

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



July 7, 2006

To: Service Lists in R.03-09-005 and R.06-04-010

In December 2005, the Commission unanimously adopted a principle-based Water Action Plan. Just two months later, the Commission closed its Order Instituting Rulemaking 03-09-005 that established a Rate Case Plan for the Class A water companies that would comply with Assembly Bill 2838 (Decision 06-02-010). The Water Action Plan was not part of the scope of the Rate Case Plan.

In order to best implement the Objectives of the Water Action Plan for the Class A water companies, it would be prudent to have them incorporated into the general filing requirements of their general rate cases.

In addition, the Commission is close to completing three rate case cycles under the existing Rate Case Plan. As with any new program, there are lessons to be learned. This would be an ideal time to make generic changes that would improve the Rate Case Plan and also meet WAP Objective #5, Streamlining CPUC Decision-making.

Accordingly, your comments would be greatly appreciated as we consider the methods to implement the Water Action Plan and improve the Rate Case Plan. Let us know if workshops would facilitate this process.

Please provide your suggested comments to the Rate Case Plan electronically to Jonathan P. Tom ([jpt@cpuc.ca.gov](mailto:jpt@cpuc.ca.gov)) and the parties served with this letter by July 31, 2006. Replies are due on August 11, 2006.

Very truly yours,

Kevin P. Coughlan  
Director  
Water Division