

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA



FILED
02-23-11
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Application of Western Water Holdings, LLC,
PWC Merger Sub, Inc., Park Water Company (U
314 W), and Apple Valley Ranchos Water
Company (U-346-W) for Authority for Western
Water Holdings, LLC to Acquire and Control Park
Water Company and Apple Valley Ranchos Water
Company.

APPLICATION 11-01-019

(Filed January 21, 2011)

PROTEST OF Peter W. Allan TO WESTERN WATER HOLDINGS, LLC, PWC
MERGER SUB, INC., PARK WATER COMPANY AND APPLE VALLEY
RANCHOS WATER COMPANY'S APPLICATION.

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February 23rd, 2011

PROTEST OF Peter W. Allan TO WESTERN WATER HOLDINGS, LLC, PWC MERGER SUB, INC., PARK WATER COMPANY AND APPLE VALLEY RANCHOS WATER COMPANY'S APPLICATION.

1. Introduction

Pursuant to Rules 1.4 and 2.6 of the Rules of Practice and Procedure of the California Public Utilities Commission, Peter W. Allan, a resident and ratepayer of the Town of Apple Valley, and Apple Valley Ranchos Water Company, hereby files this protest to Western Water Holdings, LLC PWC Merger Sub, Inc., Park Water Company, and Apple valley Ranchos Water Company's Joint Application ("Joint Application") 11-01-019 filed on January 21, 2011, notice of which was published in the Commission's Daily Calendar on January 26th, 2011.

I am a resident of the Town of Apple Valley, a prior member of the Apple Valley Town Council and a former mayor of the Town of Apple Valley. I believe that the future of the Town of Apple Valley will hinge on the availability of affordable water for residents and business people who choose to live and work in Apple Valley. Elimination of "local control" of water may well result in the elimination of potential growth for the Apple valley area, and the return of stagnation.

II. Protest

- A. I hereby protest the transfer of Apple Valley Ranchos Water Company from local control to Western Water, a holding company established expressly to generate revenues and profits from the sale of water to Apple Valley Residents and Business people.
- B. I protest the transfer of the ownership of Ranchos Water Company on the grounds that Western Water owns no water rights, and therefore cannot guarantee continued service to residents and businesses in Apple Valley.
- C. I protest this sale on the basis that the infrastructure of water pipes in Apple Valley is at the very least archaic. Ranchos Water needs to spend millions of dollars to bring the system to a point where the number of leaks is eliminated or at the very least mitigated. No provision has been made for the upgrade of

the infrastructure, and Western Water will be under no particular obligation to upgrade the system to eliminate the continuous leaks that Ranchos currently experiences.

- D. I protest this merger on the basis that the price of the transaction is artificially low, and is designed to simply provide quick cash for the owners. Recently, the Town of Apple Valley conducted an evaluation of the possible cost of Apple Valley Ranchos to the Town and the estimate was at least \$ 30 million higher than the selling price in this proposed transaction. I believe that Western Water will be coming after the rate payers to come up with the short-fall in value.
- E. I protest this transaction on the basis that when Apple Valley Ranchos was asked to provide a “will serve” letter to the Town of Apple Valley for the North Apple Valley Industrial Specific Plan, Ranchos Vice-President Leigh Jordan told a committee of Town Staff and management that there would be insufficient water to provide for fire-flow for the proposed industrial buildings in the NAVISP.

III. Conclusion

Peter W. Allan requests public participation hearings and evidentiary hearings. I specifically request that public participation hearings be held within the Town of Apple Valley. The Application requests that hearings be held in the CPUC offices in Los Angeles.

For the reasons stated above, I strongly urge the California Public Utilities Commission to deny application 11-01-019

DATED: February 23rd, 2011

Respectfully Submitted

/s/

Peter W. Allan

peterallanesq@gmail.com

PROOF OF SERVICE FORM

PART 1: **Delivery by E-Mail:** Proof of Service by E-Mail.

I, Peter W. Allan declare that I am over the age of eighteen years and not a party to the action. My address is 20202 Massai Trail, Apple Valley, CA 92307. peterallanesq@gmail.com

On February 23, 2011, I served the Protest to Application 11-01-019 by e-mailing the document to:

CPUC E-Filing

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barbara@clarkfork.org
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leigh@parkwater.com
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PART 2: I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on ___February 23rd___, at Apple Valley, California.

/s/ Peter Allan

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