



East Pasadena Water Company

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NOTICE TO EAST PASADENA WATER COMPANY CUSTOMERS

April 6, 2020

East Pasadena Water Company
3725 East Mountain View Avenue
Pasadena, CA 91107

Re: California American Water's Application to Purchase East Pasadena Water Company

Application A.20-04-003

Dear Customers:

As you may know, California-American Water Company (California American Water) recently agreed to buy your water provider, East Pasadena Water Company (East Pasadena). The California Public Utilities Commission (CPUC) must approve the sale.

On April 6, 2020, California American Water and East Pasadena submitted application A.20-04-003 to the CPUC. The application seeks CPUC approval of California American Water's acquisition of East Pasadena's assets, permission for California American Water to serve East Pasadena's customers, and inclusion of East Pasadena's service area into California American Water's CPUC approved service territory.

Upon approval of this application, your rates will not be directly affected until 2024. The proposed acquisition would result in an approximate **0.71% increase**. Based on current rates for a typical residential East Pasadena customer with a bill of \$68.00, this would amount to a 48 cent monthly increase.¹ The actual amounts of any rate changes will be determined through a General Rate Case (GRC) process. California American Water expects to file its next GRC in July of 2022, for rates to take effect in 2024. California American Water is also proposing the East Pasadena service area be consolidated into its Los Angeles District for operational purposes. A decision on any rate or ratemaking consolidation in the Los Angeles District will be considered in California American Water's next GRC.

CPUC PROCESS

This application will be assigned to a judge, who will consider proposals and evidence presented during the formal hearing process. The judge will issue a proposed decision which may adopt California American Water's application, modify it or deny it. Any CPUC Commissioner may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon by the CPUC Commissioners.

The Public Advocates Office (Cal Advocates) is currently reviewing this application. Cal Advocates is the independent consumer advocate within the CPUC with a statutory mandate to

¹ Actual increases may vary depending on outcome of pending and future General Rate Cases and subsequent requests.

represent customers of investor-owned utilities to obtain the lowest possible rate for service consistent with safe and reliable service and the state's environmental policy goals. Cal Advocates has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. For more information about Cal Advocates, please call (415) 703-1584, e-mail PublicAdvocatesOffice@cpuc.ca.gov, or visit Cal Advocates' website at publicadvocates.cpuc.ca.gov.

WHERE CAN I GET MORE INFORMATION?

Contact California American Water

Write: Vera Kostikova
4701 Beloit Drive
Sacramento, CA 95838
Email: vera.kostikova@amwater.com
Phone: (916) 568-4246

Contact the CPUC

You may also get information about this proceeding by contacting the CPUC:

- If you would like to make a comment, please visit cpuc.ca.gov/A2004003Comment to submit a comment on the CPUC Docket Card. You can also review other public comments.
- If you have questions about CPUC processes, you may contact the CPUC's Public Advisor's Office:

Write: CPUC Public Advisor's Office
505 Van Ness Avenue
San Francisco, CA 94102
Email: public.advisor@cpuc.ca.gov
Phone: 1-866-849-8390 (toll-free) or 1-415-703-2074
1-866-836-7825 (toll-free) or TTY 1-415-703-5282

Please refer to **Application A.20-04-003** in any communications with the CPUC regarding this matter.

Sincerely,

East Pasadena Water Company