

WATER/FLC:jrb

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

DIVISION OF WATER AND AUDITS
Water and Sewer Advisory Branch

RESOLUTION W-4718
November 21, 2008

R E S O L U T I O N

(RES. W-4718), WEST RIVERSIDE CANAL COMPANY (WEST RIVERSIDE). ORDER DECERTIFICATING WEST RIVERSIDE BY E-MAIL ON SEPTEMBER 25, 2008.

SUMMARY

This Resolution decertificates West Riverside and determines that it is providing water as an accommodation under Section 2704 of the Public Utilities (PU) Code.

BACKGROUND

In 1917, by Decision No 4040, 12 CRC 339, the Commission authorized the West Riverside Canal Company to acquire and operate as a utility an existing irrigating canal in Riverside and San Bernardino counties. Various persons at the time possessed a right to the transportation of water in the canal and most accepted stock in the West Riverside Canal Company on the basis of one share of stock for each miner's inch of water flowage right (a miner's inch is 1.5 cubic feet per minute). The utility has CPUC identification number WTD 370.

On March 6, 2006 the Water Branch of the Water Division received a letter from Henry C. Cox, II, President of West Riverside requesting that, since the "Company has been delivering non-potable water service only to school districts and golf courses" it be allowed to withdraw its Certificate of Public Convenience and Necessity. The letter refers to Public Utilities Code Section 2704, Service as an Accommodation.

The letter from Mr. Cox was written at the request of the Division of Water and Audits' Utility Audit and Compliance Branch auditor, Zee Wong, who talked to the owner about filing an annual report as required by General Order 104. According to Ms. Wong, the system provides irrigation water to a school district. In her opinion the service is being provided as an accommodation.

NOTICE

The Water and Sewer Advisory Branch responded by asking Mr. Cox to inform his customers of his efforts to become deregulated. On September 25, 2008 Mr. Cox forwarded by e-mail a letter from the Jurupa Unified School District dated September 24, 2008 and a letter from the Indian Hills Golf Club, both in Riverside California. Each letter expressed satisfaction with West Riverside's wish to be no longer regulated.

DISCUSSION

A review of the Commission's files reveals that West Riverside has had very little interaction with the Commission over the years. The last general rate case was decided by Decision No. 41106, January 6, 1948. At that time the president was a Mr. F. J. Rickershauser, and there were seven customers as follows:

West Riverside 350 Inch Water Company
Salazar Water Company
La Sierra Water Company
Agua Mansa Water Company
Twin Buttes Water Company
Jurupa Water Company and
Mutual Water Company of Glen Avon Heights

The last advice letter was filed January 13, 1988 in response to a Commission letter to all water utilities to modify tariff Rule 15 to provide for a gross up on contributions required by the Tax Reform Act of 1986. There are no complaints in the Commission's records.

Section 2704 of the PU Code reads:

"Any owner of a water supply not otherwise dedicated to public use and primarily used for domestic or industrial purposes by him or for the irrigation of his lands, who (a) sells or delivers the surplus of such water for domestic or school district purposes or for the irrigation of adjoining lands, or (b) in an emergency water shortage sells or delivers water from such supply to others for a limited period not to exceed one irrigation season, or (c) sells or delivers a portion of such water supply as a matter of accommodation to neighbors to whom no other supply of water for domestic or irrigation purposes is equally available, is not subject to the jurisdiction, control, and regulation of the commission."

Although no particular source of supply is identified, clearly this section could apply to the existing provision of service. The owner of the water supply, Mr. Cox, is providing water to a school district and a golf course under contract. If the district or the golf course is not happy with the rates it is paying, it can drill its own wells or find another source of water. Mr. Cox is not advertising any dedication to public use or soliciting additional customers. If, in the future, additional customers are added and they, for whatever reason, claim that Mr. Cox is dedicating the irrigation ditch to the public, they may file a formal complaint and the Commission may reassert jurisdiction. In the meantime West Riverside should qualify as an accommodation under this Section 2704, as the legislature intended, and the utility's Certificate of Public Convenience and Necessity should be revoked.

COMMENTS

This is an uncontested matter in which the resolution grants the relief requested. Accordingly, pursuant to PU Code 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

FINDINGS

1. West Riverside Water Company no longer operates as a public utility.
2. The certification of West Riverside Canal Company is no longer in the public interest.
3. West Riverside Canal Company should be decertificated.

THEREFORE IT IS ORDERED THAT:

1. West Riverside Canal Company is no longer a certificated utility under Section 2701 of the Public Utilities Code.
2. All Commission records of West Riverside Canal Company shall be properly marked and disposed of or stored, as appropriate.
3. This resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on November 21, 2008; the following Commissioners voting favorably thereon:

PAUL CLANON
Executive Director