74217 ORIGINAL

Decision No.______ BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Clear Creek Water Company, Inc., a corporation, to acquire and operate a water system, for order approving rates and for authority to issue stock in exchange for cash.

Investigation on the Commission's own motion into the status, operation, service, rates and facilities of Clear Creek Water Company, Inc.; of George S. Smith, John H. Convery and Calvin S. Partridge, Directors of Clear Creek Water Company, Inc.; of Prudential Investors, a partnership; and of George S. Smith, John H. Convery, Ruth Cornell, Roy G. Wittington, Lloyd F. Scott, Calvin S. Partridge, and W. S. McPherson, individuals. Application No. 47288 FILED PUBLIC UTILITIES COMMISSION JUN 6 1968 SAN FRANCISCO OFFICE Case No. 8813

ORDER REOPENING APPLICATION AND INSTITUTING INVESTIGATION

It appearing that by Decision No. 69809 dated October 19, 1965 in Application No. 47288, the Commission issued a certificate of public convenience and necessity to Clear Creek Water Company, Inc., subject to certain conditions and limitations and that said conditions and limitations may not have been complied with.

It further appearing that two formal complaints have been filed naming Clear Creek Water Company, Inc., and certain of its officers as defendants, said complaints being Case No. 8684 and Case No. 8693; that two days of hearing have been held on said complaints and Decision No. 73805 was issued on March 5, 1968 in said proceedings; that certain of the ordering paragraphs of Decision No. 73805 may not have been complied with; and that there has not been compliance with certain orders directing the filing of exhibits made by the presiding examiner at the hearing of December 19, 1967.

It further appearing that the relationship among Clear Creek Water Company, Inc.; Prudential Investors; and George S. Smith, John H. Convery, Ruth Cornell, Roy G. Wittington, Lloyd F. Scott,

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Calvin S. Partridge and W. S. McPherson may be that of an alter ego, and that said Prudential Investors and said individuals who also include the officers and directors of Clear Creek Water Company, Inc. may be subject to personal responsibility for operation of the Clear Creek Water Company, Inc., as well as for violation of the orders and rules of this Commission and the provisions of the Public Utilities Code.

It further appearing that Clear Creek Water Company, Inc.; Prudential Investors, and George S. Smith, John H. Convery, Ruth Cornell, Roy G. Wittington, Lloyd F. Scott, Calvin S. Partridge and W. S. McPherson and each of them are indispensable parties to a determination of the facts herein, they and each of them are named respondents herein and are ordered to appear at the time and place hereafter designated for hearing in this matter.

NOW, THEREFORE, IT IS ORDERED that an investigation on the Commission's own motion is hereby instituted to determine among other things:

1. The relationship among the herein named respondents concerning operation of the public utility water system at Redding Ranchettes in the County of Shasta, State of California, and their compliance with the orders of the Public Utilities Commission relating thereto.

2. Whether respondents or any of them have violated any order or orders of the Public Utilities Commission by doing, failing to do or refusing to do any act or acts prohibited or required by said Public Utilities Commission.

3. Whether respondents or any of them have violated any provision of the Public Utilities Code in their dealings with or as Clear Creek Water Company, Inc.; said company's customers or the Public Utilities Commission.

4. Whether any other order or orders should be entered in the lawful exercise of the Commission's jurisdiction.

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IT IS FURTHER ORDERED that Application No. 47288 is reopened for the purpose of determining whether or not rescission, alteration or amendment should be made to Decision No. 69809, said application proceeding to be consolidated for hearing with the Commission's investigation herein and further consolidated with Cases Nos. 8684 and 8693, said hearing to be held before such Commissioner or : Examiner and at such time and place as may be hereafter designated.

The Secretary is directed to cause personal service of this order to be made upon each of the respondents named herein.

Dated at <u>San Francisco</u>, California, this $\frac{6}{2}$ day of <u>JUNE</u>, 1968.

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Commissioners

Commissioner Fred P. Morrissey, being necessarily obsent. did not participate in the disposition of this proceeding.