

**SAN GABRIEL VALLEY WATER COMPANY  
FONTANA WATER COMPANY DIVISION**

**NOTIFICATION OF APPLICATION FILING FOR A PROPOSED GENERAL RATE  
CASE (GRC) INCREASE BY SAN GABRIEL VALLEY WATER COMPANY  
APPLICATION NO. 11-07-005**

On July 11, 2011, San Gabriel Valley Water Company filed a general rate case application (A.11-07-005) with the California Public Utilities Commission (CPUC) to increase water rates. The Application requests rate increases in its Fontana Water Company Division covering the fiscal years 2012-2013 through 2014-2015. The principal reasons for the request for proposed rate increases are due to a combination of circumstances, such as substantial increases in major expense items, increases in plant investment and rate base, the need to construct additional water treatment, storage, and distribution facilities to meet expected demands for service, and to assure continued compliance with all applicable safe drinking water quality standards. If approved by the CPUC, the effect of the proposed increases on the various customer classes in the Fontana Water Company division is shown as follows:

**Annualized Proposed Increases  
(Dollars in Thousands)**

<b>Customer Class</b>	<b><u>2012-2013</u></b>		<b><u>2013-2014</u></b>		<b><u>2014-2015</u></b>	
	<b><u>\$</u></b>	<b><u>%</u></b>	<b><u>\$</u></b>	<b><u>%</u></b>	<b><u>\$</u></b>	<b><u>%</u></b>
Residential	5,616.5	14.1	2,195.1	4.9	2,656.6	5.7
Commercial	1,334.4	15.9	457.4	4.7	578.0	5.7
Industrial	270.3	16.4	78.1	4.3	100.9	5.7
Public Authority	921.3	16.5	271.3	4.3	368.9	5.7
Recycled Water	(59.6)	(27.1)	7.7	2.9	18.4	4.8
Private Fire Service	53.8	5.1	38.7	3.4	38.6	3.3
Construction	28.0	12.2	19.1	7.4	15.1	5.5
Total	8,164.8	14.2	3,067.4	4.7	3,758.2	5.6

If the proposed rates are approved by the CPUC, the average monthly residential customer's bill subject to the two-tiered conservation rates (encourages water conservation by customers) for a 5/8 x 3/4-inch meter will change as follows:

<b>Fiscal Year</b>	<b><u>2012-2013</u></b>	<b><u>2013-2014</u></b>	<b><u>2014-2015</u></b>
Amount of Increase	\$10.73	\$4.25	\$5.10
Percent of Increase	14.8%	5.1%	5.8%

The monthly charge for private fire service under charges proposed would be increased to \$13.08 on July 1, 2012, \$13.53 on July 1, 2013, and \$13.97 on July 1, 2014, per inch diameter of service. Service to tract houses during construction would be increased to \$18.91 on July 1, 2012, \$20.31 on July 1, 2013, and \$21.42 on July 1, 2014, per lot. Rate changes are also proposed for Facilities Fees and for recycled water service that is being proposed in a separate application (A.11-06-005). Finally, if approved, a separate advice letter filing will be filed with the CPUC's Water Division requesting rate treatment for an in-conduit hydro generation project.

### OBTAINING A COPY OF THE APPLICATION

The Application and related exhibits may be inspected at the Fontana Water Company office located at:

15966 Arrow Route  
Fontana, CA 92335  
(909) 822-2201  
(800) 784-7040

### EVIDENTIARY HEARINGS

The Commission may schedule formal evidentiary hearings whereby the formal parties of record provide testimony and are subject to cross examination before the Commission's Administrative Law Judge (ALJ). These hearings are open to the public, but only those who are formal parties of record can participate. The Commission has their own court reporters who will take the comment of those formal parties of record participating in the evidentiary hearings. Fontana Water Company will provide testimony at the hearings. The Division of Ratepayer Advocates (DRA) consists of engineers, accountants, economists, and attorneys who independently evaluate the proposals of utilities for rate changes and present their analyses and recommendations to the Commission at evidentiary hearings. Once hearings are completed, the ALJ will consider all of the evidence presented and release the draft decision. The Commission may approve the proposed requests of Fontana Water Company, approve the draft decision by the ALJ, or may approve an alternate decision filed by a Commissioner. The final decision may differ from Fontana Water Company's original proposed request.

### PROTESTING THE APPLICATION

Formal protests to this application must be filed with the Commission within 30 days of the date the notice of filing of the application first appears in the Commission's Daily Calendar. As a Fontana Water Company customer, if you would like to file an informal comment or protest this filing, you may send your comments to the Commission's Public Advisor Office (PAO). The PAO was established to assist members of the public who wish to protest or participate as a formal party of record in Commission proceedings. For assistance in filing a protest with the Commission or to participate in this proceeding, please contact the PAO, 320 West Fourth Street, Suite 500, Los Angeles CA 90013 or e-mail [public.advisor.la@cpuc.ca.gov](mailto:public.advisor.la@cpuc.ca.gov). **Please refer to Application 11-07-005 in any communications for either protesting or making public comments.**

### PUBLIC COMMENT

If you wish to comment on or informally protest this application as a customer of Fontana Water Company, you may do so by contacting the PAO via phone or e-mail. Written public comment by Fontana Water Company customers is very much desired by the Commission and may be sent to the PAO at the address shown above. These comments will become part of the formal correspondence file for this proceeding and will be circulated to the assigned ALJ, the assigned Commissioner, and appropriate Commission staff.

A copy of said Application and related Exhibits will be furnished by applicant upon written request to the Rate Department, San Gabriel Valley Water Company, 11142 Garvey Avenue, El Monte, CA 91733. A copy of the application filing can be viewed at the Commission's Headquarter Offices, Central Files - Room 2002 at 505 Van Ness Avenue, San Francisco, CA 94102 from 8:00 a.m. to noon daily.