

Decision No. 27060

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of VALLEJO WATER COMPANY for
authority to enter into an agree-
ment with California and Hawaiian
Sugar Refining Corporation.

Application No. 19440.

BY THE COMMISSION:

ORIGINAL

O P I N I O N

VALLEJO WATER 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 HAWAIIAN SUGAR REFINING CORPORATION, LIMITED. The draft of the proposed agreement declares that CALIFORNIA AND HAWAIIAN SUGAR REFINING CORPORATION, LIMITED 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 drouth, it is willing to sell its surplus water, if any, to the applicant. The proposed agreement specifies that the applicant shall pay to the CALIFORNIA AND HAWAIIAN SUGAR REFINING CORPORATION, LIMITED for the surplus water thus purchased at the rate of fifteen (15) cents per one hundred (100) cubic feet. The agreement also recites that assurances have been given by the Railroad Commission that the consent by the CALIFORNIA AND HAWAIIAN SUGAR REFINING CORPORATION, LIMITED to sell surplus water as aforesaid cannot be considered a public service, nor impress the property of said CALIFORNIA AND HAWAIIAN SUGAR REFINING CORPORATION, LIMITED with any

obligation to serve the public directly or indirectly. It should be understood that this 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, LIMITED 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, LIMITED can voluntarily spare from its own operations would be of great benefit to the applicant and to its water consumers.

O R D E R

VALLEJO WATER COMPANY having applied to the Railroad Commission for an order approving the draft of a certain agreement by and between it and CALIFORNIA AND HAWAIIAN SUGAR REFINING CORPORATION, LIMITED and authorizing 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 VALLEJO WATER COMPANY be and it is authorized to accept water from CALIFORNIA AND HAWAIIAN SUGAR REFINING CORPORATION, LIMITED and to pay for the same at the rate of per one thousand (1,000) gallons, 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 15th day of May, 1934.

C. L. Lewis

M. B. Lewis

Wallace W. Warr.

Commissioners.