

**NOTICE OF  
FORMAL PUBLIC PARTICIPATION HEARING BEFORE THE  
CALIFORNIA PUBLIC UTILITIES COMMISSION  
REGARDING THE STATE WATER PROJECT  
AND THE ASSOCIATED RATE INCREASES**

**AMOUNT OF INCREASE**

The Company is proposing an increase in rates in 1993 in the Santa Maria District of \$2,312,800 or 59.1% above the rates in effect in June 1992 when Application No. 92-06-044 was filed. The proposed increase on the monthly bill of the average residential or commercial customer (with a 5/8" or 3/4" meter and using 25 Ccf - hundred cubic feet of water per month) is \$14.35 per month or 59.0%. By 1996, a further increase of \$12.25 per month is anticipated. The application also requests the implementation of service connection fees ranging from \$3,000 to \$20,000, depending upon the meter size.

**PLEASE NOTE**

This proposed State Water Project increase in rates is in addition to a general rate case application filed by the Company in May 1992, which is still pending before the Commission. A Commission decision is expected by March 1993 on the Company's requested increase of \$8.65 per month in 1993, \$2.03 per month in 1994 and \$2.02 per month in 1995.

**REASONS FOR THE REQUESTED INCREASE**

California Cities Water seeks approval to include in rates the cost of purchasing imported State Water from the Central Coast Water Authority (CCWA). This contract provides the Company with access to 7,900 AFY of State Water, required for reduction of the groundwater basin overdraft, water quality improvements, and future growth. (AFY stands for acre-foot/per year. An acre foot of water is equivalent to one acre covered to a depth of one foot.) The Company's share of the project cost is estimated between \$73 million and \$130 million. The project is scheduled to be operational in 1996.

**SCHEDULED HEARING**

Two formal customer participation hearings will be held on Wednesday, February 17, 1993, from 3:00 pm to 5:00 pm and from 7:00 pm to 10:00 pm at Lakeview Junior High School, 3700 Orcutt Road, in Santa Maria. Customers of California Cities Water are invited to attend either the afternoon or evening hearing to make statements before a CPUC administrative law judge regarding the Company's proposed participation in the Coastal Aqueduct project.

The Commission welcomes your comments. If you cannot attend this hearing, you may submit written comments to the Commission's Public Advisors' Office at the address listed below. Simply state that you are writing about California Cities Water's Application No. 92-06-044.

A copy of California Cities Water's application may be inspected in its business offices. Further information may be obtained from California Cities Water at its business offices listed below, or from the California Public Utilities Commission offices.

**Commission Offices:**

Division of Ratepayer Advocates  
California Public Utilities Commission  
505 Van Ness Avenue, Room 4208  
San Francisco, CA 94102

Public Advisors' Office  
California Public Utilities Commission  
107 South Broadway, Room 5109  
Los Angeles, CA 90012

**Water Company Offices:**

Santa Maria Office  
4854-F Bradley Road  
Santa Maria, CA 93455  
(805) 937-2007

General Office  
630 E. Foothill Boulevard  
San Dimas, CA 91773  
(909) 394-3600

**NOTE: PLACES OF MEETINGS ARE ACCESSIBLE TO THE HANDICAPPED**