

ALJ/AVG/sid

Mailed 7/2/98

Decision 98-07-010 July 2, 1998

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

**Herbert Raditsch,**

Complainant,

vs.

**Yosemite Spring Park Utility Company,**

Defendant.

**ORIGINAL**

Case 97-07-054  
(Filed July 17, 1997)

Herbert Raditsch, complainant.  
Robert J. Rosati, Attorney at Law, for Yosemite  
Spring Park Utility Company, defendant.

**O P I N I O N**

**Background**

Yosemite Spring Park Utility Company (defendant) is a Class C water utility serving the residents of Yosemite Lakes Park in Coarsegold (Fresno County), California. Defendant is owned by Yosemite Lakes Homeowners' Association (YLHA). All residents of Yosemite Lakes Park, including Herbert Raditsch (complainant), are members of YLHA.

On July 17, 1997, complainant filed this complaint claiming that water supplied by defendant intermittently turns brown and exudes an odor. Complainant states that the coloration of water stains complainant's bathroom and kitchen fixtures and that the odor makes the water unfit for consumption.

According to complainant, he incurred an expense of \$350 to flush his water lines and to clean his fixtures. Complainant requests that defendant be ordered to provide clean water and to reimburse him for the expenses he incurred to flush his lines and to clean his fixtures.

### Hearing

An evidentiary hearing was held on October 9, 1997 before Administrative Law Judge Garde in Fresno. The proceeding was submitted on November 6, 1997 upon receipt of the transcript.

At the hearing, defendant stated that the water quality problems claimed by complainant do occur from time to time. According to defendant, the water provided by defendant during certain periods does turn brown and fails to meet the standard of water quality specified in General Order (GO) 103. Defendant explained the reasons for the problem through testimony provided by expert witnesses.

According to defendant, its water supply comes from hard wells. Water from hard rock wells traverses through various strata of rocks and thus dissolves several minerals including iron and manganese. When water containing manganese and iron is chlorinated, the problems described by complainant do occur. Since the State Department of Health Services has ordered defendant to chlorinate its water, the problems will continue to occur.

Defendant stated that the only way to eliminate the problem completely would be to install a filtration system to remove iron and manganese from the water. Defendant believes that the cost of installation of such a filtration system would be between \$3 million to \$5 million.

According to defendant, the 1,100 customers of Yosemite Springs Park Utility were polled to determine whether they will be willing to pay higher rates to remove iron and manganese from their water supply. Of the approximately 857 customers who responded to the questionnaire, only 10 were willing to pay the higher rates.

Based on the testimony provided by defendant's witnesses, complainant withdrew his request for reimbursement and requested to be better informed about the water supply situation which is evident from the following excerpt from the transcript:

"ALJ GARDE: We'll go back on the record, Mr. Raditsch, will you give us your closing remarks and based on the testimony that you have heard today, can you tell the Commission what relief you now seek?

"Mr. RADITSCH: Well, like I said previously, I am not necessarily here to collect the \$350, which the Commission is not entitled to give to me in any way, shape, or form. But I'm more here for addressing the issue that we, as homeowners, by owning the company indirectly cannot really do a whole lot and we have to be content with whatever water quality we get.

"There are so many issues and agencies involved that it further complicates the process. I would like to see from the water company and maybe from the management a more open policy, talk to the people, get their input, work with the people, instead of with the previous problems we had in the past was where you go to the office and try to complain and you're basically pushed against the wall because you don't have any alternatives. You cannot do a whole lot because, you know, it's going to cost you. You can't get any relief because of the situation in the past. You just have a little bit more of openness to the needs of the customer of Yosemite Water - Yosemite Park Utility Company.

"ALJ GARDE: Do I understand you correctly that you are not seeking reimbursement of \$350 from the company now? (Tr. 66, 67.)

"MR. RADITSCH: Yes, I don't."

#### **Discussion**

Defendant has stated that the water provided by defendant turns brown during certain periods and thus fails to meet the standard of water quality specified in GO 103. Accordingly, the complaint has merit to the extent that defendant is in technical violation of Commission's GO 103. However, it is evident that the cost of correcting the problem would be excessive and that a significant majority of defendant's customers are unwilling to pay it.

From his closing remarks, it appears that complainant wishes to be kept apprised of any changes in the water supply situation. We will require owners of Yosemite Park Utility Company to notify all customers about any new developments which could affect the quality of water it provides.

This is a complaint case not challenging the reasonableness of rates or charges, and so this decision is issued in an "adjudicatory proceeding" as defined in Public Utilities Code § 1757.1.

**Findings of Fact**

1. The water provided by defendant turns brown during certain periods and thus water provided by defendant does not meet the standard for water quality specified in GO 103.
2. The cost of improving the quality of water provided by defendant would be excessive.
3. A significant majority of defendant's customers are unwilling to pay the cost of improving the quality of water provided by defendant.
4. Complainant wishes to be apprised of any new developments which could affect the quality of water provided by defendant.

**Conclusions of Law**

1. Defendant should be required to notify all customers regarding any significant new developments which could affect the quality of water it provides.
2. This is a complaint case not challenging the reasonableness of rates or charges, and so this decision is issued in an "adjudicatory proceeding" as defined in PU Code § 1757.1.
3. This proceeding should be closed.

**O R D E R**

**IT IS ORDERED** that:

1. Yosemite Spring Park Utility Company shall notify its customers if and when there are any significant new developments which could affect the quality of water it provides.
2. This proceeding is closed.

This order is effective 30 days from today.

Dated July 2, 1998, at San Francisco, California.

RICHARD A. BILAS  
President  
P. GREGORY CONLON  
JESSIE J. KNIGHT, JR.  
HENRY M. DUQUE  
JOSIAH L. NEEPER  
Commissioners