

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

In the Matter of the Application of California-American Water Company (U 210 W) for an Order Authorizing the Collection and Remittance of the Monterey Peninsula Water Management District User Fee	Application 10-01-
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**IN THE MATTER OF THE APPLICATION OF CALIFORNIA-AMERICAN
WATER COMPANY (U 210 W) FOR AN ORDER AUTHORIZING THE
COLLECTION AND REMITTANCE OF THE MONTEREY PENINSULA
WATER MANAGEMENT DISTRICT USER FEE**

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Dated: January 5, 2010

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1. INTRODUCTION

California-American Water Company (“California American Water” or “Company”) files this Application pursuant to Decision (“D.”) 09-07-021, Ordering Paragraphs No. 24 and 25, which require California American Water to meet and confer with the Monterey Peninsula Water Management District (“MPWMD” or “District”), and submit for approval a program to fund projects currently performed by the District that are properly the Company’s responsibility. This application is filed within the 180-day period allowed for such an application.¹

¹ Ordering paragraph 24 states: “*California American Water Company shall meet and confer with the Monterey Peninsula Water Management District regarding costs properly the responsibility of California American Water Company and its ratepayers.*” and Ordering paragraph 25 states: “*No later than 180 days after the effective date of this order, California American Water Company shall develop and submit for*

In this Application and supporting testimony, California American Water proposes a program to collect the funds required by MPWMD to carry out projects on behalf of the Company and which the Company would otherwise have to carry out. This program will, in effect, reinstate the prior practice of collecting the MPWMD “User Fee”. The User Fee will be collected at rates set by the District’s Board of Directors. The User Fee funds will be applied to (i) the District’s Mitigation Program required by the California Environmental Quality Act to mitigate the effects of the Company’s water withdrawals from the Carmel River; and (ii) the Aquifer Storage and Recovery (or “ASR”) Program that is a joint project to legalize some of California American Water’s unpermitted diversions from the Carmel River. As described in testimony, neither of these programs are duplicative of activities undertaken by California American Water. California American Water also seeks authority herein to collect the balance of its MPWMD User Fee memorandum account – currently at \$1,254,568 - via a customer bill surcharge that would collect the accumulated balance by January 1, 2011.

2. PROCEDURAL BACKGROUND AND HISTORY

2.1. Application 08-01-027 and Commission Orders in 09-07-021

On January 30, 2008, California American Water filed Application (“A.”) 08-01-027 (“2008 Monterey GRC”) requesting an increase in rates for its Monterey District. Included in the Assigned Commissioner’s and Administrative Law Judge’s Ruling and Scoping Memo dated June 27, 2008 was a requirement to address issues related to the

Commission approval a program to fund the projects currently performed by the Monterey Peninsula Water Management District that are properly California American Water Company’s responsibility, and is authorized to file an advice letter to create a memorandum account for interim costs.” D.09-07-021.

MPWMD funding from California American Water customers for activities other than conservation and rationing, with an emphasis on the User Fee.²

In deliberations leading to D.09-07-021, the Commission examined all of the Company's "costs in the context of . . . the significant financial burdens imposed on residential and business customers."³ The Commission noted the lack of an evidentiary record to assess the necessity or the cost-effectiveness of the District's expenditures on the Company's behalf and was therefore concerned that Company customers might be paying fees to the District for projects that may not be necessary or cost effectively performed. The Commission has an obligation to "ensure that the projects undertaken . . . on [the Company's] behalf are necessary and are being provided in the most cost effective manner."⁴ Thus the Commission ordered California American Water to meet with the MPWMD regarding these programs, and required the Company to file an application setting forth the method of collecting funds to support program costs.⁵ The Commission also authorized the Company to file an advice letter establishing a memorandum account to record any interim costs.

2.2. Activities Since Issuance of D.09-07-021

Following the issuance of D.09-07-021, California American Water acted in accordance with the expectations set forth in that Decision. Specifically, the Company filed advice letter AL-785-A on July 20, 2009 to establish the authorized memorandum account. The Division of Water and Audits approved AL-785-A on August 20, 2009 with an effective date of July 20, 2009. In addition, the Company initiated detailed

² In A.07-12-010, this Commission examined and approved the collection and expenditure of a surcharge for the MPWMD's conservation and rationing activities. This collection was termed the "User Fee".

³ D.09-07-021 at 116.

⁴ *Id.*

⁵ D.09-07-021, Ordering Paragraphs 24 and 25.

discussions with MPWMD on the programs and on funding steps, within the context of D.09-07-021 and Ordering Paragraphs 24 & 25 in particular.

On September 24, 2009, California American Water entered into the Mitigation and ASR Activity Reimbursement Agreement (“Reimbursement Agreement”) with the District to provide the MPWMD continued funding, on the preexisting “percentage of revenue” basis, in order for the District to carry out the required Mitigation Program and the ASR Program at the same level of service existing on July 1, 2009.⁶ Payments made pursuant to the Reimbursement Agreement are being recorded in the memorandum account established by Advice Letter AL-785-A. On October 16, 2009, the Company and the MPWMD entered into the Interim Carmel River Mitigation Program and Aquifer Storage and Recovery Program agreement that specified the activities to be performed with the funding provided under the Reimbursement Agreement.

3. REQUESTED RELIEF

3.1. The Commission Should Authorize California American Water to Reinstate Collection and Remittance of the MPWMD User Fee

In this Application, California American Water – with the support of the MPWMD – describes the User Fee as the appropriate means to fund projects (i.e. the Aquifer Storage and Recovery Program and Mitigation Program) currently performed by the District but properly or ultimately the responsibility of the Company. Therefore, respectfully, the Commission should reinstate the prior Commission-approved practice of collecting the MPWMD User Fee, at the rate set by the MPWMD Board of Directors, from the Company’s Monterey District customers. Further, that the User Fee should be

⁶ Because it is not California American Water that is required to implement the District’s Mitigation Program and as the MPWMD Board adopted a resolution to continue implementing its Mitigation Program, an agreement with the MPWMD to implement the program is necessary for California American Water to comply with Company requirements regarding documentary evidence for payments made by the Company.

remitted to the MPWMD to fund the ASR and Mitigation Programs. Finally, the Company should be authorized to collect, from its Monterey District customers, the balance in the Company's MPWMD User Fee Memorandum Account.

As described in the testimony of F. Mark Schubert, the Aquifer Storage and Recovery Program is a necessary, prudent, and non-duplicative program that is a current Company obligation. The ASR Program is required to obtain legal water rights for the Company's Monterey Division operations. As described in the testimony of Joe Oliver and F. Mark Schubert, this joint program is cost effective precisely because the MPWMD has water rights permits issued by the State Water Resources Control Board authorizing Carmel River water diversions that it applies to the ASR. Company ratepayers would encounter significant expenses were the Company to seek to obtain its own water rights. This joint program further reduces costs by dividing the implementation tasks between the MPWMD's expertise in permitting and hydrogeology, and the Company's expertise in constructing and operating production, transmission and delivery infrastructure. Therefore, respectfully, the Commission should authorize California American Water to collect the ASR portion of the User Fee at the rate set by the MPWMD Board of Directors as a prudent and appropriate cost.

As also described in the testimonies of Darby Fuerst and Rick Dickhaut, the Commission has further assurances that the "percent of revenue" basis for User Fee will not be a significant financial burden for California American Water's customers. Specifically, the District is required to review and adopt its budget in a transparent public process. Moreover, the ordinance approving the ASR fee requires annual reviews to ensure that the revenue does not exceed the District's expenditure, and Article XIII D of

the California Constitution prohibits the MPWMD from collecting more in User Fee revenue than the District incurs in expenditures without voter approval.

The attached testimonies of both Darby Fuerst and Rick Dickhaut also describe the nature of the Mitigation Program and clarify the nature of the obligation. Specifically, the testimony establishes that the Mitigation Program is not a *current* obligation of California American Water. It is currently an obligation of the MPWMD pursuant to the California Environmental Quality Act that has been made a *contingent* obligation of the Company by State Water Resources Control Board Order 95-10. The Mitigation Program is therefore necessary because it is required by law. The legal obligation was previously met by the Commission-approved practice of collecting the User Fee and remitting the funds to the District for the Mitigation Program. Therefore, respectfully, the Commission should authorize California American Water to reinstate the past practice. Specifically the Commission should authorize collecting the Mitigation Program portion of User Fee at the rate set by the MPWMD Board of Directors, consistent with the Commission's prior MPWMD User Fee approval.⁷ This approach is also supported by other Commission decisions regarding local agency fees and taxes.⁸

3.1.1. The MPWMD's ASR Program is a Necessary and Cost Effective Water Supply Activity and Not Duplicative of California American Water's Activities

One of the two programs funded by the MPWMD User Fee is the ASR Program. The ASR Program is a joint MPWMD/California American Water effort to implement a phased water supply project that uses water rights granted to the MPWMD by the State

⁷ See *Baird v. California American Water Company*, D.94-03-015

⁸ See *In re: Guidelines for the Equitable Treatment of Revenue Producing Mechanisms Imposed By Local Government Entities on Public Utilities*, D.89-05-063, 32 CPUC 2d 60; and *Packard v. Pacific Telephone and Telegraph* 1970 PUC LEXIS 158.

Water Resources Control Board, and existing and future infrastructure owned by the Company, to appropriate water from the Carmel River when there are excess winter flows, and then store that water in the Seaside Groundwater Basin for delivery to customers during the dry summer months.

As described in the testimonies of Joseph Oliver and F. Mark Schubert, ASR Program activities are divided up based on the expertise of the parties. MPWMD as a government agency that owns water rights and has hydrogeologists on staff provides key staff, the necessary water rights and other entitlements for the program and performs the appropriate preliminary studies. California American's expertise in constructing and operating water systems is used to produce, treat, and deliver water to the Seaside Groundwater basin in the winter and to customers in the summer.

The ASR Program is a responsibility of California American Water. In Order 95-10, the State Water Resources Control Board ordered the Company to act diligently to implement water supply projects to terminate its unpermitted diversions from the Carmel River through one of three methods.⁹ One of those methods is to obtain legal water rights for the water it diverts from the Carmel River. The State Water Resources Control Board, in its recently issued Cease and Desist Order issued against the Company, took the position that the joint ASR program is one of California American Water's successes in complying with Order 95-10 since the order was issued.¹⁰

3.1.2. The MPWMD Mitigation Program is Required by Law, Prudently Implemented, and Not Duplicative of California American Water's Mitigation Activities

⁹ SWRCB Order 95-10, Condition No. 2. Order 95-10 may be viewed at http://www.waterboards.ca.gov/waterrights/board_decisions/adopted_orders/orders/1995/wro95-10.pdf

¹⁰ Order No. WR-2009-0060. Order No. WR-2009-0060 may be viewed at http://www.waterboards.ca.gov/waterrights/board_decisions/adopted_orders/orders/2009/wro2009_0060.pdf

In 1981 the MPWMD established procedures for annually setting a limit on the total amount of water available to California American Water and a limit on how much water each local municipality could use in each subsequent year. Under these procedures, the District adopted a water supply capacity limit for the Company's system and a formula for distributing water within the Company's service area. This program became known as the Water Allocation Program, and that program continues to this day.

As required by the California Environmental Quality Act ("CEQA"),¹¹ the MPWMD prepared an Environmental Impact Report ("EIR") to consider the environmental effects of the Water Allocation Program.¹² This EIR evaluated the environmental effects assuming five different production volumes from the various sources of supply on the Monterey peninsula. The EIR concluded that the Water Allocation Program could have significant or potentially significant environmental effects unless mitigated. Therefore, in implementing the Water Allocation Program, the MPWMD was required under CEQA to mitigate to the extent feasible the significant impacts of the Water Allocation Program, and the District's Board adopted what was then a five year program for that purpose – i.e. the Mitigation Program.

The Mitigation Program focuses on impacts to fisheries, riparian vegetation and wildlife, and the Carmel River Lagoon, including special status species and aesthetics, from implementing the Water Allocation Program. Activities required to avoid or substantially reduce negative impacts to the environment include: irrigation and erosion control programs; fishery enhancement programs; establishing flow releases from

¹¹ The California Environmental Quality Act is codified at Public Resources Code section 21000, et seq. The regulations implementing CEQA, known as the CEQA Guidelines, are codified at 22 C.C.R. 14000, et seq.

¹² The Environmental Impact Report can be viewed at <http://www.mpwmd.dst.ca.us/eir/apr1990/toc.htm>.

existing dams to protect the fish and riparian habitat; monitoring water quality; reducing municipal water demand; and regulating activities within the riparian corridor.

In Order 95-10, the State Water Resources Control Board noted that the mitigation measures being undertaken by the MPWMD, as part of the Water Allocation Program EIR, were alleviating the effects of the Company's Carmel River diversions. The mitigation measures being implemented by the District and receiving accolades from the State Water Resources Control Board include the Fisheries Mitigation Program; the Riparian Vegetation and Associated Wildlife Mitigation Program; and the Lagoon Vegetation and Wildlife Mitigation Program, are all part of the Mitigation Program. As noted previously, at the time the SWRCB was considering Order 95-10, the MPWMD's Mitigation Program was initially intended to last until June, 1996.¹³ To ensure that those mitigation measures continued to be implemented pending a long-term water supply solution, the State Water Resources Control Board ordered California American Water to implement those mitigation programs if the MPWMD ceased those activities after June 30, 1996, thereby making the Mitigation Program a contingent obligation of the Company.¹⁴ The MPWMD has, however, continued to implement the Mitigation Program, funded in part by the User Fee.

Regarding the prudence of MPWMD's implementation of the Mitigation Program, while California American does not have quantitative data comparing the cost-effectiveness of the MPWMD's Mitigation Program activities to the alternative of sourcing and hiring consultants/vendors, as described in the testimony herein, the

¹³ The Five-Year Mitigation Program formally began in July 1991 with the new fiscal year (FY) and was slated to run until June 30, 1996. In October 1996, the District adopted an Implementation Plan for FY 1997 through FY 2001.

¹⁴ Order 95-10, Ordering Paragraph No. 11.

MPWMD has, as a dedicated agency, been implementing the Program for almost 20 years. As described in the testimony of Darby Fuerst, adjustments to the Mitigation Program have been made based on experience, and the District has developed extensive institutional knowledge on the Carmel River's environs, not likely to be possessed or easily matched by others. If California American Water were required to implement the Mitigation Program in the absence of funding to the District for the Program, there would be substantial efficiency losses. These would be in contracting, administration, and new implementation processes and this would likely increase the costs of such activities compared to historical MPWMD costs. As described in the testimony of Darby Fuerst, an interruption of User Fee funding could also potentially result in damage to the Carmel River habitat, due to the disruption of mitigation activities. Moreover, running a comprehensive mitigation program similar to the MPWMD's Carmel River Management Plan is outside the expertise of the Company, whose core competency is running a water utility, particularly when compared to the District's 20 year history with these activities. The District's implementation of the Mitigation Program ensures consistent protection of the fragile Carmel River habitat, which is a resource valued by California American Water's Monterey Division customers.

The District's Mitigation Program activities are quite distinct from various mitigation activities undertaken by the Company. The focus of the Company's water withdrawal mitigation activities center on meeting the terms of agreements with the National Oceanic and Atmospheric Administration ("NOAA") regarding impacts to the South Central California Coast ("SCCC") Steelhead, and agreements with the United States Fish and Wildlife Service ("USFWS") regarding impacts to the California Red-

Legged Frog. None of the Company's current mitigation activities overlap with the activities of the District in implementing the Mitigation Program. In addition, the Company is currently negotiating a further agreement with NOAA to address impacts on the SCCC Steelhead and to implement certain commitments the Company is discussing with NOAA.

3.1.3. California Law Regarding Local Agency Fees and Taxes Provide Additional Assurances Regarding the Prudence of MPWMD Activities

Prior Commission decisions show that when a local government entity imposes a fee or tax, the Commission typically does not review the authority of local taxing entities to impose taxes on utility customers, or to determine the validity of a tax enacted under the general laws of California.¹⁵ In line with that approach, the Commission previously deferred interpretation of the MPWMD User Fee to the MPWMD. Moreover, in those instances where the Commission has had the opportunity to review whether a local ordinance conflicts with the comprehensive scheme of statewide regulation of utilities but there is concurrent jurisdiction in Superior Court, the Commission has previously held that review is better in Superior Court because of the court's broad jurisdiction.¹⁶

While it is typical Commission practice to abstain from reviewing local government taxes and fees, because California American Water also undertakes some mitigation and ASR activities, the Commission must ensure that utility customers are not paying for duplicative work and that the joint activities of the Company and the MPWMD do not run counter to the Commission's comprehensive scheme for regulating utilities. The various testimonies attached establish the necessity and prudence of the

¹⁵ *In re: Guidelines for the Equitable Treatment of Revenue Producing Mechanisms Imposed By Local Government Entities on Public Utilities*, D.89-05-063, 32 CPUC 2d 60; *Packard v. Pacific Telephone and Telegraph* 1970 PUC LEXIS 158.

¹⁶ *Packard, supra.*

ASR and Mitigation Programs. The testimonies also establish the cost benefits that inure to California American Water's customers through the existing methods of implementation.

In addition, there are quite separate protections under California law that may reassure the Commission that California American Water's customers are protected from waste. To impose the User Fee, the MPWMD must enact ordinances or pass resolutions. As a public agency, the process of adopting ordinances and resolutions, including the amount of the User Fee and the manner in which it is spent, is the subject of open, public meetings by the elected MPWMD Board, thereby providing the protections afforded by open government and democratic processes.

In addition, the California Constitution prevents abuse of the User Fee by the MPWMD. Article XIII D of the California Constitution, also known as "Prop 218" prohibits local government agencies from collecting more revenue from its citizens that it actually spends for a specific activity or purpose. Under Prop 218, there is a distinction between a "fee" and a "tax," and when revenue exceeds the actual costs of the program, that revenue may transmute from a fee to a tax, requiring a two-thirds vote of the people to remain valid.

3.1.4. Commission Review of California American Water's Memorandum Accounts and Other Expenditures Provide Additional Assurance that Mitigation and ASR Expenditures are Prudent and Not Duplicative

Regarding the potential for duplicative efforts, California American Water's only similar mitigation effort would be the Company's Endangered Species Act compliance activities. These expenditures are recorded in a Memorandum Account that is subject to prudence review by the Commission. Included in those expenditures are payments to the California Department of Fish and Game's Fisheries Restoration Grant Program as

administrator of a conservation agreement between California American Water and NOAA for the benefit of the SCCC Steelhead. The Commission has the ability to conduct comprehensive review of these mitigation activities by California American Water. These measures are recorded separately from the ASR and Mitigation Program measures. Accordingly the Commission can assure itself there is no duplication of effort with that of the District.

Accordingly, California American Water respectfully requests the Commission approve the User Fee program for funding and implementing the Mitigation Program and Aquifer Storage and Recovery Program as outlined in the testimony and other evidence submitted in support of this Application.

3.2. Authorize Recovery of Costs Recorded in the User Fee Memorandum Account

As authorized by D.09-07-021 and Advice Letter AL-785-A, California American Water has incurred and recorded expenses for the interim implementation of the Mitigation and ASR Programs in a memorandum account, totaling \$1,254,563 as of the date of this Application. Based on historical payments, California American Water expects the balance in the account to grow by over \$5,000,000 if this Application is pending for the maximum 18-month period allowed by law. Therefore, respectfully, the Commission should authorize the Company to recover these costs from its Monterey Division customers over a one year period commencing January 1, 2011. Finally, given this delayed recovery California American Water proposes that the interest during construction (IDC) rate of return apply to these funds.

4. SB 960 SCOPING MEMORANDUM

4.1. Category: Ratesetting

4.2. Are Evidentiary Hearings Necessary? No. However, there may be factual disputes on material issues, which may necessitate hearings. In the event of hearings California American Water intends to introduce the following items in support of the Application:

4.2.1. This Application, copies of which have been or will be delivered to the Commission.

4.2.2. Prepared witness qualifications and direct testimony of employees of California American Water and the Monterey Peninsula Water Management District to support the reasonableness and prudence of the Application.

4.2.3. Prepared and oral rebuttal testimony and related exhibits to support California American Water's specific requests.

4.3. Are Public Witness Hearings Necessary? No.

4.4. Issues. There are two issues in this proceeding. First, is whether California American Water should be allowed to collect from its customers the Monterey Peninsula Water Management District's User Fee at the rate set by the Monterey Peninsula Water Management District Board of Directors and remit that fee to the Water Management District. Second, is whether California American Water should be allowed to collect from customers the balance of the Monterey Peninsula Water Management District User Fee Memorandum Account established by A.L. 785-A.

4.5. Schedule. Pursuant to Rule 2.1(c) of the Commissions Rules of Practice and Procedure, California American Water submits the procedural schedule below for the Commission's consideration of the relief requested. Because this is a

compliance filing, California American Water proposes two schedules, one in the event no protests are filed, with additional dates in the event protests are filed.

Day	Event	Date
0	Application Filed	January 5, 2010
3-5	Docketing and formal Public Notice	January 8, 2010
35	Comments/Protests on Application	February 9, 2010
65	Proposed Commission Decision (if no protests received)	March 11, 2010
92	Commission Decision (if no protests received)	April 8, 2010
46-106	Prehearing Conference (if protests received)	February 22, 2010- April 21, 2010
243	DRA Report	September 7, 2010
258	Intervenor Testimony	September 20, 2010
260-317	Formal Settlement Negotiations	September 22, 2010- November 18, 2010
290	Rebuttal Testimony	October 22, 2010
319-320	Evidentiary Hearings	November 22, 2010
350	Opening Brief	December 21, 2010
364	Reply Brief	January 4, 2011
409	ALJ's Proposed Decision Mailed	February 18, 2011
406+	Commission's Agenda	February 17, 2011

5. OTHER FORMAL MATTERS AND PROCEDURAL REQUIREMENTS

- 5.1. Applicant's legal name is California American Water Company. California American Water's corporate office and post office address is: 1033 B Avenue, Suite 20, Coronado, California 92118.
- 5.2. Applicant California American Water, a California corporation, organized under the laws of the State of California on December 7, 1965, is a Class A regulated water utility organized and operating under the laws of the State of California. California American Water provides water service in various areas in the following California counties: San Diego, Los Angeles, Ventura, Monterey, Sonoma, Sacramento, and Placer.
- 5.3. A certified copy of California American Water's articles of incorporation was filed with the Commission on January 6, 1966 in connection with Application 48170. A certified copy of an amendment to California American Water's articles of incorporation was filed with the Commission on November 30, 1989 in connection with Application 89-11-036. A certified copy of an Amendment to California American Water's Articles of Incorporation dated October 3, 2001 and filed with the office of the California Secretary of State on October 4, 2001, was filed with the Commission on February 28, 2002, in connection with Application 02-02-030. The Articles of Incorporation have not been subsequently amended.
- 5.4. None of the persons described in Section 2 of General Order No. 104-A has a material financial interest in any transaction involving the purchase of materials or equipment or the contracting, arranging, or paying for construction, maintenance work, or service of any kind to which Applicant has been a party during the period subsequent to the filing of California American Water's last

Annual Report with this Commission or to which California American Water proposed to become a party at the conclusion of the year covered by said Annual Report.

6. CORRESPONDENCE CONCERNING APPLICATION

Correspondence and communications concerning this Application should be addressed to the following person:

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Copies of such correspondence and communications should be sent to:

David P. Stephenson
Director of Rate Regulation
California American Water Company
4701 Beloit Drive
Sacramento, CA 95838
Telephone: (916) 568-4222
Facsimile: (916) 568-4260
E-Mail: dave.stephenson@amwater.com

7. SERVICE

A copy of this Application has been served upon the service list attached hereto. Unless otherwise noted on the service list, recipients will receive a copy of the Application only, exclusive of the supporting testimony due to its size (over 75 pages), cost of reproduction, and cost to mail. Attached to the copy of the Application being served is a Notice of Availability.

8. EXHIBITS

8.1. Testimony of Darby Fuerst

- 8.2. Testimony of F. Mark Schubert
- 8.3. Testimony of David P. Stephenson
- 8.4. Testimony of Joe Oliver
- 8.5. Testimony of Rick Dickhaut

9. CONCLUSION

As demonstrated by this Application and supporting testimony, California American Water respectfully requests that the Commission order that:

(A) California American Water is authorized to collect from the Company's Monterey District customers and remit to the Monterey Peninsula Water Management District the Monterey Peninsula Water Management District User Fee at the rate set by the Monterey Peninsula Water Management District's Board of Directors.

(B) California American Water is authorized to collect from the Company's Monterey District customers the balance in the Monterey Peninsula Water Management District User Fee memorandum account via a customer bill surcharge that would collect the accumulated balance by January 1, 2011.

(C) For such other and further relief as the Commission deems appropriate.

Dated: January 5, 2010

By: 
Stephen A. S. Morrison

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NOTICE OF AVAILABILITY

The appendices in support of the Application listed below exceed 75 pages in length. Therefore, pursuant to Rule 1.9(c)(1), California American Water hereby provides this Notice of Availability of the appendices in support of the Application. Upon written request, California American Water will provide a copy of the appendices in support of the Application update on parties on whom this Notice of Availability is served. Parties that wish to obtain a copy of the exhibits in support of the Application should contact:

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Exhibits:

- Testimony of Darby Fuerst
- Testimony of F. Mark Schubert
- Testimony of David P. Stephenson
- Testimony of Joe Oliver
- Testimony of Rick Dickhaut

CERTIFICATE OF SERVICE

I, Monica Trejo, declare as follows:

I am employed in the City and County of San Francisco, California. I am over the age of eighteen years and not a party to this action. My business address is California American Water Company, 333 Hayes St., Suite 202, San Francisco, California 94102. On January 5, 2010, I served the within:

**IN THE MATTER OF THE APPLICATION OF CALIFORNIA
AMERICAN WATER COMPANY (U 210 W) FOR AN ORDER
AUTHORIZING THE COLLECTION AND REMITTANCE OF THE
MONTEREY PENINSULA WATER MANAGEMENT DISTRICT USER FEE**

On the interested parties in this action addressed as follows:

See attached Service List.

- ☒ **(BY PUC E-MAIL SERVICE)** By transmitting such document electronically from California American Water Company, San Francisco, California, to the electronic mail addresses listed above. I am readily familiar with the practice of California American Water Company for transmitting documents by electronic mail, said practice being that in the ordinary course of business, such electronic mail is transmitted immediately after such document has been tendered for filing. Said practice also complies with Rule 1.10(b) of the Public Utilities Commission of the State of California and all protocols described therein.
- ☒ **(BY U.S. MAIL)** By placing such document(s) in a sealed envelope, with postage thereon fully prepaid for first class mail, for collection and mailing at California American Water Company, San Francisco, California following the ordinary business practice. I am readily familiar with the practice of California American Water Company for collection and processing of correspondence for mailing with the United States Postal Service, said practice being that in the ordinary course of business, correspondence is deposited in the United States Postal Service the same day as it is placed for collection.

I declare under the penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration was executed on January 5, 2010, at San Francisco, California.



Monica Trejo

CPUC E-Mail Service List
A0801023, Updated 12/24/09
A0801024, Updated 10/20/09
A0801027, Updated 10/20/09

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CPUC Mail Service List

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