

## KEY POINTS – SUMMARY

1. 22% below normal rainfall
2. Violation of SWRCB Order = fines could reach several million dollars - potentially to be paid by ratepayers
3. May 2005 usage exceeded May target by over 200 acre feet
4. Historically – water usage in July, August and September have been over the targets
5. Outdoor watering is culprit and target of these proposed new rates:
  - golf courses
  - public authority
  - residential properties with large irrigated acreage
6. Over 90% of residential customers will not be affected
7. New rate temporary -- to October 31, 2004
8. No windfall or advantage to Cal-Am -- **all revenue from these new rates go into special account either to be returned to all ratepayers and/or to pay any SWRCB fine**
9. No effective alternative; must change behavior on use of outside watering
10. Cal-Am will also file a CPUC application for a moratorium on all new and expanded connections