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Attorney for Specially-Appearing Defendants
HAVASU WATER COMPANY
& JENNIFER HODGES

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO**

CALIFORNIA PUBLIC UTILITIES
COMMISSION,

Plaintiff,

vs.

HAVASU WATER COMPANY, a California
Corporation; JENNIFER L. HODGES, an
individual; JH FAMILY LIMITED
PARTNERSHIP, a California limited
partnership

Defendants.

Case No.: CIVSB 2625211

**SPECIALLY-APPEARING
DEFENDANTS' CHALLENGE AND
OPPOSITION TO CPUC JURISDICTION
FOR APPOINTMENT OF RECEIVER**

Hearing Date: 9/4/2026

Hearing Time: 08:30 A.M.

Judge: Hon. Judge David E. Driscoll

Dept: S-22

**SPECIALLY-APPEARING DEFENDANTS' CHALLENGE AND OPPOSITION TO CPUC JURISDICTION FOR
APPOINTMENT OF RECEIVER**

I. INTRODUCTION

The Court should deny and dismiss the California Public Utility Commission's ("CPUC") Ex-Parte Application for Appointment of Receiver ("Ex-Parte Application") in its entirety because: 1) Counsel for Defendants Havasu Water Company ("HWC") and Jennifer L. Hodges ("Hodges") were not served or given notice of the CPUC's application; 2) The CPUC expressly relinquished all civil regulatory jurisdiction over HWC as of January 1, 2024, therefore the CPUC has no jurisdiction to petition this Court for appointment of a receiver; 3) This is not a matter that should be handled on an ex-parte basis. There is no emergency or exigent circumstance to justify an ex-parte emergency remedy. The CPUC is just doing this to harass and intimidate Defendants; 4) HWC's sale-leaseback of its own land to the JH Family Limited Partnership ("JHFLP") is completely legal and it is unclear why Defendants would ever need to seek CPUC "approval" to engage in a lawful transaction that has nothing to do with the CPUC; 5) The CPUC does not care about HWC's customers nor does it care about our ability to provide water to the Town of Havasu Lake. The CPUC is the one who wrongfully, and fraudulently, took away HWC's right to draw water from the Colorado River, which is the sole source of water for this community; and 6) A related case is already pending on appeal with the Ninth Circuit Court of Appeal, and the CPUC filed its meritless Ex-Parte Application in order to distract and burden HWC's attorneys from preparing the company's reply brief, which is due to the Ninth Circuit shortly.

MEMORANDUM OF POINTS AND AUTHORITIES

II. OPPOSITION ARGUMENTS

1. No Notice Given to Defendants' Counsel

Ravi Bendapudi, Esq. was HWC's attorney of record in the CPUC's Receivership Investigation case that initiated the entire receivership action, and the CPUC intentionally bypassed Mr. Bendapudi and did not give him notice of the Ex-Parte Application. The CPUC is fully aware that Mr. Bendapudi represents Defendants and they also have his contact information. However, the CPUC never called or e-mailed Mr. Bendapudi about the Ex-Parte Application, and they also did not provide Mr. Bendapudi with any of their moving papers. Therefore, Defendants did not receive proper notice or proper service of process, and the entire Ex-Parte Application should be denied for this reason alone.

2. The CPUC Has No Civil Regulatory Jurisdiction Over HWC

The Petitioners cannot move for appointment of a receiver, because they voluntarily relinquished all regulatory jurisdiction over HWC as of January 1, 2024. The CPUC relinquished jurisdiction on the grounds that the State of California does not have civil regulatory jurisdiction over public utility companies that are located within the boundaries of an Indian Reservation. The following quote is a screenshot directly from page 5 of the CPUC's August 19, 2025 "Order Instituting Investigation [into the appointment of a receiver over HWC]:

¹⁷ Prior to January 1, 2024, SWRCB had jurisdiction and oversight of Havasu's public water system to ensure compliance with the state SDWA. The transfer of oversight occurred because a court determined that Havasu's water system is located within the boundaries of the Chemehuevi Indian Tribe and the US EPA regulates public water systems within the boundaries of Tribal Reservations in California. (See <https://www.epa.gov/ca/hwc#transfer>.)

Not only did the CPUC admit in their own moving papers that the state of California no longer has “jurisdiction [or] oversight” over HWC, but the Federal EPA also sent a letter to Defendants telling us the same thing:



SENT VIA EMAIL ONLY

Jennifer Hodges
President, Havasu Water Company, Inc.
P.O. Box 1690
Havasu Lake, CA 92363
jhodges@heronutritionals.com

Subject: Regulatory Oversight of the Havasu Water Company Public Water System

Dear Jennifer Hodges:

I am writing to notify you that the United States Environmental Protection Agency, Region 9 (EPA) is in the process of assuming regulatory oversight of the Havasu Water Company Public Water System (PWS) under the Safe Drinking Water Act (SDWA) from the State Water Resources Control Board (“State Board”). In coordination with the State Board, the EPA recently confirmed that the Havasu Water Company lies wholly within the boundaries of the Chemehuevi Indian Tribe Reservation. Therefore, EPA is affirming its role as regulator of the Havasu Water Company PWS under the SDWA.

EPA has been coordinating with the State Board to ensure the effective transition of the regulatory oversight of the Havasu Water Company PWS from state to federal supervision. Although this transition may take several months to complete, it is important to note that during the transition the Havasu Water Company PWS is required to comply with all requirements under the SDWA. Effective immediately, please send all required reporting to the State Board and to EPA via datamanager@epa.gov and wan.hong@epa.gov.

EPA would like to convene a meeting with you and the State Board staff regarding this regulatory transition. By November 13, 2023, please contact Emmanuelle Rapicavoli of our Tribal Drinking Water Section at (415) 972-3969 or rapicavoli.emmanuelle@epa.gov to schedule a meeting. In the meantime, if you or your counsel have legal questions related to EPA’s regulation of the Havasu Water Company PWS, please contact Alexa Engelman of our Office of Regional Counsel at 415-972-3884 or at engelman.alexa@epa.gov.

Sincerely,

Tomás Torres, Director
Water Division

1 The Federal EPA even set up an entire website to inform the public that the State of California
2 transferred regulatory oversight of HWC to the EPA, because “[the] EPA confirmed that the water
3 system is located within the boundaries of the Chemehuevi Indian Reservation. Therefore, Havasu
4 Water Company public water system is under direct federal oversight under the Safe Drinking Water
5 Act (SDWA).” The EPA’s website can be accessed at: <https://www.epa.gov/ca/hwc#transfer>.

6 We find it appalling that the CPUC, continues to harass and intimidate HWC about regulatory
7 powers that it does not even have. The CPUC knows that the only way for the State of California to
8 obtain civil regulatory jurisdiction over activities that take place on an Indian Reservation is if there
9 is an Act of Congress authorizing it. (*See, California v. Cabazon Band of Mission Indians* (1987) 480
10 U.S. 202). For the better part of two years, we have repeatedly asked the CPUC to please provide
11 evidence that Congress gave the State of California permission to exercise civil regulatory jurisdiction
12 over HWC, and they have provided us with nothing. All they do is ignore the law and our reasonable
13 request and they keep citing to their own handbook, which is obviously not an Act of Congress, as
14 justification for their extra-jurisdictional actions.
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16 The Court should deny the CPUC’s Ex-Parte Application, with prejudice, because a party that
17 does not even have jurisdiction to regulate HWC certainly does not have jurisdiction to move for the
18 appointment of a receiver to seize Defendants’ business and their property for no good reason and
19 without just compensation.
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1 **3. There is No Exigency & This is Not an Emergency Situation**

2 Another reason why the Court should deny the CPUC's Ex-Parte Application is because there
3 is no exigent or emergency condition in this case warranting the appointment of a receiver on an ex-
4 parte basis. Receivership and ex-parte relief are both extraordinary remedies that should be granted
5 very sparingly and with great caution, and only when there is an immediate necessity due to an exigent
6 threat or emergency. (*See, Morand v. Superior Court* (1974) 38 Cal.App.3d 347).

7 In this case no such situations exist. HWC's land transfer to the JHFLP took place nearly a
8 year ago, and it has had absolutely no impact on the company's willingness or ability to provide water
9 to its customers. Furthermore, the fact that the land transfer took place nearly a year ago, in October
10 2025, and it has not disrupted HWC's operations, at all, proves that there is no exigency or emergency.

11 The CPUC did not even bother to speak to HWC's counsel about any of this, because if they
12 had then they would know that HWC did not simply sell its land to the JHFLP, but that the parties
13 actually entered into a sale-leaseback agreement which gave HWC a forty (40) year long-term lease
14 to use the water treatment plant and all of the fixtures and equipment. Clearly, there's no exigent threat
15 or emergency when the company has a 40-year lease to keep operating its business.

16 What makes the CPUC's actions even more ridiculous, illegitimate, and indefensible, is that
17 the CPUC is the one who has been trying to prevent HWC, and the Town of Havasu Lake, from
18 accessing their only source of fresh water. The CPUC and its lawyers have gone out of their way to
19 stop HWC from drawing water from the Colorado River (please see Section 5 of this Brief for more
20 details about this), so their Ex-Parte Application to appoint a receiver to prevent "health and safety
21 risks" to the company's customers is completely disingenuous and farcical, because it is the CPUC,
22 and not HWC or Ms. Hodges, who has been hell-bent on shutting off the water to this town.
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1 **4. Transferring Land is Not Actionable or Illegal in Any Way**

2 It is unclear how or why the CPUC thinks that HWC needs its permission to enter into a private
3 transaction to sell its own land. How could that possibly be illegal or actionable? Defendants are not
4 aware of any applicable laws or deed restrictions that would prevent HWC from selling its land and
5 then leasing it back. Not only that, but under the terms of the sale-leaseback agreement, no taxable
6 events occurred last year, so even if HWC had an obligation to report the transaction to the CPUC
7 (which it does not), it did not have to do so yet.

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9 Ironically, the reason why HWC had to sell its land in the first place was because it needed to
10 raise much needed capital, since the CPUC's relentless law fare and harassment has caused the
11 company to incur very significant legal expenses, and the CPUC wouldn't approve a rate increase¹ to
12 allow HWC to recover its losses. HWC had no choice but to sell its real property and then lease the
13 land and equipment back from the buyer so that it could raise capital to continue operating its business.

14 Furthermore, not only does HWC's Sale-Leaseback Agreement preserve the company's ability
15 to continue operating its business, but, had the CPUC bothered to look into the transaction before
16 running off to the courthouse to file an emergency extra-judicial Ex-Parte Application, the CPUC
17 would have realized that the JHFLP is the super-majority controlling owner of HWC. So why would
18 the JHFLP ever do anything to hurt its own interests in a company that it owns and controls? This is
19 just further proof that the CPUC filed its Ex-Parte Application in bad faith, with the intent to harass
20 and bully HWC, and not because they have a legitimate reason to seek appointment of receiver (over
21 a company that they can't even lawfully regulate).
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¹ When the CPUC still had jurisdiction over HWC, the company repeatedly sought permission for a rate increase, but all
28 requests were denied.

1 **5. The CPUC Does Not Care About HWC’s Water Customers**

2 We have said it before, but we will say it again--the CPUC absolutely does not care, at all,
3 about providing safe drinking water to the residents of Havasu Lake, CA. The CPUC has been actively
4 trying to sabotage and destroy HWC for years now, and they are the ones who wrongfully revoked
5 recognition of HWC’s permanent easement by necessity to draw water from the Colorado River,
6 nearly four decades after the issue was adjudicated and ruled upon by the CPUC’s own Administrative
7 Law Court, and is now *res judicata*.

8 We urge this Court to please ask the CPUC why they withdrew recognition of their own 1985
9 Decision that made HWC’s 1,500 foot easement over the Chemehuevi Indian Tribe’s land permanent
10 We urge the Court to please ask the CPUC how and where is the company supposed to get freshwater
11 from if we are no longer allowed to draw water from the Colorado River? Where is the phantom
12 “alternate source of water” that the CPUC claims exists, but refuses to identify?
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14 The short answer is the CPUC has no answers. The truth is that the CPUC sabotaged HWC’s
15 business, cut us off from our one and only source of water², and now they’re trying to feign “an
16 emergency” so that they can steal our property and our business without just compensation. Courts in
17 this country, including the U.S. Supreme Court, have made it very clear that government agencies
18 cannot abuse their power and revoke permissions and findings given decades ago, in order to sabotage
19 law-abiding businesses and bring them to the brink of financial ruin, in order to seek appointment of
20 a receiver to seize (aka steal) money and property that does not belong to the government. (*See, FCC*
21 *v. Fox Television Stations, Inc.* ((2009) 556 U.S. 502)—“*While an administrative agency may change*
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25 ² Havasu Lake, CA is located in Lower Colorado River Valley, one of the hottest and driest places in North America. There
26 are no other sources of water here. In their 1985 Decision the CPUC acknowledged that the groundwater underneath the
27 Town of Havasu Lake is brackish and not fit for human consumption. The CPUC knows that HWC’s 361 customers,
28 depend on the Colorado River for 100% of their water supply, just like the 24 million other people in the Lower Colorado
River Basin who depend on the river for their water.

1 *its policies, it acts arbitrarily and capriciously if it reverses course without acknowledging the change,*
2 *providing a reasoned explanation for discarding its prior factual findings, or considering the*
3 *substantial reliance interests built on its previous decision.”).*

4 The U.S. Supreme Court has repeatedly applied the doctrine of unclean hands to stop such
5 abuses, and this Court should do the same by denying the Ex-Parte Application, because let there be
6 no doubt that, none of what the CPUC is trying to do here is legitimate or legal in any way. (*See, Del*
7 *Monte Dunes at Monterey, Ltd. v. City of Monterey ((1999) 526 U.S. 687—The Ninth Circuit*
8 *condemned government bad faith where an agency continually shifted regulatory requirement*
9 *"goalposts," imposed artificial hurdles, and disavowed previous approvals to force a property owner*
10 *into financial distress and render the property unusable); See also, Kendall-Jackson Winery, Ltd. v.*
11 *Superior Court ((1999) 76 Cal.App.4th 970—The Court of Appeal held that the doctrine of unclean*
12 *hands applies whenever the party seeking equitable relief has committed misconduct directly related*
13 *to the transaction or matter in litigation).*

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17 **6. The CPUC Knows that HWC’s Appeal of the Ejectment Order is Pending in the Ninth**
18 **Circuit**

19 The CPUC knows that a related case is already pending on appeal with the Ninth Circuit Court
20 of Appeal, and the CPUC filed its meritless Ex-Parte Application in order to distract and burden
21 HWC’s attorneys from preparing the company’s reply brief, which is due shortly. The CPUC knows
22 that HWC is appealing the Ejectment Order that was awarded to the Chemehuevi Indian Tribe after
23 the CPUC wrongfully extinguished HWC’s right of way to draw water from the Colorado River. So,
24 this is another reason for the Court to deny the Ex-Parte Application, because it is being sought for an
25 improper purpose.
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III. CONCLUSION

For the aforementioned reasons, the Court should deny the CPUC's Ex-Parte Application, with prejudice, because there is absolutely no reason or jurisdiction for the Court to appoint a receiver to take over HWC, let alone do it on an emergency ex-parte basis. In the alternative, if the Court is not inclined to deny and dismiss the CPUC's Ex-Parte Application, then HWC respectfully requests that the Court order the CPUC to proceed via a standard noticed motion practice to allow Defendants time to prepare for a full evidentiary hearing.

HWC expressly reserves its right to supplement this writing with any additional counter-arguments, defenses, laws or facts.

Respectfully submitted,

DATED: 9/3/2026

THE LAW OFFICES OF RAVI BENDAPUDI



Ravi Bendapudi, Esq.

1 PROOF OF SERVICE)

2 STATE OF CALIFORNIA)

3 COUNTY OF SAN BERNARDINO)

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5 X The undersigned, an employee of THE LAW OFFICES OF RAVI BENDAPUDI, hereby
6 on oath states

7 _____ The undersigned attorney hereby certifies

8 that copies of :

9 **SPECIALLY-APPEARING DEFENDANTS’ CHALLENGE AND OPPOSITION TO CPUC**
10 **JURISDICTION FOR APPOINTMENT OF RECEIVER**

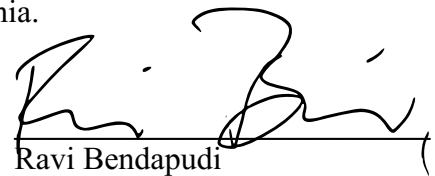
11 were electronically served upon the attorney of record for Plaintiff at the following e-mail address:

12 Kimiko I. Elguea
13 California Public Utilities Commission
14 Kimiko.Elguea@cpuc.ca.gov

15 on September 3, 2026

16 I declare under penalty of perjury under the laws of the State of California that the foregoing
17 is true and correct.

18 Executed on September 3, 2026 at Havasu Lake, California.

19 
20 Ravi Bendapudi