

NOTICE OF RATE INCREASE BY CALIFORNIA CITIES WATER

California Cities Water (Cal Cities) has filed an application with the California Public Utilities Commission (CPUC) for a \$2.3 million or 45.1% increase in revenues in its Santa Maria District. By this application, Cal Cities seeks approval to establish, effective January 1, 1993, a service connection fee for new services; establish balancing and memorandum accounts to track costs and revenues; and to increase rates to its general metered, limited metered irrigation, and private fire service tariffs related to the Company's participation in the Coastal Aqueduct (Project) which is projected to deliver State Water to Santa Barbara County starting in June 1996. The estimated capital cost of the Project is \$509 million and Cal Cities' share is \$73 million.

The effect on the typical (25 ccf/mo.) metered commercial or residential customer's bill for 1993 with a 5/8" x 3/4" meter is an increase of \$14.35 per month or 41.8%. Participation in the Project will cause Cal Cities to request an additional increase of an estimated \$12.25 per month by the year 1996.

Customers who may wish to protest or communicate other concerns to the Commission relating to the proposed increase may do so in writing to the Commission within 20 days after publication of this notice. Customers are requested to refer to California Cities Water's State Water Project Application No. 92-06-044.

Commission:
Division of Ratepayer Advocates
Cal. Public Utilities Commission
Attn: Paul M. Chan
505 Van Ness Avenue
San Francisco, CA 94102

Please send a copy to:
California Cities Water
Attn: Daniel A. Dell'Osa
630 E. Foothill Blvd.
San Dimas, CA 91773

A copy of the filing may be examined at the Offices of the California Public Utilities Commission in San Francisco or Los Angeles. A copy may also be reviewed at the Company's General Offices or at the local District Office at 4854-F Bradley Road, Santa Maria, CA 93455.