

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



September 1, 2010

File No. 602-19

Ronald K. Moore
Senior Regulatory Analyst, Regulatory Affairs
Golden State Water Company
630 East Foothill Blvd.
SAN DIMAS, CA 91773

Dear Mr. Moore:

The Commission has received and filed the utility's Advice Letter No. 1411-W, applicable to its Bay Point customer service area, requesting authority to activate Stage 1 of its Schedule No. 14.1-BY, Mandatory Water Conservation and Rationing.

Enclosed is a copy of the advice letter, with an effective date of August 24, 2010, for the utility's files.

Please contact Terence Shia at (415) 703-2213, if you have any questions.

Very truly yours,

A handwritten signature in cursive script, appearing to read "J. Babaran".

JOSIE R. BABARAN
Staff Services Analyst
Water & Sewer Advisory Branch

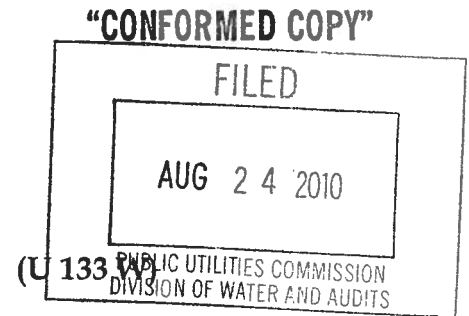
Enclosure





August 24, 2010

Advice Letter No. 1411-W



California Public Utilities Commission

Golden State Water Company ("GSWC") hereby transmits for filing an original and three conformed copies of this advice letter applicable to its Bay Point Customer Service Area.

Subject *Schedule 14.1-BY Stage 1 Activation Request*

Purpose

In accordance with the provisions of Chapter 3, Division 1, of the Water Code of the State of California and the California Public Utilities Commission's Standard Practice U-40, GSWC is seeking authority to activate Stage 1 on its Schedule No. 14.1-BY, Mandatory Water Conservation and Rationing. At Stage 1, customers will not be subject to premium charges for usage over their allocation, however, they will know if they exceeded their allocation with each water bill. Additionally, at Stage 1, GSWC is allowed to fine customers for violating the Non-Essential Use rules. GSWC requests that the activation of Stage 1 become effective upon the filing date of this advice letter and remain in effect until modified or terminated by GSWC.

Background

The majority of the water supply for the Bay Point Customer Service Area is obtained from Contra Costa Water District ("CCWD"). On April 8, 2010, CCWD issued a news release stating that they will end the 2009 Drought Management Program due to improved water supply condition effective May 1, 2010. The reduction allocation CCWD placed on GSWC was removed effective May 1, 2010, therefore, GSWC is not seeking to levy excess usage charges on its customers. Additionally, on May 1, 2010, CCWD issued a notice to its residential customers requesting that they continue to adhere to conservation measures and remain subject to excess usage penalties (see Attachment A). Although GSWC is no longer under any water restrictions with CCWD, it still desires to keep its customers on notice about the need to conserve. This is why GSWC is requesting to activate Stage 1 in its Schedule 14.1-BY, the "no premium charge" stage.

GSWC serves approximately 4,800 customers in the City of Bay Point and vicinity. The majority of the water supply for the Bay Point Customer Service Area is obtained from CCWD.

GSWC's Schedule 14-1 BY was established on May 1, 2009, via Advice Letter 1320-WA.

Request

GSWC is requesting to activate and implement Stage 1 on Schedule 14.1-BY. At Stage 1, customers will not be subject to premium charges for usage over their allocation, however, each water bill they receive will indicate whether they exceeded their allocation for that period. This is for customer information purposes only.

Customer Outreach and Noticing

GSWC will follow all guidelines including customer outreach and noticing guidelines specified in the CPUC's Division of Water and Audit's Standard Practice U-40-W on Instructions for Water Conservation Rationing and Service Connection Moratoria; which include customer outreach and noticing before the implementation of each rationing stage. Bay Point customers were notified of this stage activation on August 24, 2010. A copy of the customer notice is attached to this advice letter.

Tier Designation

Pursuant to D. 07-01-024, this advice letter is submitted with a Tier 1 designation, therefore, GSWC is requesting that Stage 1 on Schedule 14.1-BY go into effect on its filing date, which is August 24, 2010.

Protest And Responses

Anyone may respond to or protest this advice letter. A response supports the filing and may contain information that proves useful to the Commission in evaluating the advice letter. A protest objects to the advice letter in whole or in part and must set forth the specific grounds on which it is based. These grounds are:

- (1) The utility did not properly serve or give notice of the advice letter;
- (2) The relief requested in the advice letter would violate statute or Commission order, or is not authorized by statute or Commission order on which the utility relies;
- (3) The analysis, calculations, or data in the advice letter contain material error or omissions;
- (4) The relief requested in the advice letter is pending before the Commission in a formal proceeding; or

- (5) The relief requested in the advice letter requires consideration in a formal hearing, or is otherwise inappropriate for the advice letter process; or
- (6) The relief requested in the advice letter is unjust, unreasonable, or discriminatory (provided that such a protest may not be made where it would require re-litigating a prior order of the Commission.)

A protest shall provide citations or proofs where available to allow staff to properly consider the protest.

A response or protest must be made in writing or by electronic mail and must be received by the Water Division within 20 days of the date this advice letter is filed. The address for mailing or delivering a protest is:

Tariff Unit, Water Division, 3rd floor
California Public Utilities Commission,
505 Van Ness Avenue, San Francisco, CA 94102
E-mail: water_division@cpuc.ca.gov

On the same date the response or protest is submitted to the Water Division, the respondent or protestant shall send a copy by mail (or e-mail) to us, addressed to:

Golden State Water Company
ATTN: Ronald Moore
630 East Foothill Blvd.
San Dimas, CA 91773
Fax: 909-394-7427 or
E-mail: regulatoryaffairs@gswater.com

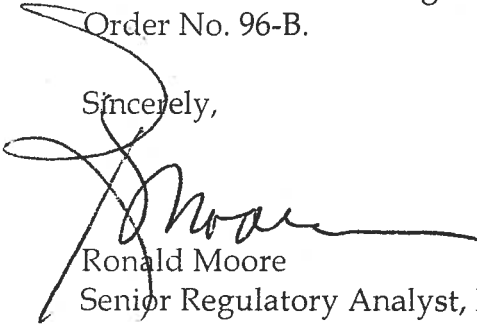
If you have not received a reply to your protest within 10 business days, contact this person at 909-394-3600 ext. 682.

Cities and counties that need Board of Supervisors or Board of Commissioners approval to protest should inform the Water Division, within the 20 day protest period, so that a late filed protest can be entertained. The informing document should include an estimate of the date the proposed protest might be voted on.

The actions requested in this advice letter are not now the subject of any formal filings with the California Public Utilities Commission, including a formal complaint, nor action in any court of law.

No individuals or utilities have requested notification of filing of tariffs. Distribution of this advice letter is being made to the attached service list in accordance with General Order No. 96-B.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Moore", written over a horizontal line.

Ronald Moore
Senior Regulatory Analyst, Regulatory Affairs

- c: Jim Boothe, CPUC - Division of Water and Audits
- Danilo Sanchez, CPUC- Water Branch, DRA
- Hani Moussa, CPUC- Water Branch, DRA

GOLDEN STATE WATER COMPANY

DISTRIBUTION LIST

BAY POINT DISTRICT

City of Brentwood
708 Third Street
Brentwood, CA 94513

City of Antioch
P. O. Box 5007
Antioch, CA 94531
PHarrington@ci.antioch.ca.us

Diablo Water District
P. O. Box 127
Raley's Shopping Center, 2107 Main St.
Oakley, CA 94561-0127

Contra Costa Water District
Public Affairs Department
P. O. Box H2O
Concord, CA 94520

Director of Financer
East Bay Municipal Utility District
375 – 11th Street, MS #801
Oakland, CA 94607
gbreaux@ebmud.com

City of Martinez
525 Henrietta Avenue
Martinez, CA 94553

Contra Costa County Water Agency
651 Pine Street
4th Floor Northwing
Martinez, CA 94553

Bay Point Project Area Committee
c/o Contra Costa County
Redevelopment Agency
651 Pine St., 4th Flr, N.Wing
Martinez, CA 94553
mtoms@cd.cccounty.us

Bay Point Municipal Advisory Council
P. O. Box 5038
Bay Point, CA 94565

County Counsel and County Clerk
County of Contra Costa
P.O. Box 69
Martinez, CA 94553

Herschel T. Elkins,
Asst. Attorney General
State of California
300 South Spring Street
Los Angeles, CA 90013

Supervisor District 5
County of Contra Costa
P.O. Box 69
Martinez, CA 94553

Michael Kent
Contra Costa Health Services
597 Center Ave., Suite 100
Martinez, CA 94553-4670

Attachment A

Use Water Efficiently and Eliminate Water Waste

Important: Please read this document carefully and save it for future reference. It will help you avoid excess use charges.



Water Use Guidelines

Applies to:

- Single-Family and Multi-Family Residential Accounts
- Irrigation Accounts
- Agricultural Accounts

Reasonable Water Use is Key

The rain and snow that fell on California this year has provided enough water to meet reasonable demands of CCWD customers.

CCWD's 2010 water use guidelines:

- Reflect the improved water supply for 2010.
- Encourage efficient and reasonable water use and the elimination of water waste.
- Do not require customers to use less than their historical water use.

Guideline Details

Historical Use and Not to Exceed amounts have been set for every residential, irrigation and agricultural water account. If these guidelines apply to you and you have not been notified of your amounts, call (925) 688-8044.

- You are urged to continue conserving water by using less than your Historical Use amount.
- To avoid Excess Use Charges, your water use must stay below your Not to Exceed amount.

Not to Exceed amounts will apply to water bills issued on and after May 1, 2010. If you exceed the Not to Exceed amount for a water-use period, you will be billed Excess Use Charges for that period.

How Not to Exceed Amounts are Set

If your Historical Use is less than 1,000 gallons per day (gpd), your Not to Exceed amount is 1,000 gpd.

If your Historical Use is 1,000 gpd or more, your Not to Exceed amount is the same as Historical Use.

How Historical Use is Determined

Historical Use is the average amount of water used at your service address during each water-use period in the non-drought years of 2005, 2006 and 2007.

Excess Use Charges

Water used in excess of your Not to Exceed amount will be billed at two times the current quantity charge for water. Charges are intended to encourage conservation and are based on CCWD's cost of buying supplemental water to meet the demands created by excessive use.

Exceptions

Customers whose circumstances have changed since 2005 may qualify for an adjusted Historical Use amount. These customers should file an Exception Request Form with the District. (Exceptions that were granted in 2009 and 2010 will remain in effect.)

The form can be obtained at www.ccwater.com, by calling (925) 688-8044, or by visiting the District's main office at 1331 Concord Avenue, Concord.

**Report Water Waste at (925) 688-8044.
CCWD follows up on all reports.**

Use el agua eficientemente y elimine el desperdicio del agua

Importante: Por favor lea este documento cuidadosamente y guárdelo para futura referencia. Le ayudará a evitar cargos por uso en exceso.



Instrucciones para el Uso del Agua



Se aplica a:

- Cuentas Residenciales Unifamiliares y Multifamiliares
- Cuentas de Riego
- Cuentas Agrícolas

El Uso Razonable del Agua es Clave

La lluvia y la nieve que cayeron en California este año han proporcionado suficiente agua para satisfacer las demandas razonables de los clientes de CCWD.

Las Instrucciones de CCWD para el uso del agua en el 2010:

- Reflejan el abastecimiento mejorado de agua para el 2010.
- Fomentan el uso eficiente y razonable del agua y la eliminación del desperdicio del agua.
- No requieren a los clientes utilizar menos de su consumo histórico de agua.

Detalles de las Instrucciones

Las cantidades de Uso Histórico y No Exceder se han establecido para toda cuenta de agua residencial, de riego y agrícola. Si estas instrucciones se aplican a usted y a usted no se le ha notificado su cantidad, llame al (925) 688-8044.

- A usted se le insta continuar la conservación del agua mediante el uso de menos de la cantidad de su Uso Histórico.
- Para evitar Cargos de Exceso de Uso, su uso del agua debe mantenerse debajo de su cantidad indicada No Exceder.

Las cantidades indicadas No Exceder se aplicarán a las facturas de agua emitidas después del 1 de mayo de 2010. Si supera la cantidad indicada No Exceder para un periodo de uso de agua, se le facturarán Cargos de Exceso de Uso por ese periodo.

Cómo se fijan las cantidades indicadas No Exceder

Si su Uso Histórico es inferior a 1,000 galones por día (gpd), su cantidad indicada No Exceder es 1,000 gpd.

Si su Uso Histórico es 1,000 gpd o más, su cantidad indicada No Exceder es la misma que su Uso Histórico.

Cómo se determina el Uso Histórico

El Uso Histórico es la cantidad promedio de agua utilizada en su dirección de servicio durante cada periodo de uso de agua en años que no son de sequía, 2005, 2006 y 2007.

Cobros por Uso en Exceso

El agua utilizada en exceso de su cantidad indicada No Exceder se cobrará a dos veces la cantidad de cobro actual de agua. Los cargos se destinan a fomentar la conservación y se basan en el costo de CCWD para comprar agua suplementaria para satisfacer las demandas generadas por el uso excesivo.

Excepciones

Los clientes cuyas circunstancias han cambiado desde el año 2005 podrían calificar para una cantidad ajustada de Uso Histórico. Estos clientes deben presentar un Formulario de Solicitud de Excepción ante el Distrito. (Las excepciones que se concedieron en 2009 y 2010 se mantendrán en vigencia.)

El formulario puede obtenerse en www.ccwater.com, llamando al (925) 688-8044, o visitando la oficina principal del Distrito en el 1331 Concord Avenue, Concord.

**Reporte el Desperdicio de Agua al (925) 688-8044.
CCWD da seguimiento a todos los reportes.**

Customer Notice



Golden State Water Company

A Subsidiary of American States Water Company

August 18, 2010

Name

Address

City, CA, Zip

RE: Stage 1 Voluntary Conservation and Rationing Implementation

Dear Valued Customer:

This is an update on the water supply situation in the Bay Point Customer Service Area. Many of you have done an excellent job conserving water and we want to thank you for your efforts. Every effort helps to ensure a sufficient supply of water now and in the future.

Golden State Water Company (GSWC) is writing this letter to inform you it will be filing a request to implement a stage in its Mandatory Conservation and Rationing plan for the Bay Point Customer Service Area. This request will need approval by the California Public Utilities Commission.

GSWC's conservation plan contains several stages of water rationing. The activation of a stage within the plan depends on the water supply situation. In August 2010, GSWC will file to activate **Stage 1** and ask customers not to exceed a three-year historical average (2005 - 2007) at their service address.

Stage 1 is a voluntary stage; it encourages efficient and reasonable water use and the elimination of water waste. If Bay Point customers exceed their target for a billing period, no premium charges will be assessed. If the water supply situation worsens, GSWC could implement a higher mandatory stage with premium penalties at a later date. Customers would be notified before such a change would be implemented.

The majority of the water supply for Bay Point customers is obtained from the Contra Costa Water District (CCWD). Currently, CCWD does not have any water use restrictions for GSWC; however CCWD issued a notice to its residential customers on May 1, 2010, asking them to adhere to conservation measures. The purpose of GSWC's plan to activate Stage 1 is to keep its customers on notice about the need to conserve.

Determining Your Allocation

Your billing statements will contain information about your water allocation in the Usage History section. The "Current Allocation" is the amount of water you are allocated to receive in Ccfs (hundred cubic feet or 748 gallons) to meet your target for the current billing period. The "Next Allocation" will be your water allocation for your next billing period.

Penalties for Non-Essential Use of Water

GSWC may issue fines to customers who are involved in water wasting activities such as using water in any manner that results in run-off in gutters, waterways, patios, driveways or streets. Repeated violations could lead to the installation of a flow restrictor at the customer's cost and possible suspension of water service. A complete list of water use restrictions is available at the Bay Point Customer Service Area office at 53-B Manor Drive in Bay Point, or online at www.gswater.com in the Local Water Information section for Bay Point.

End of Water Shortage

The Stage 1 voluntary water reduction request, if approved, will continue until either the water shortage worsens and we move to a different stage, or the water shortage ends and GSWC deactivates Stage 1. We will inform you when there are changes in the plan.

Questions? Contact our Customer Service Center at 1-800-999-4033, TTY 1-877-933-9533, 24 hours a day.

Sincerely,

Paul Schubert
District Manager

Respecto a: Implementación de la 1ª Etapa del Racionamiento y Conservación Voluntaria de Agua

Estimado y Valioso Cliente:

Este comunicado es una actualización sobre la situación del suministro de agua en el Área de Servicio al Cliente de Bay Point. Muchos de ustedes han hecho un excelente trabajo conservando agua y deseamos darles las gracias por sus esfuerzos. Cada esfuerzo ayuda a asegurar un suficiente suministro de agua ahora y para el futuro.

La compañía Golden State Water Company (GSWC por sus siglas en inglés) está escribiendo esta carta para informarles que presentará una solicitud para implementar el Plan de Conservación y Racionamiento Obligatorio por etapas para el Área de Servicio al Cliente de Bay Point. Esta solicitud necesitará la aprobación de la Comisión de Servicios Públicos de California (CPUC por sus siglas en inglés)

El plan de conservación de GSWC consiste en llevar a cabo en varias etapas el racionamiento de agua. La activación de una etapa dentro del plan depende en la situación del suministro de agua. En Agosto del 2010, GSWC pedirá activar la **1ª Etapa** y les pedirá a sus clientes no exceder el uso de agua del promedio histórico de tres años (2005-2007) en el domicilio que recibe este servicio.

La 1ª Etapa es la etapa voluntaria; esta anima el uso eficiente y moderado de agua y la eliminación del desperdicio de agua. Si un cliente de Bay Point rebasa su objetivo de uso durante un período de facturación, no se le cobrará recargos. Sin embargo, si la situación de suministro de agua empeora, GSWC podría implementar un nivel de restricción obligatorio más alto con recargos en el futuro. Los clientes serían notificados antes de que tal cambio fuese implementado.

La mayoría del suministro de agua para los clientes de Bay Point es obtenida del Distrito de Agua de Contra Costa (CCWD por sus siglas en inglés). Actualmente, CCWD no cuenta con restricciones en el uso de agua para GSWC. Sin embargo, el 1 de mayo del 2010, CCWD expidió un aviso a sus clientes residenciales pidiéndoles que observaran las medidas de conservación. El propósito de activar la 1ª Etapa del plan de GSWC es para mantener a sus clientes en aviso sobre la necesidad de conservar agua.

Determinación de su Asignación

Sus facturas incluirán información sobre su asignación de agua en la sección de Historial de Uso. La "Asignación Actual" es la cantidad de agua que se le ha asignado a recibir en ccfs (cien pies cúbicos o 748 galones) para lograr su objetivo en el período de facturación actual. La "Siguiete Asignación" será su asignación de agua para su próximo período de facturación.

Recargos por el Uso No-Esencial de Agua

La compañía GSWC puede multar a los clientes que estén involucrados en actividades de desperdicio de agua tal como el uso de agua que resulta en escorrentía en las alcantarillas, los canales, los patios, las cocheras o las calles. Las violaciones repetitivas podrían resultar en la instalación de un restrictor de flujo que el cliente tendría que pagar y la posible suspensión del servicio de agua. Una lista completa de las restricciones del uso de agua está disponible en la oficina del Área de Servicio al Cliente de Bay Point en 53-B Manor Drive en Bay Point, o en línea www.gswater.com bajo la sección de Información Local sobre el Agua para Bay Point.

El Fin de la Escasez de Agua

La solicitud de reducción de agua voluntaria de la 1ª Etapa, si es aprobada, continuará hasta que empeore la escasez de agua y tengamos que cambiarnos a una etapa diferente, o hasta que termine la escasez de agua y la compañía de GSWC desactive la 1ª Etapa. Les mantendremos informados en cuanto a cualesquier cambio en el plan.

¿Preguntas? Comuníquese con nuestro Centro de Servicio al Cliente al 1-800-999-4033, TTY 1-877-933-9533, las 24-horas al día.

Atentamente,

Paul Schubert
Gerente del Distrito

**CALIFORNIA PUBLIC UTILITIES
COMMISSION
DIVISION OF WATER AND AUDITS
Advice Letter Cover Sheet**

(Date Filed / Received Stamp by CPUC)

FILED

AUG 24 2010

PUBLIC UTILITIES COMMISSION
DIVISION OF WATER AND AUDITS

AL # 1411-W	Date Mailed to Service List: 8/24/2010	Requested Effective Date: 8/24/2010	Requested Tier: Tier 1
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Replacing AL#:	Authorized by: SP U-40	Compliance Filing? X Yes	Rate Impact	\$	
				%	

The public has 20 days from Date Mailed (above) to protest this advice letter. If you chose to protest or respond to the advice letter, send Protest and/or Correspondence within 20 days to:

Director
Division of Water and Audits
505 Van Ness Ave.
San Francisco, CA 94102

and if you have email capability, also email to: water_division@cpuc.ca.gov

Your protest also must be served on the Utility (see attached advice letter for more information and grounds for protest)

Company Name: Golden State Water Company	CPUC Utility Number: WTA 133-W
Address: 630 East Foothill Blvd.	WTB _____
City, State, Zip: San Dimas, CA 91773	WTC _____
	WTD _____
	SWR _____

	Contact Name:	Phone No.	Fax No.	Email Address:
Filer	Ronald Moore	909-394-3600 ext. 682	909-394-7427	rkmoore@gswater.com
Alternate	Keith Switzer	909-394-3600 ext. 759	909-394-7427	kswitzer@gswater.com

Description:

- Advice letter is in compliance with Standard Practice U-40 with a Tier 1 designation.
- Advice letter requests to activate Stage 1 on Schedule 14.1-BY in the Bay Point Customer Service Area.
- n/a

(FOR CPUC USE ONLY)

WTS Budget/Activity/Type	Process as: <input type="checkbox"/> Tier 1 <input type="checkbox"/> Tier 2 <input type="checkbox"/> Tier 3
/ /	20th Day <input type="text"/> 30th Day <input type="text"/>
Project Manager:	Suspended on:
Analyst:	Extended on:
Due Date:	Resolution No.:
Completion Date:	AL/Tariff Effective Date: