

ATTACHMENT 1

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April 24, 2007

Everett Hodges, President
Havasu Water Company, Inc.
4 Camino Lienzo
San Clemente, CA 92673

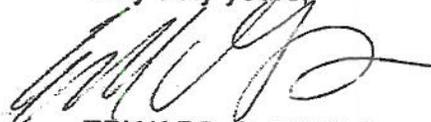
RE: C. 07-03-028 – HAVASU LAKESHORE INVESTMENTS

Dear Mr. Hodges:

This letter will inform you and the California Public Utilities Commission that the above-referenced complaint has been withdrawn due to the settlement reach with you in the Superior Court action. I have talked with ALJ Sarah Thomas, who has asked that I inform you of this withdrawal and to inform you that you need not answer the complaint as so instructed in the Commission's April 2, 2007, Instructions to Answer.

Please do not hesitate to contact me should you have any questions.

Very truly yours,



EDWARD G. POOLE

EGP/gmt/9272.5000

cc: ALJ Sarah Thomas
Maurice Wainer, Esq.
Havasu Lakeshore Investments, LLC.

(End of Attachment 1)