

NOTICE OF APPLICATION FOR AUTHORITY TO IMPLEMENT A MORATORIUM ON NEW WATER HOOKUPS AND EXPANSIONS OF WATER USE SERVICE IN ITS MONTEREY DISTRICT

On October 20, 2009, the California State Water Resources Control Board issued Order WRO-2009-0060 against California American Water (California American Water) relating to California American Water's operations on the Carmel River in its Monterey District. Among other conditions, Order WRO-2009-0060 prohibits California American Water from appropriating water from the Carmel River for new or expanded water connections that did not have all required permits prior to October 20, 2009. Lawsuits have been filed challenging Order WRO-2009-0060, and on November 3, 2009 the Monterey County Superior Court stayed that order. On April 22, 2010, the Santa Clara County Superior Court dissolved the stay issued on November 3, 2009. California American Water must now comply with Order WRO-2009-0060.

As a regulated public utility, California American Water cannot refuse service to a prospective customer except as permitted by the California Public Utilities Commission (CPUC). California American Water has filed an application (A.10-05-020) with the CPUC requesting a modification to its existing tariffs authorizing California American Water to refuse service to new or expanded water connections when necessary in order to comply with WRO-2009-0060.

The CPUC may deem necessary to hold Public Participation Hearings (PPH's) for this requested modification. In the event PPH's are scheduled, each customer will be notified of the dates, times and locations through a bill insert, or separate mailer. Notices will also be posted to the local newspapers. Customers who wish to directly participate as a party to this proceeding may do so by contacting the Public Advisor's Office for further information. Customers are also encouraged to write or email their opinions, concerns and comments to the Public Advisor's Office at the address noted below.

A copy of the application and the applicable tariffs may be inspected at California American Water's local business office at 511 Forest Lodge Road, Suite 100, Pacific Grove, CA 93950, or online at www.californiaamwater.com.

California Public Utilities Commission
Public Advisor's Office
505 Van Ness Avenue, Room 2103
San Francisco, CA 94102
1-866-849-8390 or 1-415-703-2074
or by e-mail to public.advisor@cpuc.ca.gov

Please refer to Application No. A.10-05-520 when e-mailing or writing correspondences to the Public Advisor's Office.



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