

Golden State Water Company

A Subsidiary of American States Water Company
 630 E. Foothill Blvd.
 San Dimas, CA 91773



Si necesita asistencia en Español, tenemos representantes de servicio al cliente disponibles para ayudarle cuando lo solicite, por favor llame al número 1-800-999-4033.

**NOTICE OF APPLICATION FILING FOR A GENERAL RATE INCREASE BY
 GOLDEN STATE WATER COMPANY
 (APPLICATION NO. 14-07-006)
 REGION 3 SERVICE AREA
 FOOTHILL & ORANGE COUNTY SERVICE AREAS**

On July 15, 2014, Golden State Water Company (GSWC) filed their General Rate Case (GRC), Application 14-07-006, with the California Public Utilities Commission (CPUC). The application filing by GSWC requests to increase rates over a three-year period for service in 2016, 2017, and 2018. GSWC is requesting authorization to increase revenues over current revenue in the Region 3 service area by \$857,800 (or 0.68 percent) for 2016, by \$3,055,600 (or 2.41 percent) in 2017, and \$3,490,700 (or 2.69 percent) in 2018.

The CPUC requires GSWC to submit a GRC on a three-year cycle. This rate application covers the period for 2016, 2017, and 2018. The CPUC will render a final decision and the amount approved by the CPUC could vary from the original request by GSWC.

All GSWC's Region 3 service areas serve approximately 98,000 customers in all or portions of the cities of Barstow, Lenwood, Town of Apple Valley, Lucerne Valley, Morongo Valley, Wrightwood, Calipatria and the community of Niland, and adjacent territory in Imperial County in the Mountain/Desert District and in Cypress, La Palma, Los Alamitos, Placentia, Seal Beach, Stanton, Yorba Linda, Cowan Heights, Lemon Heights Rossmoor, Claremont, Montclair, Pomona, Upland, San Dimas, Charter Oak, Glendora, Monterey Park, Rosemead, San Gabriel, Arcadia, El Monte, Irwindale, Monrovia and Temple City and adjacent vicinity in the Los Angeles, Orange and San Bernardino Counties in the Foothill and Orange County Districts.

SUMMARY

The tables below show the average monthly bill by customer class for metered customers in the Foothill and Orange County districts, **excluding any applicable surcharges**, if the proposed application is approved by the CPUC:

Year	Residential				Commercial			
	Monthly Bill for a 5/8 x 3/4" meter using 15 CCF				Monthly Bill for a 5/8 x 3/4" meter using 31 CCF			
	Current	Dollar Change	Proposed	% Increase Change	Current	Dollar Change	Proposed	% Increase
2016	\$65.33	\$-0.72	\$64.61	-1.1%	\$122.06	\$7.60	\$129.66	6.2%
2017	\$64.61	\$1.55	\$66.16	2.4%	\$129.66	\$3.05	\$132.71	2.4%
2018	\$66.16	\$1.78	\$67.94	2.7%	\$132.71	\$3.77	\$136.48	2.8%

Year	Industrial				Public Authority			
	Monthly Bill for a 2" meter using 61 CCF				Monthly Bill for a 2" meter using 126 CCF			
	Current	Dollar Change	Proposed	% Increase	Current	Dollar Change	Proposed	% Increase
2016	\$375.81	\$18.17	\$393.98	4.8%	\$584.46	\$33.12	\$617.58	5.7%
2017	\$393.98	\$9.46	\$403.44	2.4%	\$617.58	\$14.66	\$632.24	2.4%
2018	\$403.44	\$11.44	\$414.88	2.8%	\$632.24	\$17.94	\$650.18	2.8%

GSWC also proposes to modify the existing residential tariff from a 3-tier usage rate to a 4-tier usage rate to promote conservation. The table below shows the current and proposed tier structures:

	Current	Proposed
Tier 1	0 - 13 ccf	0 - 10 ccf
Tier 2	14 – 21 ccf	11 - 19 ccf
Tier 3	22 & over	20 - 45 ccf
Tier 4	N/A	46 & over

Additionally, GSWC proposes to set the non-residential usage rate for metered service at the second tier rate of the residential tariff (11 – 19 ccf), instead of the existing first tier rate (0 – 13 ccf).

In accordance with CPUC guidelines GSWC proposes new service charge rates for non-residential customers with dual-purpose meters that are larger than otherwise necessary due to fire sprinkler systems that are served from the same meter.

PRIMARY DRIVERS OF RATE CHANGE

The changes in revenue are due in part to increases in the following: 1) pump tax, 2) customer billing supplies, 3) purchased power, 4) return on rate base and 5) state income tax. GSWC is also forecasting several decreases in some business operating areas including purchased water, other operating expenses, chemical costs and allocated general office costs.

FOR FURTHER INFORMATION AND TO OBTAIN A COPY OF THE APPLICATION

A copy of GSWC's Application No. 14-07-006, and related exhibits, may be reviewed at the GSWC Customer Service Area (CSA) locations listed below. Most locations are open 8:00 a.m. to 5:00 p.m., but some may close for lunch and reopen following their lunch hour.

- Apple Valley CSA Office located at 13608 Hitt Road, Apple Valley, California 92308;
- Barstow CSA Office located at 1521 East Main Street, Barstow, California 92311;
- Calipatria-Niland CSA Office located at 631 South Sorensen Avenue, Calipatria, California 92233;
- Claremont CSA Office located at 915 W. Foothill Blvd., Suite E, Claremont, California 91711;
- Morongo Valley CSA Office located at 49634 Twenty-Nine Palms Highway, Morongo Valley, California 92256;
- Los Alamitos CSA Office located at 10852 South Cherry Street, Los Alamitos, California 90720;
- Placentia CSA Office located at 500 Cameron Street, Placentia, California 92870;
- San Gabriel CSA Office located 110 East Live Oak Avenue, Arcadia, California 91006;
- San Dimas CSA Office located 121 Exchange Place, San Dimas, California 91773;
- Wrightwood CSA Office located at 1500 State Highway #2, Wrightwood, California 92397

The application may also be reviewed at the CPUC's Central Files Office between the hours of 8:00 a.m. to noon daily in San Francisco, at 505 Van Ness Avenue, San Francisco, California 94102.

If you need additional information, you may visit www.gswater.com or call GSWC's 24-hour Customer Service Center; toll free, at 1-800-999-4033, TTY 1-877-933-9533.

CPUC PROCESS

As a party of record, the Office of Ratepayer Advocates (ORA) will review this application. ORA is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. ORA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. Other parties of record will also participate in the CPUC's proceeding to consider this application. For more information about ORA, please call (415) 703-1584, e-mail ora@cpuc.ca.gov or visit ORA's website at <http://ora.ca.gov/default.aspx>.

This application will be assigned to an Administrative Law Judge (Judge) who will determine how to receive evidence and other related documents, necessary for the CPUC to establish a record upon which to base its decision. Evidentiary Hearings (EHs) may be held where utilities, consumer advocacy groups, and other entities which have been given official status as "parties," will present their testimony and may be subject to cross-examination by other parties. These EHs are open to the public, but only those who are parties may participate. The hearings and documents submitted in the proceeding become part of the formal record. The Judge relies upon the formal record when writing a proposed decision to present to the Commissioners for their consideration.

After considering all proposals and all evidence presented during the formal hearing process, the assigned Judge will issue a proposed decision, determining whether to adopt GSWC's request, modify it, or deny it. Any CPUC Commissioner may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon at a scheduled Commission Voting Meeting.

STAY INFORMED

If you would like to follow this proceeding, or any other issue before the CPUC, you may use the CPUC's free subscription service. Sign up at: <http://subscribecpuc.cpuc.ca.gov/>.

If you would like to learn how you can participate in the proceeding, or if you have informal comments or questions about the CPUC processes, you may access the CPUC's Public Advisor's Office (PAO) webpage at www.cpuc.ca.gov/puc and click on "Public Advisor" from the CPUC Information Menu. You may also contact the PAO as follows:

Write: CPUC Public Advisor's Office, Room 2103
505 Van Ness Avenue
San Francisco, CA 94102

Email: public.advisor@cpuc.ca.gov

Phone: 1-866-849-8390 (toll-free) or 1-415-703-2074
1-866-836-7825 (toll-free) or TTY 1-415-703-5282

Please reference **GSWC's GRC Application No. 14-07-006** in any communications you have with the Commission regarding this matter. All public comments will become part of the public correspondence file for this proceeding and made available for review for the assigned Judge, the Commissioners, and appropriate CPUC staff.

GOLDEN STATE WATER COMPANY