

Decision 10-06-032 June 24, 2010

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)

FINAL ORDER CLOSING PROCEEDING

Summary

This decision finds that water service has been restored to complainants and that the owner of Redwood Lodge Water Company has resumed control. The named defendant at no time had Commission-approved tariffs for the sale of public utility water service on file with this Commission.

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 Division of Water and Audits have been assisting the parties in negotiations and also preparing a rate case and an application for a certificate of public convenience and necessity.

On May 3, 2010, a prehearing conference was convened. Complainants stated that they were receiving satisfactory water service from Redwood Lodge Water Company as operated by Heimer and were actively pursuing the formation of a mutual water company. Complainants requested a summary order of the Commission finding that the rates for water service charged by Defendant Monet had not been approved by the Commission.

Defendant Monet did not appear at the prehearing conference.

Discussion

All complainants are receiving satisfactory water service from Redwood Lodge Water Company as operated by Heimer. Thus, the primary objective of the complaint has been accomplished. Heimer is pursuing a certificate of public convenience and necessity from this Commission and the complainants are working to form a mutual water company to purchase the water system.

Complainants request an order of the Commission stating that defendant Monet doing business as Redwood Lodge Water Company had not obtained Commission approval for rates for the sale of public utility water service. A review of the Commission's records shows no such rate approval.

There are no further outstanding issues in this proceeding and it should be closed.

Comments on Proposed Decision

The proposed decision of the ALJ in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were

allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure.

No comments were received.

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. The Commission extended the statutory deadline for completing this proceeding to June 24, 2010, in Decision 09-06-039.
3. Water service has been restored to complainants.
4. The Redwood Lodge Water Company is currently being operated by Heimer.
5. The Commission records show no approved tariffs for the sale of public utility water service for Chris Monet doing business as Redwood Lodge Water Company.
6. No further issues remain in this proceeding.

Conclusion of Law

This proceeding should be closed.

IT IS ORDERED that this proceeding is closed.

This order is effective today.

Dated June 24, 2010, at San Francisco, California.

MICHAEL R. PEEVEY
President
DIAN M. GRUENEICH
JOHN A. BOHN
TIMOTHY ALAN SIMON
NANCY E. RYAN
Commissioners