

Exhibit A

PROPOSED RETAIL WATER RATE INCREASE
Santa Clarita Water Division of Castaic Lake Water Agency
September 9, 2009 @ 6:15 p.m.

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that at 6:15 p.m. on September 9, 2009, in the Boardroom of the Castaic Lake Water Agency Rio Vista Treatment Plant located at 27234 Bouquet Canyon Road, Santa Clarita, California, the Board of the Castaic Lake Water Agency shall consider an increase in retail water rates for its Santa Clarita Water Division (SCWD). If adopted, the proposed increased rates would apply to all properties for which SCWD provides water service. This Notice has been provided to you, either as the owner or tenant responsible for payment of the water bill for a particular property, or as the record owner of that property. If you are a resident but not responsible for payment of the water bill, please give this Notice to the record owner of the property as soon as possible.

WHY IS A RATE INCREASE BEING PROPOSED?

The Santa Clarita Water Division (SCWD) of the Castaic Lake Water Agency (CLWA) is committed to providing a cost-effective service and reasonably priced commodity to our customers. The proposed revenue increases would provide necessary funds to meet the anticipated increase in the wholesale cost of imported water; water system operations including increasing treatment, operational and maintenance costs to meet stringent Federal and State water quality regulations; higher energy costs; and to fund the Capital Improvement Program (CIP). SCWD proposes new water rates for the period from January 1, 2010 through December 31, 2012.

Efficient water use and avoidance of water waste will save you money. Moreover, due to current regional water shortages, it is SCWD's policy to encourage water conservation. Effective January 1, 2010, SCWD proposes to implement an inclining block tiered water rate structure for single-family residential customers and a separate uniform water rate for irrigation customers to increase awareness of the cost of local and imported water supplies and encourage conservation.

SCWD has prepared a financial plan and rate equity study supporting the proposed rates. The study is available for review at SCWD's Administrative Offices located at 22722 West Soledad Canyon Road on Monday through Thursday, 7:30 a.m. to 5:30 p.m. and alternating Fridays, 7:30 a.m. to 4:30 p.m., excluding holidays. If you have questions regarding this Notice, the public hearing or the proposed retail water rate increase, please contact our Customer Service Department at (661)259-2737 or visit our website at www.clwa.org.

WHAT DOES THIS MEAN TO ME?

To estimate your bill as a result of a proposed rate increase, a table is provided below for reference.

Sample single family dwelling residential customer bill based on various Ccf's

Monthly Bill (3/4-inch meter)	Current 2009	Proposed 2010	Proposed 2011	Proposed 2012
9 Ccf - minimum use	\$ 28.57	\$ 29.99	\$ 33.71	\$ 36.14
18 Ccf - typical (median) use	\$ 39.92	\$ 42.31	\$ 47.57	\$ 50.99
29 Ccf - average use	\$ 53.78	\$ 58.30	\$ 65.53	\$ 70.26
100 Ccf - high use	\$ 143.27	\$ 184.80	\$ 207.72	\$ 222.68

HOW DO I PROTEST THE PROPOSED RATE INCREASE?

Written comments or protests to the proposed retail rate increase may be submitted to SCWD at or before the public hearing. Please mail comments and protests to Santa Clarita Water Division, PO Box 903, Santa Clarita CA 91380-9003 in advance of the September 9, 2009 hearing or hand deliver them to the Board Secretary at the hearing. To be counted as valid protests, written protests must (1) be originals signed by the tenant or record owner of the property receiving water service, (2) include the address of the property, (3) include the phrase "SCWD Water Rate Increase," and (4) clearly state that the water rate increase is protested. E-mail and faxed protests are not valid and will not be counted. Also, only one written protest is permitted per parcel. At the hearing, the Board of Directors will consider all written comments for and against the proposed increase. If a majority of property owners and/or customers of the identified parcels served by SCWD submit written protests against the proposed increase, then the rate increase will not be adopted.

Current and Proposed SCWD Retail Water Rates

The current and proposed annual rates for SCWD retail water service consist of fixed monthly meter service charges based on meter size and variable water commodity supply charges based on metered water demand in hundred cubic feet (Ccf). Moreover, for single-family dwelling class customers, SCWD proposes to bill for water using conservation-oriented inclining block tiered water rates. Irrigation customers would be billed using the conservation rate for single-family dwelling as the uniform water rate.

All other customer classes would continue to be billed with the current uniform water rate. All changes would be effective on January 1 for the years shown below.

Fixed Meter Service Charge by Meter Size (\$ per month)

Meter Size (Inches)	Current	2010	2011	2012
5/8 by 3/4	\$ 12.06	\$ 14.45	\$ 16.24	\$ 17.41
3/4	\$ 17.23	\$ 18.26	\$ 20.53	\$ 22.01
1	\$ 22.57	\$ 25.89	\$ 29.10	\$ 31.20
1 1/2	\$ 33.77	\$ 44.96	\$ 50.54	\$ 54.17
2	\$ 48.42	\$ 67.84	\$ 76.26	\$ 81.75
3	\$ 92.18	\$128.87	\$144.85	\$155.28
4	\$129.74	\$197.52	\$222.01	\$238.00
6	\$243.98	\$388.22	\$436.36	\$467.78
8	\$288.43	\$617.06	\$693.58	\$743.51

Variable Water Commodity Charges for Single Family Dwelling Residential Customers (\$ per Ccf)

Rate Block	Block Range (Ccf per Month) Bottom - Top	2010	2011	2012
Tier 1 -- Essential	0 - 14	\$1.3029	\$1.4644	\$1.5699
Tier 2 -- Basic	15 - 49	\$1.4532	\$1.6334	\$1.7511
Tier 3 -- Conservation	50 and above	\$1.9105	\$2.1474	\$2.3020

Variable Water Commodity Charges for Irrigation Customers (\$ per Ccf)

Commodity Charges	Current	2010	2011	2012
All Use	\$1.2604	\$1.9105	\$2.1474	\$2.3020

Variable Water Commodity Charges for All Other Customers (\$ per Ccf)

Commodity Charges	Current	2010	2011	2012
All Use	\$1.2604	\$1.4532	\$1.6334	\$1.7511

All commodity charges include the local SCWD water usage charge and pass-through charges for purchased water and power. The pass-through charges are based on current estimates of future costs, and are subject to change based on the actual costs.