

NOTICE OF EVIDENTIARY HEARINGS
Fontana Water Company
Application No. 09-05-004

The CPUC has scheduled Evidentiary Hearings for Fontana Water Company in Application No. 08-09-008 beginning on Monday, August 10, 2009 at 10:00 a.m. and continuing through August 28, if necessary, at:

California Public Utilities Commission
Ground Floor Hearing Room
505 Van Ness Avenue
San Francisco, California 94102

On May 1, 2009, Fontana Water Company filed its Cost of Capital increase request in Application No. 09-05-004 with the California Public Utilities Commission (CPUC) for years 2010, 2011, and 2012. Cost of capital is a financial term defining how much a corporation is allowed in rates as a return on its invested capital. The proposed request would result in a \$4,150,000 or 8.19% increase in revenues from customers in this division. The company proposes that any rate change resulting from this application be implemented effective January 1, 2010.

EVIDENTIARY HEARINGS

The CPUC has scheduled a formal evidentiary hearing for this application which has been consolidated with similar applications of other water companies. An evidentiary hearing is devoted to analyzing the need for the proposed rate increase and the allocation of any approved increase among different classes of customers. At the evidentiary hearing, formal parties of record provide testimony and are subject to cross examination before the CPUC's Administrative Law Judge (ALJ). Expert testimony will also be provided by the company. These hearings are open to the public to attend and listen, but only those who are formal parties of record can participate. Once hearings are completed, the ALJ will consider all of the evidence presented and release the draft decision. The CPUC may approve the proposed requests of the company, approve the ALJ's draft decision, or may approve an alternate decision filed by a CPUC Commissioner. The final decision may differ from the company's original proposed request.

PUBLIC COMMENT

Written public comment by Fontana Water Company's customers is very much desired by the CPUC and may be sent to the Public Advisor's Office. 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 Public Advisor's Office, 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 Application No.09-05-004.

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 office at 505 Van Ness Ave., San Francisco, CA, Monday – Friday, 8am – 12 noon.

Fontana Water Company

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