

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



**FILED**

02-20-08

04:59 PM

In the Matter of the Application of Golden State Water Company (U 133 W) for an Order pursuant to Public Utilities Code Section 851 approving a Settlement in a Water Rights Adjudication, and for an Order pursuant to Section 454 approving the proposed Ratemaking Treatment of the costs of the Adjudication and Settlement.

Application 06-02-026

**GOLDEN STATE WATER COMPANY'S REPLY TO THE RESPONSES OF THE  
DIVISION OF RATEPAYER ADVOCATES, DON WARD FOR THE ORCUTT AREA  
ADVISORY GROUP, AND GERALD TRIMBLE TO GOLDEN STATE WATER  
COMPANY'S MOTION TO EXTEND TIME FOR APPLICATION 06-02-026 AND TO  
SET SCHEDULE FOR PHASE II**

**GOLDEN STATE WATER COMPANY**

Keith Switzer  
Vice President, Regulatory Affairs  
630 East Foothill Boulevard  
San Dimas, California 91773  
Telephone: (909) 394-3600  
Facsimile: (909) 394-7427  
Email: [kswitzer@gswater.com](mailto:kswitzer@gswater.com)

Joseph M. Karp  
Karleen O'Connor  
Winston & Strawn LLP  
101 California Street, 39th Floor  
San Francisco, California 94111-5894  
Telephone: (415) 544-1000  
Facsimile: (415) 591-1400  
Email: [jkarp@winston.com](mailto:jkarp@winston.com)  
[kcoconnor@winston.com](mailto:kcoconnor@winston.com)  
*Attorneys for Golden State Water Company*

February 20, 2008

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

In the Matter of the Application of Golden State Water Company (U 133 W) for an Order pursuant to Public Utilities Code Section 851 approving a Settlement in a Water Rights Adjudication, and for an Order pursuant to Section 454 approving the proposed Ratemaking Treatment of the costs of the Adjudication and Settlement.

Application 06-02-026

**GOLDEN STATE WATER COMPANY'S REPLY TO THE RESPONSES OF THE  
DIVISION OF RATEPAYER ADVOCATES, DON WARD FOR THE ORCUTT AREA  
ADVISORY GROUP, AND GERALD TRIMBLE TO GOLDEN STATE WATER  
COMPANY'S MOTION TO EXTEND TIME FOR APPLICATION 06-02-026 AND TO  
SET SCHEDULE FOR PHASE II**

**I. INTRODUCTION**

Pursuant to Rule 11.1(f) of the Rules of Practice and Procedure of the California Public Utilities Commission ("Commission") and the February 13, 2008 Order of Administrative Law Judge ("ALJ") DeAngelis, emailed to all parties and permitting Golden State Water Company ("GSWC") to file a reply, GSWC respectfully submits this Reply to the Responses of the Division of Ratepayer Advocates ("DRA"), Don Ward for the Orcutt Area Advisory Group ("OAAG"), and Gerald Trimble to GSWC's Motion to Extend Time Application 06-02-026 ("Application") and to Set a Schedule Phase II ("Motion to Extend").

GSWC respectfully requests that the Commission grant its Motion to Extend the deadline for completing this proceeding and set a schedule for expeditious resolution of Phase II so that the significant progress made thus far toward settling all of the issues in this proceeding will not be delayed or disrupted. Delaying this proceeding will only unnecessarily impede implementation of a resolution and impose additional costs on all parties. The Commission must

ultimately consider the Stipulation that is the subject of GSWC's Application — either now or in the future. GSWC requests that the Commission grant its Motion to Extend and set a schedule so that the parties can resolve the outstanding issues in Phase II and begin implementing solutions.

## **II. DISCUSSION**

### **A. Commission Approval of the Stipulation is Required and GSWC's Application Should Proceed Promptly**

DRA, Gerald Trimble, and Don Ward on behalf of OAAG all request that the Commission reject GSWC's Motion to Extend and dismiss GSWC's Application without prejudice, forcing GSWC to re-file at a later date. As discussed in previous pleadings in these proceedings, however, Commission approval of the Stipulation is needed for GSWC to carry out its obligations under the Stipulation. Denying GSWC's Motion to Extend and dismissing the Application only delays this process and imposes additional costs on all parties involved. Indeed, the proposed alternative Nipomo solution at issue is one small component of the overall Stipulation and not, as DRA contends, a major component.<sup>1</sup> The parties were close to settling this entire case until the Nipomo issues arose, and with the proposed alternative Nipomo solution, the parties can now resume negotiations and finalize the few remaining issues. Instead of imposing unnecessary delays, the Commission should adopt the more expeditious approach and grant GSWC's Motion to Extend and set a schedule to allow the parties to present testimony on the proposed alternative solution to the Nipomo situation.

### **B. GSWC's Proposed Solution Does Not Depend upon Nipomo Community Service District's Participation to be Viable**

GSWC's proposed alternative solution to the supplemental water supply issue for the Nipomo Mesa Management Area does not depend upon participation by the Nipomo Community

---

<sup>1</sup> DRA Response to GSWC's Motion to Extend Time for Application 06-02-026 and To Set A Schedule for Phase II ("DRA Response"), p. 9.

Service District (“NCSD”) to be viable, and thus OAAG’s concerns are moot. As explained in its Motion to Extend, consideration of Phase II has been delayed by complications relating to the means by which GSWC (and certain other stipulating parties) will provide supplemental water to the Nipomo Mesa Management Area as required in the Stipulation. GSWC now, however, has a viable alternative solution that involves a new and lower cost water supply source, as well as the construction of a shorter (less costly) pipeline. This solution can be achieved without participation of NCSD. GSWC attempted to set up a call explaining its alternative solution to OAAG and the DRA in December 2007 to no avail. GSWC respectfully requests that the Commission extend the deadline for resolving Phase II and then set a schedule so that GSWC can present testimony on its alternative solution and demonstrate its viability.

**C. GSWC Will Present Testimony Fully Explaining its Proposed Alternative Nipomo Solution**

DRA argues that GSWC’s Motion to Extend should be denied because it has failed to provide any information about the details of the Nipomo alternative solution.<sup>2</sup> This is precisely why GSWC requested that the Commission issue a Scoping Memo and set a schedule — so that GSWC can present testimony and fully explain its proposed alternative solution. At this point, GSWC has not gone into detail in any of these procedural pleadings because GSWC is finalizing certain terms and does not want to jeopardize the process by prematurely making information public. GSWC will be prepared to provide detailed information about its proposed solution, however, when it files its testimony.

Additionally, GSWC has continued to make good faith efforts to contact DRA and OAAG to discuss these issues, as well as present the proposed alternative solution, but to no avail. Indeed, DRA rejected GSWC’s request for a conference call. Thus, DRA cannot take

---

<sup>2</sup> Response of DRA, p. 6.

GSWC to task for failing to provide information, when DRA rejected GSWC's request for a meeting.

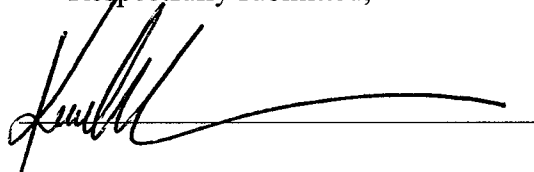
**D. The Issues Raised by Gerald Trimble Are Best Addressed in Phase II**

Finally, Gerald Trimble raises a host of issues in his Response to GSWC's Motion to Extend that are more properly addressed in Phase II of this proceeding. As stated in prior responses to Mr. Trimble's motions, Mr. Trimble seeks a ruling on the merits of Phase II before Phase II has even begun. Until the scope of this proceeding has been determined, the issues have been defined, and the parties have been allowed to conduct discovery, GSWC cannot respond to the multitude of allegations that Mr. Trimble presents.

**III. CONCLUSION**

GSWC respectfully requests that the Commission issue a Scoping Memo, setting forth a schedule for addressing Phase II.

Respectfully submitted,



Joseph M. Karp  
Karleen O'Connor  
Winston & Strawn LLP  
101 California Street, 39th Floor  
San Francisco, California 94111-5894  
Telephone: (415) 544-1000  
Facsimile: (415) 591-1400  
Email: [jkarp@winston.com](mailto:jkarp@winston.com)  
[koconnor@winston.com](mailto:koconnor@winston.com)  
*Attorneys for Golden State Water Company*


## Certificate of Service

I hereby certify that I have this day served a copy of the

***Golden State Water Company's Reply to the Responses of the Division of Ratepayer Advocates, Don Ward for the Orcutt Area Advisory Group, and Gerald Trimble to Golden State Water Company's Motion to Extend Time for Application 06-02-026 and to Set Schedule for Phase II***

on all known parties to A.06-02-026 by sending a copy via electronic mail and by mailing a properly addressed copy by first-class mail with postage prepaid to each party named in the official service list without an electronic mail address.

Executed on February 20, 2008, at San Francisco, California.



Marcus Russo



California Public  
Utilities Commission

CPUC Home

## CALIFORNIA PUBLIC UTILITIES COMMISSION Service Lists

---

PROCEEDING: A0602026 - GOLDEN STATE WATER C  
 FILER: GOLDEN STATE WATER COMPANY (U 133 W)  
 LIST NAME: LIST  
 LAST CHANGED: NOVEMBER 5, 2007

DOWNLOAD THE COMMA-DELIMITED FILE  
 ABOUT COMMA-DELIMITED FILES

[Back to Service Lists Index](#)

---

### Parties

---

KEITH SWITZER  
 VP REGULATORY AFFAIRS  
 GOLDEN STATE WATER COMPANY  
 630 EAST FOOTHILL BLVD.  
 SAN DIMAS, CA 91773-9016  
 FOR: GOLDEN STATE WATER COMPANY

DONALD R. WARD  
 ORCUTT AREA ADVISORY GROUP  
 4689 MARLENE DRIVE  
 SANTA MARIA, CA 93455

GERALD TRIMBLE  
 4586 CAMEO PLACE  
 SANTA MARIA, CA 93455-4247

E. STEWART JOHNSTON  
 1363 W. MAIN ST.  
 SANTA MARIA, CA 93458  
 FOR: LANDOWNER GROUP PARTIES

MARIA L. BONDONNO  
 CALIF PUBLIC UTILITIES COMMISSION  
 LEGAL DIVISION  
 ROOM 4008  
 505 VAN NESS AVENUE  
 SAN FRANCISCO, CA 94102-3214

JOSEPH M. KARP  
 ATTORNEY AT LAW  
 WINSTON & STRAWN, LLP  
 101 CALIFORNIA STREET, 39TH FLOOR  
 SAN FRANCISCO, CA 94111-5894  
 FOR: GOLDEN STATE WATER COMPANY

### Information Only

---

JOHN GARON  
 REGULATORY AFFAIRS MANAGER  
 GOLDEN STATE WATER COMPANY  
 630 E. FOOTHILL BLVD.  
 SAN DIMAS, CA 91773-9016

KARLEEN O'CONNOR  
 WINSTON & STRAWN LLP  
 101 CALIFORNIA STREET 40TH FLR  
 SAN FRANCISCO, CA 94111

## State Service

---

DIANA BROOKS  
CALIF PUBLIC UTILITIES COMMISSION  
WATER BRANCH  
ROOM 4208  
505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3214

FRED L. CURRY  
CALIF PUBLIC UTILITIES COMMISSION  
WATER AND SEWER ADVISORY BRANCH  
ROOM 3106  
505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3214

JAMES SIMMONS  
CALIF PUBLIC UTILITIES COMMISSION  
COMMUNICATIONS POLICY BRANCH  
ROOM 4209  
505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3214  
FOR: DRA

REGINA DEANGELIS  
CALIF PUBLIC UTILITIES COMMISSION  
DIVISION OF ADMINISTRATIVE LAW JUDGES  
ROOM 5022  
505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3214

---

**TOP OF PAGE**  
**BACK TO INDEX OF SERVICE LISTS**