wednesday, January 26, 2012, Thomas F. Smegal (Vice President, Regulatory Matters for California Water Service Company) and John Garon (Regulatory Affairs Manager for Golden State Water Company) (Companies) met with Lester Wong (Advisor to Commissioner Peevey) at the offices of the Public Utilities Commission at 505 Van Ness Avenue in San Francisco. The meeting started at 10:30 am and lasted 15 minutes. The purpose of the meeting was to discuss the need for a Proposed Decision and ultimately a Final Decision in Application 10-09-017 filed on September 20, 2010. The meeting was requested by the Companies.

At the meeting, Mr. Smegal and Mr. Garon advised Mr. Wong that California Water Service Company would be issuing its 2011 Form 10-K on February 29, 2012 and that Golden State Water Company would be issuing its Form 10-K on or about March 12, 2012 and that without guidance from the Commission, at least in the form of a Proposed Decision, Golden State Water Company will need to re-evaluate the current accounting guidance and possibly not be able to record all of the revenues related to the portion of the WRAM that would not be

recovered within 24 months from the end of the year, December 31, 2011. Golden State Water Company has had discussions with its auditors and is currently addressing this issue with them in connection with the 2011 annual audit. California Water Service Company's auditors are also evaluating the recording of WRAM revenues in connection with its annual audit. Thus the publication of a Proposed Decision granting shorter amortization periods would have a direct impact on the Companies' Financial Statements and financial ratios and could have an impact on the Companies' financial ratings.

Mr. Smegal and Mr. Garon also advised Mr. Wong that the Companies are required to file Advice Letters no later than March 31, 2012 to recover or refund the balances in their 2011 WRAM/MCBA accounts. Therefore, the Commission would need to issue a final decision at its last regularly scheduled meeting in March 2012 (March 22, 2012) in order to effectuate any changes to the 2012 filings. In order to do so, a Proposed Decision would need to be issued in February 2012 no later than 30 days before the regularly scheduled meeting in March 2012 (February 21, 2012).

Lastly Mr. Smegal and Mr. Garon pointed out, that as noted in the Division of Ratepayers Advocates (DRA) Opening Briefs, DRA and the Companies had very similar positions on most issues and that these should be reflected in any Proposed Decision.

In accordance with Commission Rule of Practice and Procedure 1.10, GSWC is electronically serving this Notice on all parties.

January 30, 2012

Respectfully submitted,  
/s/ John Garon

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