

FILED

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIF

In the Matter of Application of Odd Fellows Sierra Recreation Association, a California corporation, and	8-01-16 (08:33 AM
Sierra Park Water Company, Inc., a California Corporation, For Certificate of Public Convenience and Necessity to Operate a Public Utility Water System near Long Barn, Tuolumne County, California and to establish Rates for Service and For Sierra Park Water Company, Inc. to Issue	 Application 13-09-023 (Filed September 20, 2013) ((
Stock.	(_((
Fred Coleman, Steven Wallace, Larry L. Vaughn and Ruth Dargitz,	(
Complainants,	 (Case 12-03-017 ((Filed March 14, 2012) ((CONSOLIDATED)
Vs.	(
Odd Fellows Sierra Recreation Association, Defendant.	(((

PETITION OF COMPLAINANTS FOR MODIFICATION OF DECISION NO. 16-01-047 (DECISION RESOLVING A COMPLAINT AND AUTHORIZING A CERTIFICATE OF PUBLIC CONVIENCE AND NECESSITY AS MODIFIED)

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August 1, 2016

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Pursuant to Rule 16.4 of the Commission's Rules of Practice and procedure, Complainants files this petition for Modification of Commission Decision No. 16-01-047 ("Decision"), which was issued on January 29, 2016. This Petition is therefore filed less than one year of the effective date of the Decision. (See Rules 16.4(c) and (d).)

As will be explained below, Complainants respectfully requests the Commission to modify Ordering Paragraph 3.b of the Decision.

1. Background

The Decision recognized the need for the Water Company to own the water assets in order to have a chance to survive. Such assets include six miles of piping along with the

easements for the piping, wells and well sites, tanks and tank sites, and easements for ingress and egress to tank sites. Prior to the Decision, leases were paid for the piping easements and for the tank sites. The Decision makes an error in Ordering Paragraph 3.b on page 37 when it states:

... Odd Fellows must refund to the Water Company no later than June 30, 2016, \$1,200 to reflect the \$600 per year it received from the Water Company for the use of easements on six miles of pipe for Fiscal Years 2013 and 2014 and any monies received from Water Company for the six miles of pipe for Fiscal Year 2015.

The payment for easements on six miles of pipe was paid to the Service Company. This is addressed on page twenty-one of the Decision. It states that the Water Company must refund to ratepayers all of the monies paid to the Service Company concerning the easement leases.

Attachment "A" of the Decision on page ten addresses the payment made to Odd Fellows (Recreation Association). It states:

...the Recreation Association will lease to the Water Company certain real property owned by it outside of the boundary lines of the Park on which the water tanks connected to the water distribution system for the lot owners of the Park are located for \$5,000 per year.

Documents from the Odd Fellows indicates that \$5,000 per year was collected in 2013 and 2014 from the Water Company for the water tank leases. The amount collected for 2015 needs verification.

 Ordering Paragraph 3.b Should be Modified to Reflect the Actual Amount Collected by Odd Fellows as Well as What the Payment From the Water Company was for.
 Ordering Paragraph 3.b Should Address a Payment of \$5,000 per year by the Water
 Company and that the Lease Payment (\$5,000 Per Year) was for the Water Tanks.

Complainants understand that the situation in the subdivision is confusing when dealing with three corporations, the Service Company, the Water Company, and the Recreation Association. Perhaps, if CPUC Regulations had been followed and staff had visited the

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subdivision, the total situation would have been easier to understand. Time and revenue constraints being ever a problem errors do occur but can be rectified.

Complainants therefore requests that Ordering Paragraph 3.b be revised to reflect that Odd Fellows collected \$5,000 a year in Fiscal Year 2013 and 2014 for water tank rental as well as a refund of the actual amount collected for the tank rental for Fiscal Year 2015. Complainants suggest rewording Ordering Paragraph 3.b as follows (additions are in bold type):

Odd Fellows must make a full refund of \$109,432, allocated proportionally to the improved and unimproved lots as otherwise shown in the Division of Water and Audits Staff Report, its adjusted share prior to spinning-off Water Company. Odd Fellows must make the refund over five years (for a total of twenty payments) by the dates set forth in Ordering Paragraph 3.a above by paying Water Company who, in turn, must refund customers as proposed in the Division of Water and Audits Staff Report. Additionally, Odd Fellows must refund to the Water Company no later than June 30, 2016, **\$10,000** to reflect the **\$5,000** per year it received from the Water Company for the use of **the water tanks** for Fiscal Years 2013 and 2014, and any monies received from Water Company for the tanks for Fiscal Years 2015.

Allowing Odd Fellows to neglect to pay what they actually collected from the Water Company and its customers is wrong. Doing so would grant the shareholders of the Odd Fellows Sierra Recreation Association a windfall at the expense of Water Company's customers.

3. Conclusion

Complainants respectfully requests the Commission grant this Petition for Modification and modify Ordering Paragraph 3.b in Decision No. 16-01-047 as requested above.

Dated: August 1, 2016

Respectfully Submitted, FOR COMPLAINANTS

By: <u>/s/ Fred Coleman</u> Fred Coleman