



## Fact Sheet for Sacramento 2009 Water Rate and Temporary Surcharge Information February 18, 2009

Due to a number of new temporary surcharges, a number of customers saw an increase in their bills recently. For most, the vast majority of these charges will be a temporary situation due to some peculiarities in the regulatory process.

**Bill Charge Explanation:** The additional adjustments on recent bills are the **Sac Step Adj** and the **Sac Intrm Adj**. These adjustments (under the adjustments column of the bill), are one time charges to recover underbilling from the customers previous bills for the period after January 1st. **As customers on a flat rate are billed in advance, it was necessary to add these adjustments for any period previously billed after January 1st – since those statements were billed using the old rates.**

**Sac xxx Sq Ft Rate=** this is the same charge the customer has always had; however, it increased about 2% effective January 1, 2009.

**Sacramento Flat Interim Rt Rc =** this is a new charge that was effective January 7, 2009 and will be in effect until April 30<sup>th</sup>, 2009. It is recovering previously authorized rates for the period between January 2008 and May 2008.

**Sac Step Adj =** underbilling for the Sac xxx Sq Ft Rate charge for the previous billing period(s) which covered dates after January 1, 2009.

**Sac Intrm Adj =** underbilling for the Sacramento Flat Interim Rt Rc for the previous billing period(s) which covered dates after January 7, 2009.

### (PLEASE SEE THE CHART BELOW FOR ADDITIONAL BILL CHARGE INFORMATION)

**Percentage of increase:** 2.2% step increase, some flat rate customers receiving bills for February and March will also see a Step Rate Adjustment Surcharge to recover this increase back to effective date of 1-1-09. In addition, the CPUC has authorized a temporary surcharge for all customers to recover approved revenue for 2008. This surcharge will appear on bills through April. **Flat rate customers are billed in advance of service**, as a result, flat rate customers may see up to two additional temporary surcharges to recover the 2009 step rate increase and 2008 true up back to the effective authorized date of these charges. These surcharges are variable and are based on the date of billing and effective date of rates.

**Infrastructure improvements:** The 2008 and 2009 rate increases are funding \$45 million dollars in infrastructure projects including main replacements, arsenic treatment plant improvements and updates, treatment plant expansions, and conversion from flat rates to meters and billing based upon actual water usage.

**How the increase will impact your bill:** The 2009 step rate and conservation surcharges will remain in effect until the next rate adjustment in 2010. The other recovery surcharges are effective for 4 months and then be removed from bills

**Date increase goes into effect:** 2009 Step Rate increase was effective 1-1-09, 2008 Interim recovery was effective 1-7-09

**All customers received the following bill text message:** Your bill this month contains up to four changes. Your base rates are increasing 2.2% as a result of the previously authorized incremental annual increase. If you are a flat rate customer, your bill may also show a Step Rate Adjustment Surcharge to account for this charge from January 1 onwards. The CPUC has authorized another surcharge on your bill from January to April to recover the difference between interim and authorized rates in 2008. Customers who received their bill in January or February may see two surcharges associated with this authorized true-up. For more information on either of these charges please call our Customer Service Center at 1888 237-1333.

**Public Meetings:** California American Water will be conducting a series of community meetings in your area to discuss bill changes, its recent application with the California Public Utilities Commission to raise water rates in our Sacramento service area, conservation and other issues. All meetings are listed below. For more information on this rate filing go to the drop down menu on the "Customer Service" section of our website: [www.amwater.com/caaw](http://www.amwater.com/caaw)

Date: March 23, 2009 at 7pm  
Hampton Inn & Suites in Sacramento  
2230 Auburn Blvd  
Sacramento, CA 95821

Date: March 25, 2009 at 7pm  
North Highlands Community Center  
6040 Watt Avenue  
North Highlands, CA 95660

Date: March 30, 2009 at 7pm  
Isleton Community Center  
210 Jackson Blvd  
Isleton, CA 95641

Date: April 8, 2009 at 7PM  
Florin Community History Center  
7245 Fletcher Farm Drive  
Sacramento, CA 95828

**Who can the customer call for more detailed information regarding the increase?**

Customers can contact California American Water's External Affairs Manager Evan Jacobs at (916) 568-4252 for more information.

**\*\*\*\* THESE AMOUNTS REFLECT THE BI-MONTHLY CHARGES  
THAT WILL APPEAR ON THE CUSTOMER BILLS\*\*\*\***

**5/8 inch Metered Customers**

Bi-Monthly Service Charge	\$19.40
Quantity Charge per Unit (100 Cubic Feet)	\$1.36
Conservation Surcharge per Unit	\$0.04
2008 True Up Surcharge	\$9.90
<ul style="list-style-type: none"> <li>Will remain in effect 4 months thru April.</li> </ul>	
2009 Step Rate Adjustment Surcharge	Amount varies based upon number of days in the billing cycle
<ul style="list-style-type: none"> <li>Will remain in effect 4 months thru April.</li> </ul>	

**(SEE NEXT PAGE FOR FLAT RATE CHARGES)**

**5/8 inch Flat Rate Customers (based upon lot size)**

<b>4500 sq ft or less (lot size)</b>	\$52.76
<b>4501 to 8000 sq ft (lot size)</b>	\$71.34
<b>each additional residence on lot</b>	\$47.36
<b>Each additional 1000 sq ft after 8000 sq ft</b>	\$2.00

<b>Sacramento Step Adjustment</b>	Amount varies based upon number of days in the billing cycle
<ul style="list-style-type: none"> <li>Reflects the 2.2% increase (based upon lot size).</li> <li>This amount is pro-rated from 1-1-09 to the Billing date.</li> <li>True up (recovery) for 2009 charges &amp; will only appear on one billing cycle.</li> </ul>	

<b>Sac Flat Rate Interim Rate Recovery Surcharge</b>	\$24.92
<ul style="list-style-type: none"> <li>True-up (recovery) for 2008 charges.</li> <li>Will remain in effect 4 months thru April.</li> </ul>	

<b>Sacramento interim adjustment</b>	Amount varies based upon the number of days in the billing cycle
<ul style="list-style-type: none"> <li>True-up (recovery) for 2008 charges &amp; will only appear on one billing cycle.</li> <li>Amount is pro-rated from 1-7-09 to the bill date</li> </ul>	

**Conservation Surcharge**

- Will remain in effect until the next rate adjustment in 2010

\$1.10