

**NOTIFICATION OF FILING FOR A PROPOSED GENERAL RATE CASE INCREASE
FOR CALIFORNIA-AMERICAN WATER COMPANY, GENERAL OFFICE
APPLICATION 08-01-024**

On January 30 2008, California American Water filed Application 08-01-024 (A. 08-01-024) with the California Public Utilities Commission (CPUC) for a General Rate Case (GRC) increase in its General Office. This GRC application will set rates for 2009, 2010 and 2011. The increase requested in A. 08-01-024 is intended to reflect increased operating costs to provide service to customers since the last GRC request filed in February 2005. The rate design refers to the mix of charges (meter, water volume and surcharges) used to meet the revenue requirement. The following tables show the proposed rate impacts by customer class in the districts of California American Water that are not concurrently filed with the requested General Office increase. The increases in General Office costs for those districts concurrently filed are included in the proposed increases shown for those districts in each respective customer notice.

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Coronado										
Customer Class	Current Revenues(1)	2009			2010			2011		
		Proposed Revenues(2)	Dollar Increase	Percent Increase	Proposed Revenues(2)	Dollar Increase	Percent Increase	Proposed Revenues(2)	Dollar Increase	Percent Increase
Residential	\$8,622,100.00	\$8,898,348.90	\$276,248.90	3.20%	\$8,920,829.24	\$22,480.35	0.25%	\$8,948,944.90	\$28,115.66	0.31%
Commercial	\$5,244,800.00	\$5,412,841.45	\$168,041.45	3.20%	\$5,426,516.19	\$13,674.73	0.25%	\$5,443,618.87	\$17,102.68	0.31%
Public Authority	\$2,160,300.00	\$2,229,515.21	\$69,215.21	3.20%	\$2,235,147.75	\$5,632.54	0.25%	\$2,242,192.24	\$7,044.49	0.31%
Private Fire Service	\$84,700.00	\$87,413.76	\$2,713.76	3.20%	\$87,634.59	\$220.84	0.25%	\$87,910.79	\$276.20	0.31%
Construction/Misc.	\$110,700.00	\$114,246.79	\$3,546.79	3.20%	\$114,535.41	\$288.63	0.25%	\$114,896.39	\$360.98	0.31%
TOTAL	\$16,222,600.00	\$16,742,366.11	\$519,766.11	3.20%	\$16,784,663.19	\$42,297.08	0.25%	\$16,837,563.19	\$52,900.00	0.31%

(1) Reflects California American Water's position per partial settlement with DRA in A. 07-01-036.
(2) Excludes other rate increases, applicable taxes and surcharges.

Larkfield										
Customer Class	Current Revenues(1)	2009			2010			2011		
		Proposed Revenues(2)	Dollar Increase	Percent Increase	Proposed Revenues(2)	Dollar Increase	Percent Increase	Proposed Revenues(2)	Dollar Increase	Percent Increase
Residential	\$1,944,600.00	\$2,054,586.50	\$109,986.50	5.66%	\$2,059,562.50	\$4,976.00	0.24%	\$2,065,902.44	\$6,339.94	0.31%
Commercial	\$724,700.00	\$765,689.00	\$40,989.00	5.66%	\$767,543.43	\$1,854.42	0.24%	\$769,906.15	\$2,362.72	0.31%
Public Authority	\$64,800.00	\$68,465.09	\$3,665.09	5.66%	\$68,630.90	\$165.82	0.24%	\$68,842.17	\$211.27	0.31%
Industrial	\$14,300.00	\$15,108.81	\$808.81	5.66%	\$15,145.40	\$36.59	0.24%	\$15,192.02	\$46.62	0.31%
Private Fire Service	\$12,100.00	\$12,784.38	\$684.38	5.66%	\$12,815.34	\$30.96	0.24%	\$12,854.79	\$39.45	0.31%
TOTAL	\$2,760,500.00	\$2,916,633.77	\$156,133.78	5.66%	\$2,923,697.57	\$7,064	0.24%	\$2,932,697.57	\$9,000.00	0.31%

(1) Reflects California American Water's position per partial settlement with DRA in A. 07-01-037.
(2) Excludes other rate increases, applicable taxes and surcharges.

Los Angeles										
Customer Class	Current Revenues(1)	2009			2010			2011		
		Proposed Revenues(2)	Dollar Increase	Percent Increase	Proposed Revenues(2)	Dollar Increase	Percent Increase	Proposed Revenues(2)	Dollar Increase	Percent Increase
Residential	\$13,185,000.00	\$13,611,239.25	\$426,239.25	3.23%	\$13,649,105.44	\$37,866.20	0.28%	\$13,696,260.25	\$47,154.81	0.35%
Commercial	\$4,038,000.00	\$4,168,538.80	\$130,538.80	3.23%	\$4,180,135.59	\$11,596.79	0.28%	\$4,194,577.09	\$14,441.49	0.35%
Industrial	\$400,900.00	\$413,860.13	\$12,960.13	3.23%	\$415,011.48	\$1,151.35	0.28%	\$416,445.26	\$1,433.78	0.35%
Public Authority	\$845,900.00	\$873,245.91	\$27,345.91	3.23%	\$875,675.26	\$2,429.35	0.28%	\$878,700.53	\$3,025.27	0.35%
Irrigation	\$182,200.00	\$188,090.09	\$5,890.09	3.23%	\$188,613.35	\$523.26	0.28%	\$189,264.97	\$651.62	0.35%
Private Fire Service	\$188,700.00	\$194,800.22	\$6,100.22	3.23%	\$195,342.15	\$541.93	0.28%	\$196,017.01	\$674.87	0.35%
Private Hydrants	\$22,500.00	\$23,227.37	\$727.37	3.23%	\$23,291.99	\$64.62	0.28%	\$23,372.46	\$80.47	0.35%
Construction/Misc.	\$38,500.00	\$39,744.61	\$1,244.61	3.23%	\$39,855.18	\$110.57	0.28%	\$39,992.87	\$137.69	0.35%
TOTAL	\$18,901,700.00	\$19,512,746.37	\$611,046.37	3.23%	\$19,567,030.44	\$54,284.07	0.28%	\$19,634,630.44	\$67,600.00	0.35%

(1) Current revenues based on D. 07-08-030.
(2) Excludes other rate increases, applicable taxes and surcharges.

Sacramento										
Customer Class	Current Revenues(1)	2009			2010			2011		
		Proposed Revenues(2)	Dollar Increase	Percent Increase	Proposed Revenues(2)	Dollar Increase	Percent Increase	Proposed Revenues(2)	Dollar Increase	Percent Increase
Residential	\$21,189,900.00	\$21,113,296.66	-\$76,603.34	-0.36%	\$21,184,738.80	\$71,442.14	0.34%	\$21,272,549.46	\$87,810.67	0.41%
Commercial	\$9,352,100.00	\$9,318,291.34	318291.34	-0.36%	\$9,349,822.12	\$31,530.78	0.34%	\$9,388,577.10	\$38,754.98	0.41%
Public Authority	\$1,539,800.00	\$1,534,233.49	-\$5,566.51	-0.36%	\$1,539,424.95	\$5,191.46	0.34%	\$1,545,805.86	\$6,380.91	0.41%
Private Fire Service	\$785,100.00	\$782,261.79	-\$2,838.21	-0.36%	\$784,908.77	\$2,646.98	0.34%	\$788,162.22	\$3,253.44	0.41%
TOTAL	\$32,866,900.00	\$32,748,083.28	-\$118,816.72	-0.36%	\$32,858,894.64	\$110,811.37	0.34%	\$32,995,094.64	\$136,200.00	0.41%

(1) Reflects California American Water's position per partial settlement with DRA in A. 07-01-038.

(2) Excludes other rate increases, applicable taxes and surcharges.

Village										
Customer Class	Current Revenues(1)	2009			2010			2011		
		Proposed Revenues(2)	Dollar Increase	Percent Increase	Proposed Revenues(2)	Dollar Increase	Percent Increase	Proposed Revenues(2)	Dollar Increase	Percent Increase
Residential	\$14,490,900.00	\$15,151,451.80	\$660,551.80	4.56%	\$15,185,476.44	\$34,024.64	0.22%	\$15,228,282.91	\$42,806.47	0.28%
Commercial	\$3,587,600.00	\$3,751,136.81	\$163,536.82	4.56%	\$3,759,560.50	\$8,423.69	0.22%	\$3,770,158.36	\$10,597.86	0.28%
Industrial	\$1,672,800.00	\$1,749,052.75	\$76,252.76	4.56%	\$1,752,980.49	\$3,927.73	0.22%	\$1,757,921.98	\$4,941.49	0.28%
Public Authority	\$1,344,600.00	\$1,405,892.12	\$61,292.12	4.56%	\$1,409,049.24	\$3,157.12	0.22%	\$1,413,021.22	\$3,971.98	0.28%
Private Fire Service	\$137,200.00	\$143,454.11	\$6,254.11	4.56%	\$143,776.26	\$322.15	0.22%	\$144,181.55	\$405.29	0.28%
Construction/Misc.	\$263,000.00	\$274,988.57	\$11,988.57	4.56%	\$275,606.09	\$617.52	0.22%	\$276,382.00	\$776.91	0.28%
TOTAL	\$21,496,100.00	\$22,475,976.16	\$979,876.16	4.56%	\$22,526,449.01	\$50,472.85	0.22%	\$22,589,949.01	\$63,500.00	0.28%

(1) Reflects California American Water's position per partial settlement with DRA in A. 07-01-039.

(2) Excludes other rate increases, applicable taxes and surcharges.

The Commission's Process

As part of this proceeding, evidentiary hearings may be held where parties of record will present their testimony and evidence. Evidentiary hearings are open to the public, but only formal parties (parties of record) may participate in the hearing by presenting evidence or cross-examining witnesses. The CPUC's independent Division of Ratepayer Advocates (DRA) will review the recommendations made by California American Water in its final GRC application. Analysts, engineers, economists, and other regulatory professionals are employed by DRA to represent the long-term interests of all utility ratepayers. DRA will prepare an analytical report on this application, which will be released sometime in Summer 2008. A copy of DRA's report can be downloaded at its website at www.dra.ca.gov.

After considering all proposals and evidence presented during the formal hearing process, the assigned Administrative Law Judge (ALJ) will then issue a proposed decision, which the Commission may accept in whole or in part or may substitute with an entirely different decision. The CPUC's final decision in this matter may be different from the requests made by California American Water.

Public Comment

The Public Advisor's Office (PAO) was established to assist members of the public and utility customers to participate in CPUC proceedings. This means sending comments, opinions or protests on proceedings before the CPUC or to participate in CPUC- sponsored Public Participation Hearings (PPHs). If PPHs are scheduled, each customer will be notified of the dates, times, and locations of the hearings. PPHs provide an opportunity for members of the public and customers of California American Water to express their opinions, views or protest any portion of the GRC. You may also write or email the PAO at the address shown below. All communications are circulated to the Commissioners, the assigned ALJ and assigned staff. The letters and e-mails also become part of the formal correspondence record of the proceeding for public comment.

Protesting the Application

If you want to participate in these proceedings or if you would like to send written comments or protest this application, please notify the CPUC's PAO at the address listed below. When sending an e-mail or writing a letter, please refer to GRC A. 08-01-024.

CPUC Public Advisor's Office

505 Van Ness Avenue, Room 2103

San Francisco, CA 94102

Toll Free: 1-866-849-8390 or 1-415-703-2074

TTY Toll Free: 1-866-836-7825 or 1-415-703-5282

E-mail: public.advisor@cpuc.ca.gov

A copy of the application may be inspected at the following business offices of California American Water, or at the CPUC's Central Files Office, Room 2002, 505 Van Ness Avenue, San Francisco, CA 94102.

511 Forest Lodge Road, Pacific Grove, CA 93950

640 Larkfield Center, Santa Rosa, CA 95403

4701 Beloit Drive, Sacramento, CA 95838

195 Kirby Street, Felton, CA 95018

2439 W. Hillcrest Drive, Newbury Park, CA 91320

8657 Grand Avenue, Rosemead, CA 91770

1019 Cherry Avenue, Imperial Beach, CA 91932