

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION

**RESOLUTION E-3569
OCTOBER 8, 1998**

RESOLUTION

RESOLUTION E-3569. SOUTHERN CALIFORNIA WATER COMPANY (SCWC) REQUESTS EXEMPTION FROM THE AFFILIATE TRANSACTION RULES AND FROM FILING AN AFFILIATE COMPLIANCE PLAN. APPROVED.

BY ADVICE LETTER NO. 170-E, FILED ON DECEMBER 31, 1997.

SUMMARY

1. By Advice Letter (AL) No. 170-E, Southern California Water Company (SCWC) requests approval that it be exempted from the Affiliate Transaction Rules (Decision [D.] 97-12-088) and from filing an affiliate compliance plan.
2. SCWC attests that it does not have any affiliates. SCWC also attests that if an affiliate is subsequently created, it will notify the Commission at least 30 days before the affiliate begins service, and comply with the affiliate transaction rules.
3. SCWC is exempted from the affiliate transaction rules.
4. SCWC is also exempted from filing a compliance plan.
5. SCWC AL No. 170-E is approved.

BACKGROUND

1. SCWC filed AL No. 170-E requesting exemption from the affiliate transaction rules and from filing a compliance plan.
2. In compliance with Rule II.G, SCWC attest to the following:

- a. that it has no affiliates
 - b. that if an affiliate is subsequently created which provides services as defined by Rule II.B, then SCWC shall notify the Commission, at least 30 days before the affiliate begins to provide services that such an affiliate has been created.
 - c. that if an affiliate is subsequently created, it will comply with the affiliate transaction rules in its entirety.
3. SCWC also request that since it has no affiliates, Ordering Paragraph 2 of D.97-12-088 allows it to be exempted from filing a compliance plan.

NOTICE

1. Notice of AL No. 170-E was made by mailing copies to each party named in the official service list in R.97-04-011/II.97-04-012 and by publication in the Commission's Calendar.

PROTEST

1. No protests were received on this matter.

DISCUSSION

1. SCWC AL No. 170-E should be approved because it has complied with affiliate transaction Rule II.G.
2. Ordering Paragraph 2 of D.97-12-088 allows SCWC to be exempted from filing a compliance plan because it has no affiliates.

FINDINGS

1. SCWC filed AL No. 170-E on December 31, 1997 requesting that it be exempted from the affiliate transaction rules.
2. SCWC attested that it has no affiliates.
3. SCWC attested that if it subsequently creates an affiliate which provides services as defined by Rule II.B, it shall notify the Commission, at least 30 days before the affiliate begins to provide services that such an affiliate has been created.
4. SCWC further states that if an affiliate is subsequently created, it will comply with the affiliate transaction rules in its entirety, including but not limited to filing a compliance plan.

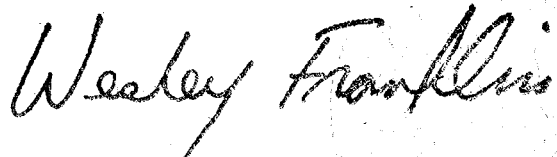
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5. Ordering Paragraph 2 of D.97-12-088 allows SCWC to be exempted from filing a compliance plan because it has no affiliates.
6. SCWC's request is reasonable.

THEREFORE IT IS ORDERED THAT:

1. Southern California Water Company's Advice Letter No. 170-E is approved.
2. If Southern California Water Company subsequently creates an affiliate which provides services as defined by Rule II.B of D.97-12-088, it shall notify the Commission, at least 30 days before the affiliate begins to provide services that such an affiliate has been created.
3. This resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on October 8, 1998; the following Commissioners voting favorably thereon:



WESLEY M. FRANKLIN
Executive Director

RICHARD A. BILAS
President

P. GREGORY CONLON

JESSIE J. KNIGHT, JR.

HENRY M. DUQUE

JOSIAH L. NEPPER

Commissioners