

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Union Pacific Railroad Company,
Keene Water System (0434W), For Authorization
to Increase Rates and For Interim Rate Relief.

Application 04-11-004
(Filed November 4, 2004)

**ADMINISTRATIVE LAW JUDGE'S RULING
FOLLOWING PUBLIC PARTICIPATION HEARING**

A public participation hearing was held in this proceeding from 7:00 to 9:15 p.m. on Monday, February 7, 2005, at that Stonybrook Administrative Building in Keene, California. Administrative Law Judge John E. Thorson (ALJ) presided. The hearing was recorded and transcribed by Kimberly Miller, reporter.

Peter W. Hanschen appeared on behalf of the applicant. Peter T.K. Liu and Elena Perez appeared on behalf of the Commission's Water Division, protestant. Emilio Huerta appeared on behalf of the Stonybrook Corporation, protestant. A representative of the Kern County Fire Department appeared and indicated that the department desires to participate only as an interested party.

After discussing the application and the status of the proceeding, the Commission received comments on the application. The following persons addressed the Commission: Shirley McLean, Ron Wade, Steven Cummings, Linda Fleming, Kobie Trani, Donna and John Christy, Mark Dowdle, Gary Adair, Alison D.S.L. Arnold, Bridgett Beard, Kim Cummings, Paul Chavez, and Daniel Romero.

After discussing the ratesetting issues, ALJ Thorson asked for comments on whether the company should read individual meters and bill individual users or whether the Upper Keene and Lower Keen Groups can organize among themselves to read meters and allocate master meter changes among residents. The latter arrangement would potentially save water users money in rates. The opinions on this issue were split although more of the speakers seemed to favor an arrangement where the company would be responsible for reading all meters and billing individual users.

The standing of Steve Cummins and Alison D.S.L. Arnold was also discussed. They both sent written communications to the Commission intending to file protests to the application, but these communications were not filed with the Docket Office. Both these individuals will be added to the service list as protestants of the application.

Many of those present asked for an extension of time in which to file a protest or other appearance in this proceeding and the extension is being granted. Several of those present asked that the evidentiary hearing be held in the Bakersfield area or in Los Angeles. ALJ Thorson indicated that hearings outside Commission offices are infrequent these days, but he will look into the request.

ALJ Thorson encouraged the water users to work with the company and Water Division staff to achieve a creative solution to the water system's problems.

It is, therefore, **RULED** as follows:

1. The following persons are added as protestants, and their names and addresses will be added to the service list:

Steve Cummings
P.O. Box 27
Keene, CA 93531

Alison D.S.L. Arnold
P.O. Box 132
Keene, CA 93531

These persons will be subject to all previous rulings and determinations entered in this proceeding.

2. The appearance of the Kern County Fire Department and Emergency Services will be recorded as an “Interested Party.”

3. The deadline for filing protests, motions to intervene, or otherwise appearing in this proceeding is extended from February 7 to February 15, 2005. Such pleadings will be filed in conformity with the Commission’s Rules of Practice and Procedure.

Dated February 11, 2005, at San Francisco, California.

/s/ John E. Thorson

John E. Thorson
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Following Public Participation Hearing on all parties of record in this proceeding or their attorneys of record.

Dated February 11, 2005, at San Francisco, California.

/s/ Antonina V. Swansen
Antonina V. Swansen

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, *e.g.*, sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.