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UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA

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BEFORE THE HONORABLE MITCHEL R. GOLDBERG  
Bankruptcy Judge

--oOo--

In re	)	In Bankruptcy:
	)	
FONTANA UNION WATER COMPANY,	)	No. SB 90-02635-MG
	)	
Debtor.	)	
	)	
	)	

TRANSCRIPT OF PROCEEDINGS

--oOo--

March 26, 1991

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Reported by:

Robin E. Reason, CSR No. 3255

REASON REPORTING  
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1 to make about what the evidence will show. I will  
2 describe those to you briefly. Then I would like to talk  
3 a little bit about the nature of the proof required in a  
4 case like this, and then finally I would like to take the  
5 three points and talk about what the evidence will show  
6 on each of those three points, and I will advise the  
7 Court of what other counsel are aware of and that is the  
8 first witnesses that we will be calling to establish  
9 these three basic points in the status case.

10 The first point is this: That the evidence  
11 will show that Fontana Union has dedicated its  
12 properties, including its water rights, to the public use  
13 for the benefit of San Gabriel's public utility customers  
14 and has become a public utility under California law and  
15 indeed, if we were not in bankruptcy court, subject to  
16 the regulation of the Public Utilities Commission where  
17 this matter would, of course, be heard if this Court had  
18 not enjoined the proceedings in the bankruptcy court.

19 That is what we have to prove. They have  
20 got to prove something. And that is that they are  
21 entitled to the exemption from public utility status that  
22 is accorded to a municipal water company under Section  
23 2705 of the Public Utilities Code.

24 That specific point was made in the  
25 California Public Utility proceeding in the Corona case

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