

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



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Application of Suburban Water Systems (U339W) for Authority to Increase Rates Charged for Water Service by \$19,234,576 or 35.85% in 2012, by \$3,032,827 or 4.18% in 2013, and by \$1,973,200 or 2.61% in 2014.

A1102002

**FINAL APPLICATION
OF SUBURBAN WATER SYSTEMS (U339W)
FOR AUTHORITY TO INCREASE RATES CHARGED FOR WATER SERVICE**

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Dated: February 1, 2011

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Application of Suburban Water Systems (U339W) for Authority to Increase Rates Charged for Water Service by \$19,234,576 or 35.85% in 2012, by \$3,032,827 or 4.18% in 2013, and by \$1,973,200 or 2.61% in 2014.

**FINAL APPLICATION
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FOR AUTHORITY TO INCREASE RATES CHARGED FOR WATER SERVICE**

As directed by the California Public Utilities Commission ("Commission") in Decision 07-05-062 (Order Instituting Rulemaking to Consider Revisions to the General Rate Case Plan for Class A Water Companies, D.07-05-062, ("Rate Case Plan")), Suburban Water Systems ("Suburban" or "Applicant") hereby submits its application to increase rates for water service. Suburban will file its final application on January 31, 2011.

I. STATEMENT OF RELIEF SOUGHT

By this Application, Suburban seeks a general rate increase for water service for the total company in order to realize the following increased revenue:

<u>Year</u>	<u>Amount of Increase</u>	<u>Percent</u>
2012	\$19,234,576	35.85%
2013	\$ 3,032,827	4.18%
2014	\$ 1,973,200	2.61%

Following is a summary of the requested increase:

Comparison of Proposed Increase to Last
Test Year Adopted and Recorded Actual Amounts
(Dollar Amounts in Thousands)

	<u>Last Test Year Adopted</u>	<u>Last Recorded Year</u>
Total Rev Req \$	\$17,087.5	\$20,417.6*
Total Rev Req %	30.63%	38.92%
Rate Base \$	\$5,513.6	\$11,280.8
Rate Base %	6.01%	13.11%
Operating Expenses \$	\$16,599.3	\$20,776.3
Operating expenses %	34.54%	47.35%
Rate of Return	0.18%	-1.45%

*Of the total revenue requirement increase in 2012, 75% is brought about by increases in the cost of purchased water and pump taxes. Suburban has no control over the prices of either of these cost items.

II. NECESSITY FOR GENERAL RATE RELIEF

Basic to Applicant's request for authority to raise rates is the fact that, in the test years at its present general metered rates, any annual increase in revenues resulting from customer growth or increased consumption will be more than offset by increases in expenses, rate of return, including costs related to

capital expenditures. The general metered rates the Commission previously authorized will, with the passage of time, become unjustly and unreasonable low. The rates Suburban requests are just and reasonable, and reflect and pass through to customers only increased costs to the Applicant for service.

As required by the Rate Case Plan, following are primary factors behind Suburban's request for increased rates: higher costs for purchased water and pump taxes that are beyond the control of Suburban, construction of reservoir 224, construction of reservoir 408, additional staffing needs, and water conservation programs.

**Cumulative Addt'l Revenue Requirement
Compared To Present Rates**

	2012	2013	2014
Pump Taxes	\$7,104,441	\$6,969,999	\$7,139,370
Purchased Water	\$7,291,532	\$7,108,231	\$7,280,961
Income Taxes And Other	\$3,533,393	\$5,827,109	\$6,479,568
Additional Staffing Needs *	\$1,150,341	\$1,172,198	\$1,200,682
Construction of Reservoir R-224	(\$95,131)	\$907,796	\$1,915,713
Water Conservation Program	\$250,000	\$250,000	\$256,075
Construction of Reservoir R-408		(\$63,877)	(\$127,714)
	<u>\$19,234,577</u>	<u>\$22,171,456</u>	<u>\$24,144,655</u>

* Amounts reflect the net increase in costs of four employees transferred from Utility Group to Suburban; i.e. cost increases from amounts Utility Group is currently allocating to Suburban.

III. RATE DESIGN

A. Continuation of Trial Program

In Decision 08-02-036 the Commission approved a settlement agreement between Suburban and the Division of Ratepayer Advocates ("DRA"). The settlement adopted a trial program of

conservation rates for residential customers consisting of a two-tier inclining block rate structure. The twelve-month moving average residential water demand has declined dramatically - 12% in the San Jose Hills Service Area and an equivalent amount in the Whittier/La Mirada Service Area - since Suburban introduced conservation rates on October 1, 2008. The trial program included a Monterey-style Water Revenue Adjustment Mechanism ("WRAM"). Suburban recommends that the Commission authorize it to continue this trial program.

Some of Suburban's non-residential customers are highly water intensive, such as juice manufacturers. Water is a large component of their cost structure. Given the current state of the economy, Suburban strongly recommends that for purposes of this proceeding that the trial program not be expanded beyond the current residential customer class.

In this proceeding Suburban requests that there be no changes in the current inclining block rate design for residential customers, no change in the uniform rate design for non-residential customers and that the current Monterey-style WRAM and long-standing incremental cost balancing accounts be continued unchanged. Suburban requests that any changes in cost of service and rates resulting from this proceeding be applied as proposed in this application; that is, applied uniformly to the rate design and WRAM that the Commission ultimately approves for the trial program.

B. Reporting

Decision 08-02-036, Ordering Paragraph 6, required that Suburban provide the following information in this filing:

- " . . . monthly or bimonthly (depending upon the billing cycle) per customer or service connection changes in consumption by district, separated by meter size and customer class, following the implementation of the conservation rate design trial programs;"
- " . . . surcredits or surcharges by district and customer class implemented in amortizing WRAMs and/or WRAMs/MCBAs;"
- increase or decrease in disconnecting low-income program participants for nonpayment by district after adoption of conservation rate designs;"
- " . . . increase or decrease in low-income program participation by district after adoption of conservation rate designs;"
- " . . . increase or decrease in residential disconnections for nonpayment by district after adoption of conservation rate designs; identification of any weather or supply interruption that might contribute to consumption changes in districts; and any other district-specific factor that might contribute to consumption changes."

Following is the information requested where applicable:

For conservation rate design trial program: Suburban only has residential class customers. Below is the residential usage

per customer comparison (in ccf) between prior to implementation of tier rates and after.

Meter Size	Prior to Implementation of Tier Rates - 9/30/08		Tier Rates effective 10/1/08) - as of 9/30/10		Difference	
	SJH	WLM	SJH	WLM	SJH	WLM
5/8x3/4"	25.85	21.10	24.51	19.20	(1.35)	(1.90)
3/4"	22.46	21.75	21.72	20.95	(0.75)	(0.79)
1"	32.40	34.27	30.88	30.01	(1.52)	(4.26)
1 1/2"	89.39	86.06	82.60	74.96	(6.79)	(11.10)
2"	140.33	203.29	131.37	116.11	(8.97)	(87.18)
3"	202.90	679.00	178.75	257.00	(24.15)	(422.00)

Suburban does not have amortization of WRAM as of October 31, 2010. There was an increase of 15 customers in disconnection of low-income program participants as of December 31, 2009 compared to 2008. Suburban does not monitor this by District. Below is the summary comparison of LIRA participants by service area:

As of Dec. 31,	LIRA Participant			
	SJH	WLM	Total	Increase/Decrease
2008	1,431	807	2,238	
2009	2,589	1,337	3,926	1,688 75%

There was an increase of 53 customers or 5% from December 31, 2009 compared to 2008 for disconnections in residential class customers.

IV. LIST OF CONTENTIOUS ISSUES

Issue: Additional Staffing Needs (Revenue requirement impacts for 2012 and 2013 are \$1,150,341 and \$1,172,198, respectively)

Issue: Construction of Reservoir R-224 (Revenue requirement impacts for 2012 and 2013 are (\$95,131) and \$907,796 respectively)

- Issue: Water Conservation Program (Revenue requirement impacts for 2012 and 2013 are \$250,000 in both years)
- Issue: Construction of Reservoir R-408 (Revenue requirement impact for 2012 and 2013 are \$0 and (\$63,877), respectively)
- Issue: Special Request - Federal Health and Dental Care bill Memorandum Account (Revenue requirement impact unknown)
- Issue: Special Request - Triggered Memorandum Account for Adoption of International Financial Reporting Standards (IFRS) (Revenue requirement impact unknown)

V. WATER ACTION PLAN CHECKLIST

In July 2006, the Director of the Water Division issued a letter that included a Water Action Plan checklist of the following items that should be addressed in General Rate Cases filed by Class A water utilities.

A. Water Quality

The water quality related items on the in the Water Action Plan checklist are addressed in the Direct Testimony of Koby Cohen.

B. Conservation

Membership in California Urban Water Conservation Council ("CUWCC") and Compliance with 14 Best Management Practices -- Suburban joined CUWCC in June 2007 and will not be required to report compliance until early 2011.

Increasing Block Rates -- Decision 08-02-036 adopted a trial program of conservation rates for residential customers consisting of a two-tier inclining block rate structure.

Decoupling Sales from Revenue -- The settlement adopts a form of water revenue adjustment mechanism known as the Monterey

WRAM, which the Commission mandated for Suburban in D.06-08-017. The WRAM differs from conventional decoupling WRAMs in some respects.

Financial Incentives (10 percent energy reduction in three years) -- Suburban carefully watches the efficiency of its pumps and motors and replaces those that are inefficient. A 10 percent reduction seems highly unlikely given Suburban's current cost-effective pump and motor change-out program and low water loss.

Leak Detection Program -- Suburban closely monitors water production and consumption and records "unaccounted for water" monthly. If there is an increase in the "unaccounted for water" above what is considered to be "normal water loss," Suburban will investigate the cause will promptly repair any leaks found.

Meters -- All of Suburban's service areas are 99 percent metered. Suburban maintains an aggressive meter testing and replacement program to ensure that meters are operating efficiently. Every year Suburban replaces all meters between 5/8 inch and 1 inch that are 15 years old. Meters 2 inches and larger are tested annually and replaced in house every 12 years. Suburban production meters, including connection meters, well meters and booster pump meters are tested by Suburban on a quarterly basis to ensure accuracy. All of Suburban's meters are overhauled and calibrated to operate within American Water Works Association (AWWA) specifications.

Leak Repair Times -- Suburban proposes to greatly improve its leak repair time as a result of the leak repair crew proposed

in this proceeding.

C. Infrastructure Investment

Urban Water Management Plan - provided separately to DRA.

Distribution System Improvement Surcharge ("DSIC") -

Suburban has a history of successfully funding its infrastructure replacement needs with conventional general rate increases, therefore a DSIC would not be an effective financing tool for Suburban.

Security (Confirm compliance with EPA Vulnerability Assessment and Office of Emergency Services Response Plan) - See Direct Testimony of Koby Cohen

D. Low-Income Ratepayer Assistance

Decision 08-02-036 approved a low-income ratepayer assistance program for Suburban, which has been implemented. During the period of September 2008 through December 2009, Suburban collected \$919,780 in low-income surcharges and provided low-income credits to 3,926 qualifying low-income customers totaling \$282,971.

VI. SPECIAL REQUESTS

A. Amortization of Cost of Capital Memorandum Account

Suburban requests authorization to amortize the costs related to the cost of capital proceeding (A.09-05-005) that it has been tracking in a memorandum account. In D.09-07-038, the Commission authorized Valencia Water Company, San Gabriel Valley Water Company, and Suburban to establish memorandum accounts to track the incremental costs of participation in the 2010 base year cost of capital proceeding and directed the companies to seek authority to amortize the costs tracked in the memorandum accounts

as part of their general rate cases.

Suburban and DRA entered into a settlement in Suburban's last general rate case, which included regulatory expenses (see D.09-03-007). The settled amount covered Suburban's expenses to prepare and litigate the rate case application, but not interim proceedings such as the cost of capital proceeding. Suburban generally does not employ outside counsel or outside consultants for Commission proceedings other than general rate cases. For proceedings in between rate cases, particularly generic rulemaking proceedings, Suburban relies upon Robert Kelly, Vice President of Regulatory Affairs, as well as general representation by the California Water Association ("CWA"). Neither Mr. Kelly's salary nor Suburban's CWA dues are included in Suburban's regulatory expense category. Therefore, Suburban's regulatory expense category normally consists of Suburban's external expenses associated with its general rate case proceedings.

In order to participate effectively in the cost of capital proceeding, Suburban was required to engage the services of its outside counsel. The cost of capital proceeding involved lengthy evidentiary hearings, briefing, and comments on the proposed decision. Suburban seeks to amortize the costs for these items and other costs incurred during the cost of capital proceeding that it has been tracking in the memorandum account.

B. Recycled Water Balancing Account

Suburban is requesting approval of a new balancing account for recycled water, one which will be an incremental balancing account similar to Suburban's current purchased water

balancing account; that is, the balancing account will be limited to tracking variances from the adopted price level of recycled water.

C. Fire Flow Testing Charge

Suburban requests a finding and order allowing it to charge for fire flow tests. The Commission authorized California Water Service Company a fire flow test charge in D.08-07-008, Ordering Paragraph 23.

D. Federal Health and Dental Care Bill Memorandum Account

The newly enacted National Healthcare Bill has contributed to the uncertainty and magnitude of future expenses. This memorandum account will protect Suburban and ratepayers from such uncertainty.

E. Triggered Memorandum Account for Adoption of International Financial Reporting Standards (IFRS)

Suburban requests authority to file by a Tier 2 Advice Letter a memorandum account to track costs required to comply with a conversion to IFRS. Such Advice Letter would only be filed after there becomes clear guidance for non-public companies on the timeliness and actions necessary to implement IFRS.

VII. SB 960 SCOPING MEMORANDUM

(A) Category: Ratesetting

(B) Are Evidentiary Hearings Necessary? Yes.

Potentially, there may be factual disputes on material issues, which will necessitate evidentiary hearings on such topics as water sales and operating revenue, operation and maintenance expenses, utility plant, depreciation, rate base, taxes, revenue

requirements, conservation and customer service. Pursuant to the Rate Case Plan, Suburban based cost of capital on Decision 10-10-035, which established cost of capital for Suburban as well as five other applicants in that proceeding.

(C) Support: Suburban plans to introduce the following evidentiary items, as necessary, in support of its rate request: this application, exhibits to the application and testimony, together with Suburban's work papers, and Master Data Request Responses.

(D) Are Public Witness Hearings Necessary? Yes

(E) Issues: As required by the Rate Case Plan, Suburban includes in this application the following list of potentially contentious issues: (1) higher cost of purchased water and pump taxes that are beyond the control of Suburban; (2) rates for recycled water service and request for an associated incremental cost balancing account; (3) construction of reservoir 408; (4) construction of reservoir 224; (5) additional staffing needs; and (6) water conservation programs.

VIII. SCHEDULE

The Commission's Rate Case Plan governs this application. Under the Rate Case Plan, the Commission should issue a final decision on November 7, 2011. As permitted in the Commission's Rate Case Plan, Suburban and DRA mutually agreed to extend the filing deadline for Suburban's Proposed Application until December 1, 2010 and to continue this extension throughout the general rate case. According to the rate case processing schedule in the Rate Case Plan, this extension does not prevent the Commission from

issuing a decision in time for Suburban to implement new rates by January 1, 2012. Nonetheless, DRA and Suburban agree that if this extension for some reason prevents the Commission from issuing its decision in time to implement new rates by January 1, 2012, Suburban should be allowed to implement interim rates. This agreement regarding interim rates pertains only to this extension. If Suburban is the cause of additional delay in the procedural schedule that prevents the Commission from issuing a decision in time for Suburban to implement new rates by January DRA will consider the issue of interim rates at that time.

The schedule for the case is shown below. The day schedule shown is consistent with the Commission's Opinion Adopting Revised Rate Case Plan For Class A Water Utilities, D.07-05-062

**PROPOSED 2011 GENERAL RATE CASE SCHEDULE
SUBURBAN WATER SYSTEMS**

No.	Event	Date	Day Schedule	Item Scheduled Shift Due to Holidays/ Weekends
1.	Proposed Application Tendered	Dec 1, 2010	(60)	
2.	Deficiency Letter Mailed	Dec 30, 2010	(30)	
3.	Appeal to Executive Director	Jan 4, 2011	(25)	
4.	Executive Director Acts	Jan 10, 2011	(20)	1
5.	Application Filed/Testimony Served	Feb 1, 2011	0	2
6.	PHC & PPH Start Date	Feb 8, 2011	10	
7.	PHC Finish Date	Apr 14, 2011	75	
8.	Update of Applicant's Showing	Mar 15, 2011	45	
9.	Public Participation Hearings (End Date)	Apr 29, 2011	90	
10.	DRA Testimony	May 6, 2011	97	
11.	Other Parties Serve Testimony	May 6, 2011	97	
12.	Rebuttal Testimony	May 23, 2011	112	2
13.	ADR Process (Start Date)	May 24, 2011	115	
14.	ADR Process (End Date)	Jun 3, 2011	125	
15.	Evidentiary Hearings (if required - start)	Jun 6, 2011	126	2
16.	Evidentiary Hearings (if required - end)	Jun 8, 2011	130	
17.	Opening Briefs Filed and Served	Jul 8, 2011	160	
18.	Motion for Interim Rates	Jul 8, 2011	160	
19.	Mandatory Status Conference	Jul 11, 2011	161	2
20.	Reply Briefs Filed and Served (with Comparison Exhibit)	Jul 25, 2011	175	2
21.	Water Division Technical Conference	Jul 28, 2011	180	
22.	Proposed Decision Mailed	Sep 26, 2011	240	
23.	Comments on Proposed Decision	Oct 17, 2011	260	1
24.	Reply Comments	Oct 21, 2011	265	
25.	Commission Meeting	Nov 7, 2011	280	2

IX. OTHER FORMAL MATTERS AND PROCEDURAL REQUIREMENTS

(A) This application is made pursuant to Section 451 et seq. of the California Public Utilities Code.

(B) Applicant's legal name is Suburban Water Systems. Suburban's corporate office and post office address is 1211 E. Center Court Drive, Covina, CA 91724.

(C) Applicant Suburban Water Systems, a California corporation, organized under the laws of the State of California, October 23, 1953, is a Class A regulated water utility organized and operating under the laws of the State of California. Suburban provides water services in various areas of Los Angeles County and Orange County.

(D) A certified copy of Applicant's Articles of Incorporation and all amendments thereto have heretofore been filed with the Commission in connection with Application Nos. 41492, 44154, 53900, 57025, 83-08-29 and D.06-08-015. The Articles of Incorporation have not been subsequently amended.

(E) None of the persons described in Section 2 of General Order No. 104-A has a material financial interest in any transaction involving the purchase of materials or equipment or the contracting, arranging, or paying for construction, maintenance work, or service of any kind to which Applicant has been a party during the period subsequent to the filing of Suburban's last Annual Report with this Commission or to which Suburban proposed to become a party at the conclusion of the year covered by said Annual Report.

(F) Applicant is now and will be ready to proceed with its showing as prescribed by the Commission's Rate Case Plan.

(G) Applicant anticipates that, subsequent to the filing of this applicant and prior to the issuance of a decision by the Commission, Applicant may file one or more advice letter requests to offset unanticipated increases in expenses that may be incurred, or to file one or more advice letters requesting recovery or refund of captured balances in its various memorandum or balancing accounts. Any such offset rate increases requested by advice letter will be in addition to the increases in rates requested in this application.

X. CORRESPONDENCE, NOTICE, AND SERVICE

Correspondence concerning this application should be sent to:

Robert L. Kelly
Suburban Water Systems
1211 E. Center Court Drive
Covina, California 91724-3603
Telephone: (626) 543-2590, Fax: (626) 331-4848

Copies of such correspondence and communication should be sent to:

Lori Anne Dolqueist
Manatt, Phelps & Phillips, LLP
One Embarcadero Center, 30th Floor
San Francisco, California 94111
Telephone (415) 291-7452, Fax: (415) 291-7474

Within ten days of filing this final application, Applicant will cause to be published once a notice of the proposed increases in a newspaper of general circulation in the area served and will file proof of publication with the Commission. Applicant

will mail a copy of this application to the parties set forth in Exhibit D.

XI. EXHIBITS AND TESTIMONY

Suburban provides the following exhibits and testimony in support of this application:

- Exhibit A Report on the Results of Operations Test Years 2012 and 2013 of Suburban Water Systems. (Recorded and Pro Forma Utility Operating Income and Rates of Return for the Company, 12 months ended December 31, 2012, are shown in Table 10-1 in Chapter 10 of the exhibit.)
- Exhibit B Balance Sheet and Income Statement
- Exhibit C Notice To Customers (approved by the Public Advisors Office)
- Exhibit D Service List for Final Application
- Exhibit E Comparison Exhibit Explaining Differences Between the Proposed Application and the Application
- Exhibit F Tariffs

Direct Testimony of Christian Aldinger	Depreciation
Direct Testimony of Walter Bench	Insurance
Direct Testimony of Kiki Carlson	Sponsor Chapter 4 "Water Sales and Operating Revenues" as it relates to demand forecasts for industrial, public authority and construction water customers, Chapter 5 "Operating Expenses" except for the areas of conservation expenses, insurance and parent company expenses, and Chapter 8, "Rate Base" as it relates to working cash
Direct Testimony of Koby Cohen	Water Quality

Direct Testimony of Craig Gott	Capital Projects
Direct Testimony of Wendy Illingworth	Demand Forecasts
Direct Testimony of Stephen Johnson	San Gabriel Basin
Direct Testimony of Robert Kelly	Sponsor Chapter 1, "Introduction"; Chapter 2, "Company History"; Chapter 3, "Company Operations"; Chapter 4, "Water Sales and Operating Revenues"; Chapter 5, "Operating Expenses", as it relates to conservation expenses except for insurance and parent company expenses, Chapter 8, "Rate Base"; Chapter 9, "Taxes"; Chapter 10, "Summary of Earnings"; the "Revenue Requirements" section of Chapter 11, "Revenue Requirements", and Chapter 12, "Rates", in Exhibit No.(SWS-1), "Suburban Water Systems, Total Company Results of Operations."
Direct Testimony of Raj Morey	Parent Company Costs

XII. CONCLUSION

WHEREFORE, Suburban respectfully requests that this Commission issue its findings and an order to the effect that:

1. The present rates authorized for Suburban are projected to be, in the test years, unfair, unjust and unreasonable;
2. The rates proposed and requested by Suburban are fair, just and reasonable;
3. Suburban also be granted the relief requested in of this application;
4. Suburban Water Systems be authorized to publish,

file and make effective, beginning January 1, 2012, the proposed rates requested or such other rates as will result in the additional gross revenues requested in this application; and

5. For such other and further relief as is just.

Respectfully submitted,

Dated: January 31, 2011

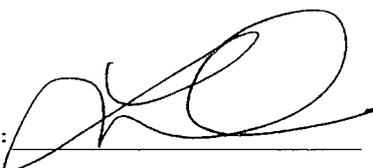
SUBURBAN WATER SYSTEMS

By:  _____

Robert L. Kelly
Vice Present, Regulatory Affairs

Dated: January 31, 2011

MANATT, PHELPS & PHILLIPS, LLP

By:  _____

Lori Anne Dolqueist, Esq.
Attorneys for Applicant
Suburban Water Systems

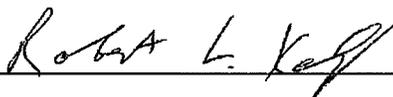
VERIFICATION

I, THE UNDERSIGNED, SAY:

I am authorized to make this Verification for and on its behalf, and I make this Verification; I have read the above document and know its contents; 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 foregoing is true and correct.

Executed at Covina, California this 31st day of
January 2011.

A handwritten signature in cursive script, reading "Robert L. Kelly", is written over a horizontal line.

Robert L. Kelly

NOTICE OF AVAILABILITY

Exhibits A-F in support of Suburban Water System's Application exceeds 50 pages in length and 3.5 megabytes in size. Therefore, pursuant to Rules 1.9(c)(1)-(2), Suburban Water Systems hereby provides this Notice of Availability of Exhibits A-F. Upon written request, Suburban Water Systems will provide a copy of Exhibits A-F in support of the Application on parties on whom this Notice of Availability is served. Parties that wish to obtain a copy of Exhibits A-F in support of the Application should contact:

Demetrio A. Marquez
Paralegal
Manatt, Phelps & Phillips, LLP
1 Embarcadero Center, 30th Floor
San Francisco, CA 94111
Tel: 415-291-7557
Fax: 415-291-7659
Email: dmarquez@manatt.com

Exhibits to the Application

Exhibit A - Results of Operations

Exhibit B - Balance Sheet and Income Statement

Exhibit C - Notice to Customers

Exhibit D - Service List for Final Application

Exhibit E - Comparison Exhibit Explaining Differences

between the Proposed Application and the Final Application

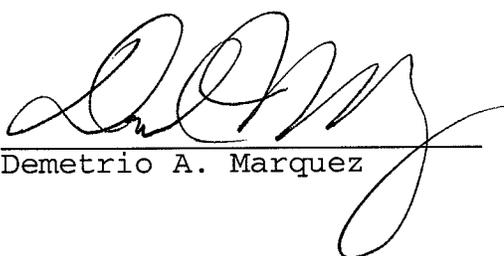
Exhibit F - Tariffs

Suburban Water Systems will serve (but not file) direct testimony in support of the Application.¹ Parties needing

¹ See Section XI. in the Application.

a copy of direct testimony should also contact Mr. Marquez.

Dated: January 31, 2011

By: 
Demetrio A. Marquez

1 **PROOF OF SERVICE**

2 I, Demetrio Marquez, declare as follows:

3 I am employed in San Francisco County, San Francisco,
4 California. I am over the age of eighteen years and not a party
5 to this action. My business address is MANATT, PHELPS &
6 PHILLIPS, LLP, One Embarcadero Center, 30th Floor, San Francisco,
7 California 94111. On February 1, 2011, I served the within:

8 **FINAL APPLICATION**
9 **OF SUBURBAN WATER SYSTEMS (U339W)**
10 **FOR AUTHORITY TO INCREASE RATES CHARGED FOR WATER SERVICE**

11 ON THE INTERESTED PARTIES IN THIS ACTION ADDRESSED AS FOLLOWS:

12 *See Attached Service List*

13 **(BY MAIL)** By placing such document(s) in a sealed envelope,
14 with postage thereon fully prepaid for first class mail,
15 for collection and mailing at Manatt, Phelps & Phillips,
16 LLP, San Francisco, California following ordinary business
17 practice. I am readily familiar with the practice at
18 Manatt, Phelps & Phillips, LLP for collection and
19 processing of correspondence for mailing with the United
20 States Postal Service, said practice being that in the
21 ordinary course of business, correspondence is deposited in
22 the United States Postal Service the same day as it is
23 placed for collection.

24 **(BY OVERNIGHT MAIL)** By placing such document(s) in a sealed
25 envelope, for collection and overnight mailing at Manatt,
26 Phelps & Phillips, LLP, San Francisco, California following
27 ordinary business practice. I am readily familiar with the
28 practice at Manatt, Phelps & Phillips, LLP for collection
and processing of overnight service mailing, said practice
being that in the ordinary course of business,
correspondence is deposited with the overnight messenger
service, February 1, 2011, for delivery as addressed.

29 I declare under penalty of perjury under the laws of
30 the State of California that the foregoing is true and correct
31 and that this declaration was executed on February 1, 2011, at
32 San Francisco, California.

33 
34 _____
35 Demetrio A. Marquez

36 300207502.1

SUBURBAN WATER SYSTEMS

2011 FINAL GENERAL RATE CASE APPLICATION SERVICE LIST

STATE SERVICE LIST

Via Federal Express

*With Exhibits

*Victor Chan
Division of Ratepayer Advocates
320 West 4th Street, Room 500
Los Angeles, CA 90013

*Lisa Bilir
Division of Ratepayer Advocates
California Public Utilities
Commission
505 Van Ness Avenue
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SUBURBAN WATER SYSTEMS

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SUBURBAN WATER SYSTEMS

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SUBURBAN WATER SYSTEMS

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