

**GOLDEN HILLS SANITATION CO., INC.
PO Box 3015
Pinedale, CA 93650**

February 21, 2012

NOTICE TO CUSTOMERS OF CLOSURE AND CESSATION OF SEWER SERVICE
EFFECTIVE FEBRUARY 29, 2012

It is with great regret that Golden Hills Sanitation Co., Inc. ("GHS") notifies you that on February 29, 2012, it must cease operation of its waste water plant and close its Tehachapi office. As a consequence, customers will no longer receive sewer service from GHS after 5:00 p.m. on February 29, 2012.

The reason for this closure and cessation of service is that GHS lacks revenue required based on currently authorized rates to continue its public utility operations beyond February 29, 2012. GHS has taken steps to seek funding sufficient to continue operations or to transfer its wastewater facility to another public or private entity. However, its currently pending application to the California Public Utilities Commission ("CPUC") (Application (A.) 11-08-019) to increase its rates commensurate with its required revenue, of which customers have been previously notified, has not been resolved in time to raise rates to the level required to continue or sustain the service, and no decision is expected in that application before October 2012 at the earliest. Further, despite GHS's ongoing, best efforts to transfer its plant to another public or private entity so that service could continue, no transferee has been found to step in and take over the facility and service.

In these circumstances, GHS has had no choice but to cease operations and close its office. GHS greatly regrets this unavoidable outcome.

As to questions you may have regarding alternatives to the sewer service that has been provided by GHS, GHS recommends that your questions be directed to: Golden Hills Community Service District, at (661) 822-3064; Kern County, Department of Public Health, at (661) 321-3000; the California Regional Water Quality Control Board, Central Valley Region 5

Fresno Office, at (559) 445-5116; and the California Public Utilities Commission, Consumer Affairs Branch, at (800) 649-7570.

Regretfully,

GOLDEN HILLS SANITATION CO., INC.



Kathy Omachi, Director and Officer

cc: Honorable Zack Scrivner, Supervisor, County of Kern
Honorable Jean Fuller, California State Senate
Honorable Shannon Grove, California State Assembly
Teresa Goldner, Esq., County Counsel, County of Kern
Kirk Perkins, Esq., Chief Deputy County Counsel, County of Kern
Bruce DeBerry, California Public Utilities Commission
Rami Kahlon, California Public Utilities Commission
Mr. Cody Tellis
Ms. Kathy Omachi
Mr. Clifford Bressler
Ms. Sara Steck Myers, Esq.
Mr. Lonnie Wass, California Regional Water Quality Control Board
Mr. Clint Hilderbrand
Golden Hills Community Services District
Bakersfield Californian
Tehachapi News
Kkey TV
Kero-TV 23 ABC
Three Angels Broadcasting Network
Kbak -TV 29
KZKC
Fox 58
Jab Broadcasting
KBBV
The Eyewitness News Station
KUVI
KABE
KGET TV 17
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