

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Frank S. Roeth, Dave Bates, and Scott Harris, and
others similarly situated,

Complainants,

vs.

Chris Monet, doing business as Redwood Lodge
Water Co., an unregulated water company,

Defendant.

Case 08-06-026
(Filed June 24, 2008)

ORDER EXTENDING STATUTORY DEADLINE

Summary

Pub. Util. Code § 1701.2(d) provides that adjudicatory cases shall be resolved within 12 months of initiation unless the Commission makes findings why that deadline cannot be met and issues an order extending that deadline. In this proceeding, the 12-month deadline for resolving this matter is June 24, 2009. The proceeding cannot be resolved by that date due to on-going negotiations between the customers and the Redwood Lodge Water Company’s owner.

Background

On June 24, 2008, Frank S. Roeth, Dave Bates, and Scott Harris initiated this complaint proceeding against Chris Monet, doing business as Redwood Lodge Water Company. The complaint alleged that Monet was offering water service subject to the jurisdiction of the Commission and that Monet had

increased rates without Commission approval. The complaint also stated that Monet had disconnected service to complainant Roeth's residence.

On Monday, September 2, 2008, complainant Roeth submitted via facsimile documents which indicated that defendant Monet intended to cease providing water to all customers on August 29, 2008, through September 12, 2008. Roeth also submitted via facsimile a letter from Patricia Heimer indicating that she is the widow of the previous operator of Redwood Lodge Water Company and that she and her family "will resume operation of the water system" effective September 1, 2008. The letter also included a new payment address.

On September 3, 2008, the assigned Administrative Law Judge (ALJ) issued a ruling treating Roeth's facsimile submissions as a request for an emergency hearing and granting that request.

The complainants, named defendant, and Heimer appeared at the emergency hearing on September 8, 2008. Defendant Monet explained that a spring is Redwood Lodge Water Company's sole water source, and that the flow was inadequate to provide service to the customers. The service interruption was necessary, Monet stated, to allow the spring to refill the tank. At the conclusion of the hearing, Monet agreed to reconnect Roeth's service.

Heimer stated that she was resuming operation of the water company and intended to comply with Commission regulations. She agreed to purchase water for the system, to be delivered by truck, and would look to the customers for reimbursement of those costs.

The complainants indicated that they were interested in forming a mutual water system and purchasing the system assets of Redwood Lodge Water

Company. The complainants requested a delay in the proceedings to allow such negotiations to proceed.

Staff from the Commission's Water Division have been assisting the parties in negotiations and also preparing a rate case and an application for a certificate of public convenience and necessity. To date, a variety of issues have arisen that have prevented the parties from resolving these issues. Additional time is required to address these long-standing issues.

Need for Extension

The parties require additional time to identify and address numerous operational and regulatory issues. Consequently, the proceeding cannot be completed by June 24, 2009, as required by the statute. Therefore, the Commission must extend the statutory deadline. Given the time-consuming issues to be resolved and the owner's lack of regulatory experience, a one-year extension is reasonable.

Waiver of Comment Period

Under Rule 14.6(c)(4) of the Commission's Rules of Practice and Procedure, the Commission may reduce or waive the period for public review and comment of proposed decisions extending the deadline for resolving adjudicatory proceedings. Accordingly, pursuant to this rule, the otherwise applicable period for public review and comment is waived.

Assignment of Proceeding

John A. Bohn is the assigned Commissioner and Maribeth A. Bushey is the assigned ALJ in this proceeding.

Findings of Fact

1. This proceeding was initiated on June 24, 2008.

2. Based upon the 12-month statutory deadline, this proceeding must be resolved on or before June 24, 2009, unless this date is extended.

3. The current schedule allows insufficient time to resolve this proceeding before the 12-month statutory deadline runs.

4. This proceeding cannot be completed within the 12-month period due to the nature of the issues and parties involved. Under all the circumstances, a 12-month extension is reasonable.

Conclusion of Law

The 12-month statutory deadline imposed by Pub. Util. Code § 1701.2(d) should be extended, effective immediately, for an additional 12 months to June 24, 2010.

IT IS ORDERED that the 12-month statutory deadline in this proceeding, June 24, 2009, is extended for an additional 12 months to June 24, 2010.

This order is effective today.

Dated _____, at San Francisco, California.