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12 SUPERIOR COURT OF THE STATE OF CALIFORNIA
13 FOR THE COUNTY OF LOS ANGELES – CENTRAL DISTRICT
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16 ANTELOPE VALLEY GROUNDWATER)	JUDICIAL COUNCIL
17 CASES)	COORDINATED PROCEEDING
18	)	NO. 4408
19 Included Actions:)	
20)	
21 Los Angeles County Waterworks District No.	)	Santa Clara Case No. 1-05-CV-049053
22 40 v. Diamond Farming Company	)	Assigned to the Honorable Jack Komar
23 Superior Court of California, County of Los	)	Department I
24 Angeles, Case No. BC325201)	
25	)	CALIFORNIA WATER SERVICE CO'S
26 Los Angeles County Waterworks District	)	JOINDER TO LITTLEROCK CREEK
27 No. 40 v. Diamond Farming Co.	)	IRRIGATION DISTRICT'S AND LA
28 Superior Court of California	)	COUNTY WATERWORKS NO. 40'S
29 County of Kern, Case No. S-1500-CV-254-348	)	OPPOSITION TO WOOD CLASS'
30	)	MOTION FOR AWARD OF ATTORNEY
31 Wm. Bolthouse Farms, Inc. v. City of Lancaster	)	FEES, COSTS AND INCENTIVE AWARD
32 Diamond Farming Co. v. City of Lancaster)	
33 Diamond Farming Co. v. Palmdale Water District	)	DATE: April 1, 2016
34 Superior Court of California	)	TIME: 1:30 p.m.
35 County of Riverside, Consolidated Actions)	DEPT: 1 Santa Clara
36 <u>Case Nos. RIC 353840, RIC 344436, RIC 344668</u>)	
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CALIFORNIA WATER SERVICE COMPANY'S
JOINDER TO LITTLEROCK IRRIGATION CREEK DISTRICT'S AND COUNTY WATERWORKS NO. 40'S
OPPOSITION TO WOOD CLASS' MOTION FOR AWARD OF ATTORNEY'S FEES,
COSTS AND INCENTIVE AWARD

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3 CALIFORNIA WATER SERVICE COMPANY (Cal Water) joins Littlerock Creek Irrigation District,
4 Palm Ranch Irrigation District, North Edwards Water District, Desert Lake Community Services District,
5 Llano Del Rio Water Co., Llano Mutual Water Company, and Gig Rock Mutual Water Co. (Littlerock
6 Creek Opposition) as well as Los Angeles County Waterworks District No. 40's opposition to Wood
7 Class' Motion For Award Of Attorneys' Fees, Costs And Incentive Award. This opposition adds
8 supplemental information and argument specific to Cal Water's district.
9

10 In this litigation, Cal Water is a public water supplier (PWS) with a small system of 669 connections as
11 of 2014, located in the City of Lancaster area (Cal Water- Lancaster), regulated by the California Public
12 Utilities Commission [Commission] (Declaration of John S. Tootle [Tootle] ¶2). Cal Water – Lancaster
13 was allocated 343.14 Acre Feet of Non-Overlying Production Rights or 0.485% of the Adjusted Native
14 Safe Yield as set forth in Exhibit 3 of the Final Judgment and Physical Solution [Tootle ¶3]. Cal Water –
15 Lancaster has allocated annual revenue requirement (total revenues) of \$1,114,000 and an annual revenue
16 per residential customer of \$1,580 in 2014[Tootle ¶4]. Cal Water – Lancaster has allocated rate base
17 (investment per customer) of 6,238. Pursuant to Commission's policies and procedures, litigation costs
18 will be borne by each individual ratepayer, Customer [Tootle ¶5].
19

20 Throughout the 15 years of this litigation, Cal Water spent a total of \$636,900 in third-party costs [Tootle
21 ¶6]. Cal Water in-house counsel represented Cal Water throughout the litigation because outside counsel
22 costs would be overly burdensome to its ratepayers (Customers). Third-party costs have consisted
23 primarily of expert costs (which to a large extent associated with drafting of the Technical Report), Phase
24 III and Phase VI testimony, Willis Class Attorney Fees and other consultants, including its proportional
25 share of the Court's consultant for the Wood Class. Third-party costs do not cover capitalized interest and
26 overhead (which partially cover in-house attorney costs) totaling \$230,800, which must be recorded in
27 accordance with Commission's uniform system of accounts [Tootle ¶7]. In addition, Cal Water expects to
28 continue to incur costs as it supports the Final Judgment and Physical Solution through appeals.
29

30 Each of Cal Water's Customers will have already had to bear \$1.297 costs for the litigation [Tootle ¶8].
31 Each Cal Water Customer is receiving 0.51 AF [Tootle ¶9]. On an equivalent per acre foot basis, Cal
32 Water Customers are expending \$2,528 [Tootle ¶9]. This compares to a Wood Class member, who is
33 receiving 1.2 AF and paying ZERO litigation costs [Tootle ¶10]. Furthermore, Customers will have to
34 obtain a significant portion of their water from more costly imported water supplied by Antelope Valley
35 East-Kern Water Agency.
36

1 Cal Water Customers are landowners and their residences represent probably each Customer's largest
2 investment. It is inequitable for PWS Customer's to shoulder such disproportional costs of this massive
3 and complex litigation. Cal Water agrees that most equitable allocation of Wood Class' Attorney Fees,
4 Costs and Incentive Award, if any, is based on percentage share of Adjusted Native Safe Yield.

5
6 If the Court finds that only the PWS should pay for the Wood Class' Attorney Fees, the Court should
7 proportionately allocate in proportion to PWS Non-Overlying Production Rights per Exhibit 3 of the Final
8 Judgment and Physical Solution. Cal Water respectfully request the court limit the requested attorneys'
9 fees as set forth in Littlerock Creek Opposition and Cal Water be limited to its proportional share (0.485%
10 *\$361,118.91) or \$1,751.

11
12 There is a significant difference in the size of PWS, ranging from less than 1,000 customers to over
13 45,000 customers, as such any particular PWS should not have to disproportionately bear these costs, so
14 PWS should not be held jointly and severally liable..

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19 DATED: March 15, 2016

CALIFORNIA WATER SERVICE COMPANY

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22 By: 

John S. Tootle

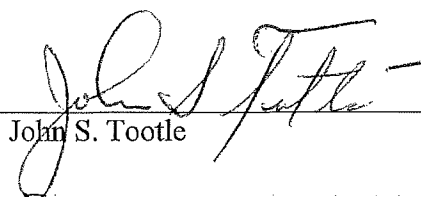
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24 Attorney for California Water Service Company
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DECLARATION OF JOHN S. TOOTLE

I, John S. Tootle, declare:

1. I am the Corporate Counsel for California Water Service Company (Cal Water) and have been employed by Cal Water to represent Cal Water in this matter. I have personal knowledge of the facts I state below, and if I were to be called as a witness, I could competently testify about what I have written in this declaration.
2. Cal Water is a public water supplier (PWS) with a small system of 669 connections (2014), located in the City of Lancaster area (Cal Water-Lancaster), regulated by the California Public Utilities Commission (Commission).
3. Cal Water-Lancaster has been allocated 343.14 Acre Feet of Non-Overlying Production rights or 0.485% of the Adjusted Native Safe Yield as set forth in Exhibit 3 of the Final Judgment and Physical solution.
4. Cal Water-Lancaster has allocated annual revenue requirement (total revenues) of \$1,114,000 in 2014. Annual Revenues per Residential Customer averaged \$1,580 for 2014.
5. Cal Water-Lancaster has a rate base per customer (investment per customer) of \$6,238. Pursuant to Commission's policies and procedures, litigation costs will be borne by each individual ratepayer, customer.
6. Cal Water has spent a total of \$636,900 in third-party costs throughout the 15 years of this litigation.
7. Third-party costs do not cover capitalized interest and overhead totaling \$230,800, which must be recorded in accordance with Commission's uniform system of accounts.
8. Each of Cal Water's customers will have already had to bear \$1,297 costs for the litigation.
9. Each Cal Water customer is receiving $(343.14/669)$ 0.51 AF. On an equivalent per acre foot basis, Cal Water customers are expending \$2,528.
10. The above compares to a Wood Class customer who is receiving 1.2 AF and paying zero litigation costs.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this Tuesday, March 15, 2016 at Rancho Palos Verdes.


John S. Tootle

