

CMW/gd2 3/17/2011



**FILED**

03-17-11  
08:48 AM

**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)

**ADMINISTRATIVE LAW JUDGE'S RULING  
MODIFYING FEBRUARY 28, 2011 RULING**

Based on the facts presented in California-American Water Company's (Cal-Am's) March 10, 2011 "Motion for Clarification and Reconsideration of the February 28, 2011 Ruling of the Assigned Administrative Law Judge Requiring Special Notice at Shareholder Expense" and attached Declarations, this ruling modifies the February 28, 2011 ruling to allow Cal-Am to (1) include customer notice of this proceeding as a bill insert for those customers whose regular billing

cycles would permit notification by the end of April, 2011 and (2) book any expenses of the mailings into its regulatory accounts.<sup>1</sup>

This ruling also provides Cal-Am clarification on notice for Monterey District customers. A draft notice is currently with the Public Advisor for final approval that informs Monterey customers of the specific manner in which Cal-Am proposes to assess surcharges for 2010 Water Revenue Adjustment Mechanism/Modified Cost Balancing Account (WRAM/MCBA) undercollections for each residential customer tier level and all other customer classes. This draft notice also informs customers that Cal-Am continues to accumulate large WRAM/MCBA undercollections in 2011, and that options to address this issue are being considered in this proceeding. In the scheduled March 22, 2011 filing on options and recommendations to address the continuing 2011 large WRAM/MCBA undercollections in the Monterey District, Cal-Am and the Division of Ratepayer Advocates should address whether there is a need for further customer notice and, if so, what the notice should contain.

Therefore, **IT IS RULED** that:

1. The February 28, 2011 ruling by the undersigned Administrative Law Judge is modified to allow California-American Water Company to (1) include customer notice of this proceeding as a bill insert for those customers whose regular billing cycles would permit notification by the end of April, 2011 and (2) book any expenses of the mailings into its regulatory accounts.

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<sup>1</sup> Cal-Am also commits to provide separate notice to any customers in cycles that might miss the April notification deadline.

2. In the scheduled March 22, 2011 filing on options and recommendations to address the continuing 2011 large Water Revenue Adjustment Mechanism/Modified Cost Balancing Account undercollections in the Monterey District, California-American Water Company, and Division of Ratepayer Advocates shall address whether there is a need for further customer notice and, if so, what the notice should contain.

Dated March 17, 2011, at San Francisco, California.

/s/ CHARLOTTE F. TERKEURST for  
Christine M. Walwyn  
Administrative Law Judge