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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.

A.06-02-026
(Filed February 24, 2006)

**ALJ RULING GRANTING MOTION FOR PARTY STATUS
AND DENYING MOTION TO STRIKE**

On November 3, 2006, a motion was filed by Attorney E. Stewart Johnston asking that a group of 75 to 100 persons, known as the Landowner Group Parties, be allowed to intervene and participate as parties in this proceeding. The motion was amended on November 20, 2006, to provide addresses for some of the persons. The motion is unopposed.

I will grant the motion to intervene. Because there are discrepancies in the lists of persons identified in the November 3 and November 20 pleadings, my permission will be conditioned on Mr. Johnston providing a correct and complete list of the persons comprising the Landowner Group Parties.

The Landowner Group Parties also filed, on November 13, 2006, a Motion to Strike Applicant's Request for Approval of Settlement Stipulation. Golden State Water Company, the applicant in this proceeding, responded to the motion on November 27, 2006.

The Landowner Group Parties argue, and other things, that the Commission does not have jurisdiction under Public Utilities Code Section 851 to

provide the relief requested in the application. The Landowner Group Parties also argue that applicant has failed to identify property that would be encumbered by the Superior Court stipulation.

I deny the motion. The stipulation, attached as Exhibit A to the application, indicates that "The Stipulating Parties agree that all property owned by them within the Basin is subject to this Stipulation and the judgment to be entered based on the terms and conditions of this Stipulation." The stipulation anticipates the encumbrance of property within the meaning of Section 851. Applicant has appropriately cited the numerous instances of the Commission being requested and granting permission under Section 851 for the type of stipulation presented in this proceeding. Such a request is especially appropriate since an encumbrance entered into without the Commission's necessary approval is void.

IT IS RULED that:

1. The Landowner Group Parties' Motion for Party Status (November 3, 2006, as amended on November 20, 2006) is granted. However, the Landowner Group Parties' attorney shall file and serve, within ten days of this ruling, an accurate list (with addresses) of all persons (natural or fictitious) comprising the group. The list will also identify those persons within the group who are ratepayers of the Golden State Water Company.

2. The Landowner Group Parties' Motion to Strike Applicant's Request for Approval of Settlement Stipulation is denied.

Dated December 1, 2006, at San Francisco, California.

/s/ JOHN E. THORSON

John E. Thorson
Administrative Law Judge

INFORMATION REGARDING SERVICE

I have provided notification of filing to the electronic mail addresses on the attached service list.

Upon confirmation of this document's acceptance for filing, I will cause a copy of the filed document to be served upon the service list to this proceeding by U.S. mail. The service list I will use to serve the copy of the filed document is current as of today's date.

Dated December 1, 2006, at San Francisco, California.

/s/ ANTONINA V. SWANSEN
Antonina V. Swansen

**Last Update on 30-NOV-2006 by: LIL
A0602026 LIST**

***** APPEARANCES *****

Maria L. Bondonno
Legal Division
RM. 4008
505 VAN NESS AVE
San Francisco CA 94102 3298
(415) 355-5594
bon@cpuc.ca.gov

Keith Switzer
GOLDEN STATE WATER COMPANY
630 EAST FOOTHILL BLVD.
SAN DIMAS CA 91773
(909) 394-3600 X 759
kswitzer@gswater.com
For: Golden State Water Company

Stewart Johnston
1363 W. MAIN ST.
SANTA MARIA CA 93458
(805) 680-9777
Stewartjohnston@mac.com

Donald R. Ward
ORCUTT AREA ADVISORY GROUP
4689 MARLENE DRIVE
SANTA MARIA CA 93455
(805) 937-4860
luhintz2@verizon.net

Joseph M. Karp
Attorney At Law
WINSTON & STRAWN
101 CALIFORNIA STREET
SAN FRANCISCO CA 94104-1513
(415) 591-1529
jkarp@winston.com
For: Golden State Water Company

***** STATE EMPLOYEE *****

Diana Brooks
Division of Ratepayer Advocates
RM. 4102
505 VAN NESS AVE
San Francisco CA 94102 3298
(415) 703-1445
dsb@cpuc.ca.gov

Fred L. Curry 5
Water Division
RM. 3106
505 VAN NESS AVE
San Francisco CA 94102 3298
(415) 703-1739
flc@cpuc.ca.gov

James Simmons
Division of Ratepayer Advocates
RM. 4108
505 VAN NESS AVE
San Francisco CA 94102 3298
(415) 703-3512
jjs@cpuc.ca.gov
For: DRA

John E. Thorson
Administrative Law Judge Division
RM. 5007
505 VAN NESS AVE
San Francisco CA 94102 3298
(415) 355-5568
jet@cpuc.ca.gov

***** INFORMATION ONLY *****