

ORIGINAL

Decision No. 58078

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Rancho Ramon Water Co.  
15075 Stage Road  
La Mirada, California

Complainant,

vs.

Oasis Palms Water Co.  
Oasis Palms  
Indio, California

and

Frank Hort  
Oasis Palms  
Indio, California

and

E. V. Edens  
1631 Randall Way  
West Covina, California

Defendants.

Case No. 6151

John Moore Robinson, for complainant.  
Parry, Holcomb & Kassel, by W. R. Holcomb  
and Robert M. Hart, for H. L. H.  
Development Company and Oasis Palms  
Water Co., defendants, and J. H. Petry  
and E. V. Edens, for E. V. Edens,  
L. H. Edens and Oasis Palms Water Co.,  
defendants.  
Donald B. Steger, for the Commission staff.

INTERIM OPINION

Public hearings in this matter were held on November 12, 1958, in Indio, California, and on November 21, 1958, in San Bernardino, California, before Examiner Grant E. Syphers, and on the last-named date the matter was submitted.

Rancho Ramon Water Co., complainant herein, is a public utility engaging in the business of selling domestic water principally in the Coachella Valley. It has extended its service easterly into Sections 16, 17 and 18 of Township 5 South, Range 7 East, and now has pending requests by prospective consumers for further extension into Section 22. These extensions into contiguous areas have been made under the authority of Section 1001 of the Public Utilities Code.

The complaint alleges that the defendants are competing with complainant in the offering of water service in said Section 22.

The Oasis Palms Water Co., one of the defendants herein, is a corporation whose directors are Leslie Edens, E. V. Edens, Robert M. Hart, Frank J. Hart, and Robert Holcomb. Its officers are Frank J. Hart, President, Leslie Edens, Vice President, Robert M. Hart, Secretary, and E. V. Edens, Treasurer. No stock has been issued for this corporation, and it was ostensibly owned by the H. L. H. Development Company, another corporation.

On February 20, 1958, there was recorded in San Bernardino County a deed from the H. L. H. Development Company to Leslie Edens and E. V. Edens, purportedly transferring ownership of the Oasis Palms Water Co., and its water system. It is this water system which is competing with that of complainant in Section 22.

There presently is pending Case No. 92247 in the Superior Court of San Bernardino County, which is a suit by two stockholders of the H. L. H. Development Company challenging the transfer to Leslie and E. V. Edens of the ownership of the Oasis Palms Water Co.

The parties entered into a stipulation concerning the subdivision of land which is presently receiving water from the Oasis Palms Water Co., and which is known as the Oasis Palms Subdivision. This subdivision consists of 142 lots, and there are presently 63 consumers receiving water at a flat rate of \$7 per month. There are no meters in this system. This system receives water from one well and has a stand-by agreement with the Boedel Heights Mutual Water Company for additional water if it is needed. There are 6-inch mains installed on three streets in the subdivision, Helen Avenue, Francis Avenue and Alberta Avenue, and 4-inch mains on 45th Street, Clinton Avenue and Swingle Avenue. There are service connections to all of the 142 lots. Just north of the property there is another well which is not now being used.

The Oasis Palms Water Co. now has a pending request from subdividers to serve land in Section 22 just north and south of the present area it now is serving.

Accordingly, this complaint resolves itself to a conflict as to who should be permitted to serve an area, the complainant, a certificated utility, or the defendant Oasis Palms Water Co. which has not been certificated by this Commission although it is, in fact, rendering a utility water service. The matter is further complicated due to the fact that the ownership of the Oasis Palms Water Co. is in dispute.

We now find that the Oasis Palms Water Co. is, in fact, conducting a public utility water service, and the ensuing order will so declare. However, the order will be interim in nature pending a more adequate determination of the ownership and control of the company. Pending this determination, the Oasis Palms Water Co. will be restrained from extending into any new area, and the complainant will be restrained against extending into any new area in Section 22.

Oasis Palms Water Co. will be authorized to continue to charge the present flat rate of \$7 per month until such time as further hearings are held in this matter and a final order is issued.

INTERIM ORDER

Complaint as above entitled having been filed, public hearings having been held thereon, the Commission being fully advised in the premises and having made the foregoing findings,

IT IS ORDERED:

(1) That the Oasis Palms Water Co. be and it hereby is declared to be a public utility water corporation as that term is defined in Section 241 of the Public Utilities Code.

(2) That, pending further determination by this Commission, the Oasis Palms Water Co. be, and it hereby is, prohibited from extending its service to any additional customers beyond those it now serves. ✓

(3) That Oasis Palms Water Co. is authorized and directed to file, within thirty days after the effective date hereof, the rate set forth in Appendix "A" attached to this order, together with rules and tariff service area map acceptable to this Commission and in accordance with the requirements of General Order No. 96. Such

rate, rules and tariff service area map shall be effective upon five days' notice to the Commission and to the public after filing as hereinabove provided.

(4) That, pending further determination by this Commission, Rancho Ramon Water Co. be and it hereby is restrained from providing any further service in Section 22 of Township 5 South, Range 7 East, SBB&M.

This order shall be interim in nature, and the Commission may make further orders in the premises as it deems necessary.

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

Dated at San Francisco, California, this 2nd day of March, 1959.

E. Lynn Fox  
President

Theodore Jensen  
Everett W. Ruge  
Commissioners

Commissioner Matthew J. Dooley, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A

Schedule No. 2

GENERAL FLAT RATE SERVICE

APPLICABILITY

Applicable to all water service furnished on a flat rate basis.

TERRITORY

The unincorporated area known as Oasis Palms and vicinity, approximately one-half mile west of the City of Indio, San Bernardino County.

RATE

Per Month

For each service connection ..... \$7.00