

COMPANHIA DE SANEAMENTO BASICO DO ESTADO DE SAO PAULO-SABESP

Form 6-K

August 21, 2008

**SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

FORM 6-K

**REPORT OF FOREIGN ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF THE
SECURITIES EXCHANGE ACT OF 1934**

For August 18, 2008

(Commission File No. 1-31317)

Companhia de Saneamento Básico do Estado de São Paulo - SABESP
(Exact name of registrant as specified in its charter)

Basic Sanitation Company of the State of Sao Paulo - SABESP
(Translation of Registrant's name into English)

**Rua Costa Carvalho, 300
São Paulo, S.P., 05429-900
Federative Republic of Brazil**
(Address of Registrant's principal executive offices)

Indicate by check mark whether the registrant files or will file
annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K
in paper as permitted by Regulation S-T Rule 101(b)(1).

Indicate by check mark if the registrant is submitting the Form 6-K
in paper as permitted by Regulation S-T Rule 101(b)(7).

Indicate by check mark whether the registrant by furnishing the
information contained in this Form is also thereby furnishing the
information to the Commission pursuant to Rule 12g3-2(b) under
the Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicated below the file number assigned to the
registrant in connection with Rule 12g3-2(b):

COMPANHIA DE SANEAMENTO BÁSICO DO ESTADO DE SÃO PAULO SABESP

**PUBLICLY-HELD COMPANY
CORPORATE TAXPAYER S ID (CNPJ) No. 43.776.517/0001 -80**

Material Fact

Companhia de Saneamento Básico do Estado de São Paulo Sabesp, pursuant to CVM Rule 358, as of January 3, 2002, and amendments, publicly announces to its shareholders and the market in general that on August 8, 2008, the São Paulo State Sanitation and Energy Regulatory Agency (ARSESP) approved the tariff readjustment index of 5.10% to be applied on a straight-line basis over water and sewage tariffs as of September 11, 2008.

The aforementioned readjustment is not applicable to the municipalities of São Bernardo do Campo and Lins; tariffs and other conditions published in proper Notices will prevail thereon.

The full content of notice will be available on Sabesp website, www.sabesp.com.br, as well as at all the Company's customer service offices and the Official Gazette of the state of São Paulo.

São Paulo, August 11, 2008.

Rui de Britto Álvares Affonso

Chief Financial Officer and Investor Relations Officer

