**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

April 27, 1993

To: Board of Directors (Water Problems Committee--Information)
 (Executive Committee--Information)
From: General Manager (Special Committee on Legislation--Information)
Subject: Senate Bill 778

Report

Existing law requires payment of just compensation to a private or public entity when another entity, either public or private, provides or extends water service to an area served by the first entity. Senate Bill 778 (SB 778), introduced by Senator Ralph Dills on March 3, 1993, would provide that these provisions do not apply to any entity's own private use of reclaimed water.

In its present form, SB 778 does not directly affect Metropolitan. However, SB 778 does have the potential to affect Metropolitan's member agencies and subagencies, particularly those agencies that currently provide water to wastewater treatment plants and/or other sanitation district facilities. It is staff's recommendation that your Board take no position on SB 778 at this time.

Board Committee Assignments

This letter is referred for information to:

The Water Problems Committee because it involves legislation which may affect the sale of water for various uses, pursuant to Administrative Code Section 2481(d);

The Executive Committee because it involves legislation which may affect the District, pursuant to Administrative Code Section 2417(a); and

The Special Committee on Legislation because it involves a legislative matter that may affect the District, pursuant to Administrative Code Section 2581(a).

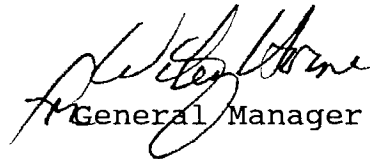
Board of Directors

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April 27, 1993

Recommendation

For information only.


General Manager

JIL:gn

AMENDED IN SENATE APRIL 12, 1993

SENATE BILL

No. 778

Introduced by Senator Dills

March 3, 1993

An act to amend Section 1502 of, and to add Section 1507 to, the Public Utilities Code, relating to water service.

LEGISLATIVE COUNSEL'S DIGEST

SB 778, as amended, Dills. Water service.

Existing law requires the payment of just compensation to a private or public entity when another entity, either public or private, provides or extends water service to a service area served by the first entity.

This bill would provide that these provisions do not apply to any entity's own private use of ~~potable or~~ reclaimed water, as defined.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1502 of the Public Utilities Code
2 is amended to read:
3 1502. (a) As used in this chapter, "political
4 subdivision" means a county, city and county, city,
5 municipal water district, county water district, irrigation
6 district, public utility district, or any other public
7 corporation.
8 (b) As used in this chapter, "service area" means an
9 area served by a privately owned public utility in which
10 the facilities have been dedicated to public use and in
11 which territory the utility is required to render service to
12 the public.

1 (c) As used in this chapter, "operating system" means
2 an integrated water system for the supply of water to a
3 service area of a privately owned public utility.

4 (d) As used in this chapter, "private utility" means a
5 privately owned public utility providing a water service.

6 (e) As used in this chapter, "type of service" means,
7 among other things, domestic, commercial, industrial,
8 fire protection, wholesale, or irrigation service.

9 (f) As used in this chapter, "reclaimed water" means
10 reclaimed water as defined in Section 13050 of the Water
11 Code.

12 (g) As used in this chapter, "private use" means an
13 entity's use of its own ~~potable water~~ or reclaimed water.

14 SEC. 2. Section 1507 is added to the Public Utilities
15 Code, to read:

16 1507. The provisions of this chapter shall not be
17 applicable to any entity's own private use of ~~potable and~~
18 ~~or~~ reclaimed water, whether or not that entity was
19 previously served with potable or reclaimed water.

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