BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

-000-

In the Matter of the Application of () CALIFORNIA WATER SERVICE COMPANY, for authority to enter into an agreement) Application No. 15,739 with California and Hawaiian Sugar Refining Corporation.)

BY THE COMMISSION:

ORIGINAL

<u>O P I N I O N</u>

California Water Service Company asks that the Railroad Commission authorize it to execute an agreement, a draft of which is attached to the application, and which covers the loan of water to the applicant by the California and Hawaiien Sugar Refining Corporation. The draft of the proposed agreement declares that California and Hawaiian Sugar Refining Corporation is not a public utility and is unwilling to dedicate any part of its property to public service, but that, because of the public emergency created by extreme drought it is willing to loan its surplus water, if any, to the applicant. The proposed agreement specifies that the applicant shall repay to the California and Hawaiian Sugar Refining Corporation the water thus loaned in kind. The agreement also recites that assurances have been given by the Railroad Commission that the consent by the California and Hawaiian Sugar Refining Corporation to loan water as aforesaid cannot be considered a public service, nor impress the property of said California and Hawaiian Sugar Refining Corporation with any obligation to serve the public directly or indirectly. It should be understood that this

1.

involves a question which, if raised, would in the last analysis have to be passed on in the Courts, and that this Commission is, therefore, unable to give any definite or binding assurance in this regard. It may be stated, however, that the proposed agreement has been carefully considered, and that it is the opinion of the Commission that it would not be held to be a dedication of the property in question to public use, and that no obligation will attach to California and Hawaiian Sugar Refining Corporation except as specifically set forth in the agreement.

The Commission is aware of the shortage of water which makes the furnishing thereof to the applicant desirable, and it appears that it is in the public interest that any water which California and Hawaiian Sugar Refining Corporation can voluntarily spare from its own operations would be of great benefit to the applicant and to its water consumers.

ORDER

California Water Service Company having applied to the Reilroad Commission for an order approving the draft of a certain agreement by and between it and California and Hawaiian Sugar Refining Corporation and anthorizing it to enter into said agreement, and the Railroad Commission being of the opinion that the execution of said agreement is in the public interest and that a public hearing is not necessary,

IT IS HEREBY ORDERED that California Water Service Company be and it is authorized to accept water from California and Hawaiian Sugar Refining Corporation and to later repay

2.

the same, in kind, upon the terms and conditions described in the draft of the contract attached to the application herein, and said contract is hereby approved.

Dated at San Francisco, California, this <u>24</u> day of June, 1929.

scioners Cor