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Decision No. _____

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Complaint of
 water consumers of the ARROWHEAD
 MANOR WATER COMPANY against
 Arrowhead Utilities Co.

Case No. 7719

ARROWHEAD MANOR WATER
 COMPANY, INC.,

Complainant,

vs.

Case No. 7723

ARROWHEAD UTILITY COMPANY,

Defendant.

INTERIM ORDER

The complaint in Case No. 7719, filed September 17, 1963, and signed by over 100 customers of Arrowhead Manor Water Company, alleges that Arrowhead Utilities Company proposes to "invade on the principal water shed" of Arrowhead Manor Water Company, known as the Deep Creek Tunnel, for purposes not fully known but believed to be "to attempt the reestablishment of a water right." It is alleged that the immediate result will be the contamination of that water source. Alleging there is actual work and progress leading to such dire results, complainants urge that the Commission undertake immediate steps to instigate an investigation either pursuant to the complaint or by way of an investigation on the Commission's own motion.

The complaint in Case No. 7723, filed by Arrowhead Manor Water Company, Inc. on September 18, 1963, may be summarized as set forth below.

Complainant has a certificate authorizing service in an area easterly of Lake Arrowhead, San Bernardino County.

(Decision No. 39396 in Application No. 27132.) In 1957 its

certificated area was consolidated with that of Lakebrook Park Water System, contiguous to its original certificated area. (Decision No. 55366 in Application No. 38726.) A principal water supply for complainant is a tunnel which at one point terminates adjacent to the SE corner of complainant's system. The tunnel is supplied water naturally from what is known as Hooks Creek. Complainant has relied upon this water source continuously since 1930 or before.

Defendant Arrowhead Utility Company is wholly owned by Lake Arrowhead Development Corporation, which also owns substantial properties adjacent to Lake Arrowhead, including the lake. Defendant is a public utility serving areas directly adjacent to the areas certificated to complainant. Recently defendant's parent company has indicated verbally through its apparently authorized representatives and in writing through its counsel that it, on behalf of its subsidiary, defendant herein, intends to engage in exploratory and so-called rehabilitation works in and about the indicated water source of complainant.

"It readily has been conceded" that the consequences of this work will contaminate the supply involved and could eliminate the supply for a substantial period, due to the declared intention of draining the Hooks Creek tunnel of its water storage. Defendant "through its parent company" thus is threatening to literally eliminate an absolutely essential water supply, which necessarily endangers the water availability to complainant's consumers. This interference is imminent.

Because the proposed acts of one utility will have a severe effect upon the ability of another utility to fulfill its public trust, complainants urge that the Commission's jurisdiction be invoked under the authority granted by Article XII, sec. 22 of the

Constitution, as implemented by secs. 701 and 761 of the Public Utilities Code, to protect complainant and its customers. The only relief which could do this would be a Commission order to "cease and desist any and all conduct which threatens to interfere with the present water supply" of complainant. Because of the imminence of the interference with and contamination of the water supply, the complaint urges that an investigation be instituted immediately into the practices of defendant and its parent company, and such action taken as is necessary to avoid what would be serious temporary injury, or possible irreparable permanent injury to complainant and its customers.

The prayer of the complaint is that the Commission "determine the elements of the complaint set forth herein;" institute an investigation on its own motion "as to the acts and activities of defendant performed through its parent company;" and that pending hearing a temporary order issue directing "defendant to cause the present activities which threaten complainant's water supply to cease."

Good cause appearing, IT IS ORDERED that Arrowhead Utility Company, a corporation, and its officers, agents, and employees, pending further Commission order herein, shall immediately cease and desist and shall refrain from any and all conduct which threatens to or may interfere with the present water supply of Arrowhead Manor Water Company, Inc., and more particularly the "exploratory" and "rehabilitation" activities set forth in the complaints herein.

Hearing in Cases Nos. 7719 and 7723 is set for 10:00 o'clock a.m. on Monday, the 7th day of October, 1963 in the Commission Courtroom, State Building, 107 South Broadway, Los Angeles, California, before Commissioner McKeage or Examiner Rogers, or such other Commissioner or Examiner as may hereafter be designated.

The Secretary is directed to cause a certified copy of this order, together with a copy of the complaints in Case No. 7719 and Case No. 7723, to be served forthwith upon Arrowhead Utility Company, a corporation. Said defendant is directed to serve and file its answers to said complaints not later than the date of hearing, unless further time be granted by the presiding officer. The Secretary is also directed to cause a certified copy of this order to be served forthwith upon Arrowhead Manor Water Company, Inc.

Dated at San Francisco, California, this 24th day of September, 1963.

William W. Beards
President

Robert F. [unclear]

Frederick B. Holdhoff

Commissioners

Commissioner George G. Grover, being necessarily absent, did not participate in the disposition of this proceeding.