



CALIFORNIA  
AMERICAN WATER

WE KEEP LIFE FLOWING®

# YOUR RATES ARE CHANGING

During 2021 and 2022, California American Water will invest **\$165 million** in water infrastructure. On the Central Coast we are focused on protecting the environment, increasing reliability, maintaining system capacity and emergency preparedness.

## TORO WELL PROJECT

The Toro System is a satellite system for the Cal Am Central Division that has traditionally been fed by three wells: Toro #1, #2, and #3. The wells had been experiencing a decline in production capacity over the years, with recent well rehabilitations no longer producing the desired increase in flow. Well videos indicated that the casing in well #2 was failing in some places and that the condition of the casing in well #1 was not far behind. Additionally, well #3 is located on a piece of land that was deemed outside of the aquifer boundaries, so it needed to be destroyed. With the declining capacity and the wells all needing to be replaced, the system was in urgent need of a new well. The first phase of this project is the drilling of a new Toro #4 to replace Toro #2.

## RESIDENTIAL RATE PLAN

The current four-tier rate structure for residential customers promotes efficient water use and keeps costs down for essential uses by increasing costs as you use more water.

- First 5,980 gallons per month cost \$0.76 per hundred gallons
- Next 7,480 gallons per month cost \$1.26 per hundred gallons
- Next 65,080 gallons of water cost \$1.52 per hundred gallons
- Water use above 78,540 gallons per month costs \$2.21 per hundred gallons

This rate structure will reduce the magnitude of high bills due to water leaks and provide greater equity across our customer base.

### BEFORE THE RATE CHANGE

**9,230 = \$116.77**  
GALLONS/MONTH TYPICAL WATER BILL



### AFTER THE RATE CHANGE

**9,230 = \$127.85**  
GALLONS/MONTH TYPICAL WATER BILL



### WHAT DOES MY WATER BILL PAY FOR?

The average water bill helps pay for the following:



**43%**

Investments in local infrastructure to replace pipes, improve fire protection and treat water



**32%**

Operations, maintenance, customer service and staffing



**17%**

Cost to pump, treat and deliver water



**8%**

Local, state and federal taxes and fees

### WE'RE HERE TO HELP

Resources are available to help customers save water and money on their bills. California American Water offers robust conservation incentives including:



Generous rebates for efficient outdoor irrigation technology.



Free devices including low-flow showerheads, sink aerators and positive shut-off hose nozzles (available at our business office during normal hours).



Water Wise House Calls where a conservation specialist will visit your home and make recommendations on ways to save water.

For more information, call our local conservation hotline at **1-831-646-3205**.

### MANAGING COSTS TO SAVE YOU MONEY

We work hard to maximize efficiency to reduce your utility costs. Every dollar we save in our daily operations allows us to invest eight dollars in your water service without changing rates.

### CALIFORNIA DROUGHT

California is experiencing drought conditions across the state. Please follow our water waste rules and reduce usage by 15%.

### CUSTOMER ASSISTANCE YOUR WAY

Our customers are at the center of all we do. We understand that sometimes finances get stretched thin, so we offer a variety of programs to help customers get through those tough times. Whether you need to make special payment arrangements or would like to manage your cash flow with budget billing, we are here to help. Visit [californiaamwater.com](http://californiaamwater.com) > **Customer Service & Billing > Customer Assistance Programs**.