

**ORIGINAL**Decision No. 66141

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of SANTA PAULA WATER WORKS, LTD.,  
a corporation, for an Order  
authorizing it to enter into an  
agreement with The Hamp Company  
under which it will transfer  
priorities under certain water  
rights owned by it.

Application No. 45651  
(Filed August 7, 1963)

OPINION AND ORDER

By this application, Santa Paula Water Works, Ltd., a corporation, seeks authority to carry out the terms and conditions of an agreement with The Hamp Company relating to the priority of rights to the diversion of water from Santa Paula Creek in Ventura County. Applicant is a public utility serving an area within and adjacent to the City of Santa Paula. The Hamp Company drills and operates oil wells.

Santa Paula Creek is one of applicant's main sources of water. Additional sources consist primarily of wells drilled adjacent to Santa Clara River. Applicant's annual report for the year 1962 shows that 2,380 acre-feet, or almost half, of the water produced during that year came from diversion of the creek supply.

The property upon which The Hamp Company intends to drill and operate an oil well, and for which it wishes to divert the creek water, is located far upstream from applicant's diversion points and service area. Applicant is unable and unwilling to provide public utility water service to the property. It is willing to permit the oil well company to divert not more than 300,000 cubic feet of water

per year from the creek in exchange for an annual charge of \$150, as set forth in the unsigned agreement attached to the application herein.

Applicant has not shown whether or not the revenue to be received under the proposed agreement will compensate it for possible additional pumping costs resulting from loss of available stream flow. In order to find that the proposed agreement is not adverse to the public interest, we condition the authority herein granted that any net revenue deficiency resulting from the provisions of the proposed agreement must be borne by applicant rather than by the utility customers.

The Commission finds that the terms of the agreement proposed herein, subject to the foregoing condition, are not adverse to the public interest, and concludes that the application should be granted. A public hearing is not necessary.

IT IS ORDERED that:

1. Within one year after the effective date of this order, Santa Paula Water Works, Ltd., may enter into an agreement with The Hamp Company, in the form attached to the application herein, and carry out the terms thereof.

2. Within thirty days after the date of the signed agreement, or within thirty days after the effective date of this order, whichever occurs later, Santa Paula Water Works, Ltd., shall file with this Commission two true copies of the agreement.

3. Within thirty days after the termination date of the agreement, applicant shall notify the Commission of said date of termination.

4. Within one hundred eighty days after the effective date of this order, applicant shall file with this Commission, in conformity with General Order No. 96-A, the summary required by that general order, listing all contracts and deviations, including the agreement herein authorized. Such list shall become effective upon the fourth day after the date of filing.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 15<sup>th</sup> day of OCTOBER, 1963.

William W. Burnett  
 President

W. H. [unclear]

W. H. [unclear]

George H. Grover

Friedrich B. Halchoff  
 Commissioners