

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Fred Coleman, Steven Wallace, Larry L. Vaughn and Ruth Dargitz,

Complainants,

vs.

Case 12-03-017 (Filed March 13, 2012)

Odd Fellows Sierra Recreation Association,

Defendant.

ADMINISTRATIVE LAW JUDGE'S RULING MEMORIALIZING PROCEDURES AGREED TO BY PARTIES

On September 24, 2012, I issued a ruling granting the June 14, 2012 motion of Defendant, Odd Fellows Sierra Recreation Association, for a stay of the proceeding, requiring that parties file and serve status reports on November 9, 2012 and January 11, 2013, and convening a telephonic prehearing conference (PHC) on February 5, 2013.

Defendant timely filed and served its status report on November 9, 2012. In that status report, Defendant stated that shareholders had approved the transfer of the water system serving the lot owners of the International Organization of Odd Fellows, Odd Fellows Sierra Camp Subdivisions 1 and 2 to a community services district. On October 19, 2012, Defendant filed its plan to form a community services district with the Tuolumne County Local Agency Formation Commission (LAFCO). The LAFCO has requested additional

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information, which Defendant asserts will be provided no later than December 7, 2012. Defendant opines that the LAFCO review and approval process could take approximately six months from October 19, 2012, or until approximately mid-April 2013.

Defendant also stated that of the 364 lot owners in the sub-division, approximately 23 have not paid the bills rendered for the 2012/2013 budget year for water and other services, and approximately 11 lot owners have made only a partial payment. Defendant stated that it intended to terminate water service to the lot owners who did make any payments on or after December 1, 2012.

Complainants served a response to the Defendant's status report on November 21, 2012, and with my permission, will file a hard copy of this response. Complainants explain that a group of lot owners has estimated the amount due for water at \$20,000 for the budget year, which has been calculated by adding 20% to the average cost of supplying water for the last 19 years. Complainants explain that bills are issued for bundled services and state that several lot owners, including complainants, have made partial payment for the water service, which they believe is approximately \$134.

Based on my concern that this proceeding was stayed with the understanding that water would continue to be provided and the water assessment would be paid, I convened a conference call with the parties on November 30, 2012. During the conference call, Defendant stated that the bill for water service for the 2012/2013 budget years is approximately \$540. Complainants assert that the bill is \$134 for the same time period. During the conference call, the parties agreed to the following procedures:

1. No later than December 7, 2012, Defendant will file and serve an accounting of its actual cost of water for the 2010/2011, 2011/2012, and 2012/2013 budget years.

- 2. No later than January 4, 2013, Complainant will file and serve a response to Defendant's accounting of actual water costs.
- 3. Although Defendant provides other services to the subdivisions in addition to providing water and does issue a bill for bundled services, Defendant will issue an invoice for the actual cost of water for the 2012/2013 budget year to the lot owners who have not made full payment for water service. Defendant has agreed to accept quarterly payments (rather than a one-time annual payment), will accept these payments, subject to refund, and will ensure that the funds are available, should refunds be required. Defendant will continue to provide water service.
- 4. Complainants agree to pay the full water assessment, subject to refund.
- 5. Parties agree to have this Commission determine whether refunds are due for the limited period of the 2012/2013 budget year.

These are reasonable approaches, designed to ensure that residents receive water, a vital service, and that Defendant is fairly compensated. The next status report shall be filed and served on January 11, 2013, and shall provide the information set forth in my Ruling of September 24, 2012. A telephonic PHC will be held on February 5, 2013 at 10:00 a.m. Parties may participate in the PHC by

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calling the toll-free number: 1-877-347-9604 and entering 771069 when prompted for the Participant Code.

IT IS SO RULED.

Dated December 5, 2012, at San Francisco, California.

/s/ ANGELA K. MINKIN
Angela K. Minkin
Administrative Law Judge