

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA



FILED

08-07-08
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In the Matter of the Application of the GOLDEN STATE WATER COMPANY (U 133 W) for an order authorizing it to increase rates for water service by \$20,327,339 or 20.12% in 2010; by \$2,646,748 or 2.18% in 2011; and by \$4,189,596 or 3.37% in 2012 in its Region II Service Area and to increase rates for water service by \$30,035,914 or 32.67% in 2010; by \$1,714,524 or 1.39% in 2011; and by \$3,664,223 or 2.92% in 2012 in its Region III Service Area

APPLICATION 08-07-010

(Filed July 1, 2008)

**CITY OF CLAREMONT'S PROTEST TO
GOLDEN STATE WATER COMPANY'S APPLICATION**

**Kendall H. MacVey
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for City of Claremont
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August 7, 2008

Pursuant to Rules 1.4 and 2.6 of the Rules of Practice and Procedure of the California Public Utilities Commission, the City of Claremont hereby files this protest to Golden State Water Company's Application 08-07-010 filed on July 1, 2008, notice of which was published in the Commission's Daily Calendar on July 11, 2008.

The City has participated in the last three most recent rate case proceedings that affect water rates in the City of Claremont. Golden State Water Company is the primary water purveyor in the City of Claremont. The City contains businesses, residents, and several nationally prominent non-profit college and post-graduate level institutions, all of which are dependent upon Golden State for water service. The City itself as a municipality is a substantial ratepayer and customer of Golden State.

Surveys of water rates in the area historically demonstrate that Golden State has among the highest water rates compared to other water purveyors in the general area adjoining Claremont. Through its application Golden State seeks a large rate increases for Region III in which the City is located. Golden State seeks a rate increase, that after consideration of compounding and potential advice letters, will represent more than a 37% increase.

The City protests Golden State's application because it represents a request for rates that would be unjust and unreasonable.

More particularly, the City also protests the increase in general office expenses and allocations associated with the Region II proceedings as unjust and unreasonable to the extent they apply to Region III. The City further protests the allocation of costs with respect to Golden State's affiliated divisions and corporate entities as unreasonable and unjust to Region III ratepayers. It protests the proposed expenses and allocations with respect to Golden State's Centralized Operations Support program as unreasonable and unjustified. It protests the proposed capital expenditures for Region III, including, but not limited to, the reasonableness and need for the proposed Wrightwood Imported Facilities Project. These capital projects have implications not only for rates through 2012, but also for future rate case cycles.

The City wishes to participate on rate design issues and issues that may relate to the cross-subsidization of rates internal to Region III.

The City agrees that the application should be categorized a rate setting proceeding. The City requests public participation hearings and evidentiary hearings. It specifically requests that public participation hearings be held within the City of Claremont. It requests that the evidentiary hearings be held in the CPUC offices in Los Angeles. The City agrees that the schedule should be consistent with the Rate Case Plan to the extent feasible after consideration of the scheduling needs of all prospective parties, including the Division of Ratepayer Advocates.

DATED: August 7, 2008.

Respectfully submitted,
BEST BEST & KRIEGER LLP

By: Kendall H. MacVey
KENDALL H. MacVEY
Counsel for City of Claremont

CERTIFICATE OF SERVICE
A. 08-07-010

I, **Frances A. White**, hereby certify that I have this day served a certified copy of the foregoing document: **CITY OF CLAREMONT'S PROTEST TO GOLDEN STATE WATER COMPANY'S APPLICATION**

on all known parties to **Application 08-07-010**; I caused the documents to be sent to the persons at the e-mail addresses listed below. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful. I also caused the documents to be sent via regular mail to those addresses listed below that had no email address.

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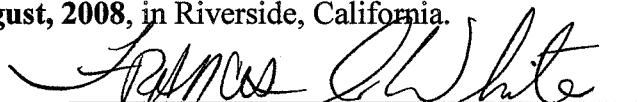
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Executed this 7 day of **August, 2008**, in Riverside, California.


Frances A. White