



FILED

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

04/20/12
04:59 PM

Application Of CALIFORNIA-AMERICAN WATER COMPANY (U-210-W), CALIFORNIA WATER SERVICE COMPANY (U-60-W), GOLDEN STATE WATER COMPANY (U-133-W), PARK WATER COMPANY (U-314-W) AND APPLE VALLEY RANCHOS WATER COMPANY (U-346-W) 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

**NOTICE OF EX PARTE COMMUNICATION BY
CALIFORNIA WATER SERVICE COMPANY (U-60-W)**

Pursuant to Article 8 of the Commission's Rules of Practice and Procedure ("Rules"), California Water Service Company (U-60-W) submit the this notice of ex parte communications regarding the above-captioned proceeding.

On Wednesday, April 18, 2012 at approximately 4 pm, Thomas F. Smegal (Vice President, Regulatory Matters and Corporate Relations for California Water Service Company) spoke with Charlotte TerKeurst, Chief of Staff to Commissioner Ferron, by telephone. The meeting lasted approximately 5 minutes. The meeting began as a procedural communication initiated by Ms. TerKeurst, but Mr. Smegal discussed substantive issues during the call. No written materials were provided.

During the meeting, Mr. Smegal raised the concern that the revised Proposed Decision ("PD") ordered utilities to consider revisions or options to the WRAM mechanisms in the next general rate case ("GRC") but prejudged the amortization regime for whatever mechanism might be adopted in that case. Mr. Smegal suggested that a better approach would be to consider the amortization "cap" as one among other potential solutions to large under-collected balances. Mr. Smegal raised the concern that the prejudgment of an amortization regime would distort the potential options developed in the GRC. Mr. Smegal also expressed concern that the

proposed future amortization cap was unreasonably low and would not likely remove the utilities' disincentive to promoting conservation. Finally, Mr. Smegal requested that Commissioner Ferron's office continue to hold the revised proposed decision to allow for further dialogue with Commission staff.

Respectfully Submitted,

/s/ THOMAS F. SMEGAL

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**Vice President, Regulatory Matters
California Water Service Company**

Dated: April 20, 2012