

ORIGINAL

Decision No. 51024

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of Southern California Water)
Company, a corporation,)
Dominguez Water Corporation,)
a corporation, Palos Verdes)
Water Company, a corporation,)
and Park Water Company, a)
corporation, for Approval of)
Agreement with respect to)
Production of Water from)
the West Coast Basin.)

Application No. 36207

O'Molveny & Myers, by Lauren M. Wright, for Southern California Water Company; Cosgrove, Cramer, Diether & Rindgo, by T. B. Cosgrove and J. D. Barnum, Jr., for Dominguez Water Corporation; Gibson, Dunn and Crutcher, by Richard L. Wells, for Park Water Company; and Charles G. Nollenberger, for Palos Verdes Water Company, applicants.
J. J. Deuel, for California Farm Bureau Federation, interested party.

OPINION AND ORDER

Southern California Water Company, a corporation, Dominguez Water Corporation, a corporation, Palos Verdes Water Company, a corporation, and Park Water Company, a corporation, by the above-entitled application filed November 16, 1954, seek approval of their execution of an interim agreement and petition with respect to the production of water from the West Coast Basin, a copy of which is attached to the application as Exhibit A.

A public hearing in this matter was held before Examiner Stewart C. Warner on December 29, 1954, at Los Angeles. There were no protests to the granting of the application.

Applicants are public utility water companies operating under the jurisdiction of this Commission in the production and distribution of water for domestic, industrial, municipal and other purposes. They produce water from the West Coast Basin, a geographical region in the south coastal area of Los Angeles County. The boundaries of said basin are delineated on the map included as the frontispiece in the Report of Referee submitted at the hearing as Exhibit No. 1.

The agreement, Exhibit A, approval of the execution of which is sought herein, is the result of an engineering and legal study by a committee of settlement appointed by the parties in Case No. 506806, California Water Service Company, a corporation, et al., plaintiffs, versus City of Compton, et al., defendants, commenced October 24, 1945, in the Superior Court of the State of California in and for the County of Los Angeles. In this case plaintiffs seek an adjudication of water rights in the West Coast Basin and a restriction in the withdrawal of ground water therefrom. Pursuant to Section 2001, et seq., of the Water Code an order of reference to the Department of Public Works of the State of California was made July 26, 1946. The report of the referee, Exhibit No. 1, pursuant to said order was filed in said Court in September, 1952.

Exhibit No. 1 shows that since 1932 the decline in water levels in the West Coast Basin has continued at an accelerating rate with only minor interruptions. Concurrent with such decline has been an increase in saline content. By 1932 the entire coastal area from Palos Verdes Hills to the Ballona escarpment was underlain with salt waters as was an extensive area along

San Pedro Bay near Long Beach. Since then the affected area along Santa Monica Bay has expanded and the saline content of the underlying waters has progressively increased.

The West Basin Water Association was formed as an organization of parties interested in the local water supply problem. Numerous engineering and geological surveys and reports have been prepared. A report of the Division of Water Resources in 1944 indicated that the local water ground supply had been overdrawn for a number of years and that the rate of overdraft was accelerating.

The complaint of California Water Service Company, City of Torrance, and Palos Verdes Water Company filed in the Superior Court alleges the existence of a ground water basin commonly known as the West Coast Basin and describes the boundaries thereof; that the plaintiffs have paramount rights to specified acre feet of water annually; that each of the defendants claims some interest in the water rights of plaintiffs; and that there has been an overdraft on the basin since 1920 which has resulted in lowering water levels in the basin below sea level; plaintiffs pray for an order of reference to the Department of Public Works, Division of Water Resources, for investigation of and report upon the physical facts involved; that the rights of the defendants be determined by the Court; that it be decreed the plaintiffs are owners of paramount rights to water from the basin in the amounts alleged and that defendants be enjoined from asserting adverse claims thereto; and that in the event the Court shall determine that the rights of all parties in the aggregate exceed the average annual supply to

the basin, the amount each party is entitled to take be proportionately reduced.

Exhibit A, the agreement, provides in part that no party thereto shall pump, take, divert, or withdraw from the West Coast Basin in any fiscal year any more water than the amount of water set opposite the name of such party under the column "Prescriptive Right, 1949", in acre feet of water, provided that, if the water needs of any party are greater than the rights of such party to pump water from the basin and to receive water from all other available sources through then existing facilities, then such party may pump water in an amount not to exceed an additional 10 percent of its "Prescriptive Right, 1949" and in an amount in addition thereto which may be recommended by the Watermaster and approved ex parte by the Court. Any such party so pumping water in excess of its said rights shall reduce its pumping in the next fiscal year by an equivalent amount subject to relief and order of the Court through its Watermaster if such reduction is found to impose an unreasonable hardship upon the party.

The agreement also provides in part that a Watermaster shall administer its provisions. The Department of Public Works of the State of California, acting through the State Engineer, has signified its willingness to act as such Watermaster. The agreement provides for the exchange of water through an "Exchange Pool" and for the payment of costs for water so exchanged, and it provides further that the parties shall obtain water from the Metropolitan Water District to offset the curtailments effected by the agreement.

The agreement becomes effective upon the execution thereof by parties having 70 percent of the total "Prescriptive Right, 1949"; upon approval by this Commission; upon approval of municipal or corporate authorities; and when a Watermaster has consented to act or has been appointed by the Court.

The record shows that parties representing in excess of 82 percent of the total "Prescriptive Right, 1949" have executed the agreement.

The Commission has considered this record and reviewed the agreement. The Commission is of the opinion that its execution would not be adverse to the public interest and that it should be approved; therefore,

IT IS HEREBY ORDERED that the execution of the Interim Agreement and Petition with respect to production of water from the West Coast Basin, copy of which is attached to the application as Exhibit A, by Southern California Water Company, Dominguez Water Corporation, Palos Verdes Water Company, and

Park Water Company, corporations, be, and it is approved.

The effective date of this order shall be twenty days after the date hereof.

Dated at Los Angeles, California,
this 25th day of JANUARY, 1955.

Carl E. Washburn
President

Justin Z. Caswell

Paul C. Lutz

Marion D. Washburn

Commissioners