

**NOTICE OF AMENDED PROPOSAL
AND PUBLIC PARTICIPATION HEARINGS
Fontana Water Company
Application No. 08-09-008**

Per Decision No. 08-06-022 by the California Public Utilities Commission (CPUC), Fontana Water Company (Fontana) filed an application with the CPUC on September 10, 2008. The Application proposes a conservation rate design, including a Water Revenue Adjustment Mechanism, Modified Cost Balancing Account, and Conservation Memorandum Account. Earlier this year at the recommendation of the CPUC, the company amended its request. Fontana is now proposing effective July 1, 2010 to reduce monthly Service Charges for residential customers, and in order to encourage a reduction in water usage, to implement tiered water rates applicable only to its residential customers that will charge 10% more for all water usage greater than 20 Ccf per month. Additionally, the application requests a Water Revenue Adjustment Mechanism, and a Conservation Memorandum Account to record the costs of implementing the proposed tiered water rates and other unforeseen conservation expenses to have the opportunity to collect these costs from customers at a later time, provided the costs are reasonable. **This application does not request an increase in overall revenues or the company's profits.**

PUBLIC PARTICIPATION HEARING

The CPUC has scheduled a Public Participation Hearing (PPH) for this proceeding at the time and location listed below:

**DATE AND LOCATION OF PUBLIC PARTICIPATION HEARINGS
APPLICATION NO. 08-09-008**

**June 24, 2009, at 2:00 p.m. & 7 p.m.
Lewis Library and Technology Center
Steelworkers' Auditorium
8437 Sierra Avenue
Fontana, California**

The PPH will be conducted by the CPUC's assigned Administrative Law Judge who will listen to public comments which become part of the formal record for this proceeding. A CPUC court reporter will be present to take all comments for the record. The assigned Commissioner may be present at the PPH. The CPUC's policy is to schedule hearings in locations that are accessible to everyone. If you need specialized accommodations, such as sign language interpreters or language interpreters, please contact the CPUC's Public Advisor's Office (PAO) at (415) 703-2074, toll free at (800) 849-8390, TTY toll free at (866) 836-7285, or regular TTY at (415) 703-5282.

PUBLIC COMMENT

Written public comment by Fontana Water Company's customers is very much desired by the CPUC and may be sent to the PAO. The Public Advisor's Office was established to assist members of the public who want to participate in CPUC proceedings. If you wish to participate or comment on this application, please contact the PAO, 320 West 4th Street, Suite 500, Los Angeles, CA 90013, or by e-mail to public.advisor.la@cpuc.ca.gov. Please state that you are writing about A.08-09-008.

Your comments will become part of the formal correspondence file for the proceeding and will be circulated to the assigned Administrative Law Judge, appropriate CPUC staff, and to the Commissioners. Comments will also be tallied and the numbers received will be reported to key CPUC staff on a regular basis.

Further information may be obtained from Fontana Water Company. A copy of the application may be inspected at the business office listed below or at the California Public Utilities Commission Formal Files Office, 505 Van Ness Ave., San Francisco, CA, Monday - Friday, 8 a.m. to 12 noon.

Fontana Water Company

8440 Nuevo Avenue
Fontana, CA 92335
(909) 822-2201
(800) 784-7040