BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON
UW 120

In the Matter of CROOKED RIVER RANCH WATER COMPANY Request for Rate increase resulting in total annual revenues of $868,453.	INTERVENOR – CRAIG SOULE RESPONSE TO CROOKED RIVER RANCH WATER COMPANY'S MOTION FOR RECONSIDERATION/CLARIFICATION

INTRODUCTION

On May 2, 2008 the Oregon Public Utility Commission (PUC) entered Order No. 08-243. Crooked River Ranch Water Company (CRRWC) was ordered by the PUC, among other things, to do the following:

> *Crooked River Ranch Water Company shall file with the Public Utility Commission of Oregon its application for approval of its contracts with James and Jacquie Rooks within 15 days of the date of this order.*
>
> *Crooked River shall submit an accounting of the special assessment surcharge funds consistent with the purposes of the surcharge as stated in the enabling Board resolution within 15 days of this order.*

On May 13, 2008 CRRWC filed a "Motion for Extension of Time" with the PUC. The subject motion, in part, stated the following:

> *The PUC has ordered CRRWC to make this submission by May 17, 2008. CRRWC has previously provided PUC with information regarding the type of employment and pay rates with respect to both James and Jacquie Rooks. A submission that complies with OAR 860-036-0730 requires considerably more than basic employment information. It will take CRRWC time to compile the necessary items. In addition, CRRWC's legal counsel has a prior commitment which will take him out of the office between May 14th and May 21st. Therefore, CRRWC is requesting an extension of time until June 2nd to submit the required materials.*
>
> *CRRWC is also requesting the same extension of time to respond to the PUC's Order that CRRWC file an accounting within fifteen days. The PUC has not acknowledged, in its*

Order, that CRRWC has previously filed an accounting nor does the PUC identify in what way the accounting is deficient. Counsel for CRRWC has attempted to confer with counsel for the PUC to determine what specific information the PUC needs in addition to what CRRWC has already submitted. Once CRRWC understands what specific information the PUC has ordered CRRWC to provide to supplement the previously filed accounting, they will need time to compile that information as stated above.

On May 16, 2008 the PUC by ruling, denied CRRWC's "Motion for Extension of Time", concluding the following:

I find that Crooked River has failed to provide any sufficient justification for the company's inability to make the required filings by the original due date, May 19, 2008.

On May 19, 2008 CRRWC filed a "Response and Motion for Reconsideration/Clarification" with the PUC. The subject motion concludes the following:

CRRWC is doing everything it can to respond to PUC's demands in a timely and complete manner. CRRWC respectfully requests that PUC reconsider its denial of CRRWC's motion for extension of time of 15 days from the current due date of May 19,2008, to submit a different accounting of the special assessment fund, so that CRRWC will have the time necessary to work with its counsel and with PUC to produce an accounting that satisfies PUC's request.

Intervenor Craig Soule (Soule) opposes the granting of additional time to comply with PUC Order No. 08-243, as requested in CRRWC's "Response and Motion for Reconsideration/Clarification".

DISCUSSION

Reconsideration

On May 19, 2008, Soule filed an "Opposition to Crooked River Ranch Water Company's Motion for Extension of Time" with the PUC. For all of the reasons cited in the subject "Opposition", Soule opposes the granting of additional time beyond May 19, 2008 for CRRWC to comply with PUC Order No. 08-243.

A letter form CRRWC counsel to PUC counsel, dated May 14, 2008 states the following,

*"***its primary counsel, Tim Gassner, will be out of state for a week on a pre-planned vacation."*

In addition, the "Response and Motion for Reconsideration/Clarification" filed by CRRWC on May 19, 2008, indicates that other counsel has been involved with the issues involving CRRWC and the PUC for quite some time. Given CRRWC primary counsel's pre-planned vacation, alternate counsel, although not intimate with the details, could have been easily brought up to

speed given their overall awareness with the case to allow a timely submission to comply with PUC Order No. 08-243.

CRRWC has demonstrated that their reasons for filing the "Response and Motion for Reconsideration/Clarification" may not be in good faith, given CRRWC's failure to engage alternate counsel in a timely fashion to allow compliance with PUC Order No. 08-243 by the due date of May 19, 2008.

Clarification

On March 24, 2008 the PUC entered Order No. 08-177. Order No. 08-177, I Background, in part, stated the following:

> *Crooked River did not request an extension of time to comply with the Commission's order. Nor did the Company make any filings with the Commission in response to these ordering paragraphs of Order No. 07-527.*

Further, PUC Order No. 08-177, IV Discussion, B. Ordering Paragraph 5, stated the following:

> *Regarding Ordering Paragraph 5, Crooked River's alleged inability to understand what the Commission intended the Company to file would have been suitable content for a motion for clarification that could have been filed on a timely basis. The Company's failure to file either the accounting or a motion establishes its lack of good faith.*

CRRWC has been aware of the suitability of filing a motion for clarification since March 24, 2008, and primary counsel was certainly aware of the suitability of a motion for clarification; in that, this is a common and routine practice in the legal realm.

It is ironic that CRRWC filed a "Motion for Clarification" through its alternate counsel on the eve of the due date for complying with PUC Order No. 08-243.

CRRWC has demonstrated that that their reasons for filing of the "Response and Motion for Reconsideration/Clarification" may not be in good faith, given that CRRWC's has had ample opportunity to address the filing requirement issues to afford a timely filing in compliance with PUC Order No. 08-243 by the due date of May 19, 2008.

CONCLUSION

For the foregoing reasons, Soule opposes the granting of additional time to comply with PUC Order No. 08-243 as requested in CRRWC's "Response and Motion for Reconsideration/Clarification".

On May 19, 2008 CRRWC filed a "Response and Motion for Reconsideration/Clarification" with the PUC. The subject motion states the following:

*PUC issued Order No.08-243 on May 2, 2008. Included in that order was a direction that CRRWC submit contracts for James and Jacquie Rooks for approval under ORS 757.495 and submit a different accounting of the special assessment surcharge funds. PUC ordered that those submissions be made by today's date: May 19, 2008. CRRWC is working diligently to comply with the PUC's order, but is unable to provide a complete response today***".*

Counsel for CRRWC indicated that CRRWC failed to comply in full with PUC Order No. 08-243.

Due to CRRWC's failure to comply with PUC Order No. 08-243, Soule requests the appointment of a regent by the PUC to operate and manage the water system pursuant to OAR 860-036-0365. Soule believes the only way to decisively conclude the rate/tariff case before the PUC in the best interest of all interested parties is by the appointment of a regent. Further delay in the appointment of a regent by the PUC to operate and manage the water system pursuant to OAR 860-036-0365 could cause irreparable harm to the members/customers of CRRWC.

DATED this 20th day of May, 2008.

Respectfully submitted,

/s/ Craig Soule Craig Soule
Craig Soule – Intervenor UW 120

CERTIFICATE OF SERVICE UW 120

I certify that on May 20, 2008, I served a true and correct copy of the foregoing "Response to Crooked River Ranch Water Company's Motion for Reconsideration/Clarification" on all parties of record in this proceeding by placing in the US Mail with postage prepaid and by delivering a copy by electronic mail to:

STEVEN COOK
POB 1111, Terrebonne, Oregon 97760
sewfab4u@hotmail.com

CHARLES NICHOLS
POB 1594, Redmond, Oregon 97756
charlien@blazerind.com

CROOKED RIVER RANCH WATER COMPANY
JAMES ROOKS - GENERAL MANAGER
POB 2319, Terrebonne, Oregon 97760
jr@crrwc.com

PUBLIC UTILITY COMMISSION OF OREGON
MICHAEL DOUGHERTY
550 Capitol Street NE Suite 215, Salem Oregon 97301
michael.dougherty@state.or.us

OREGON DEPARTMENT OF JUSTICE
JASON W. JONES - ASSISTANT ATTORNEY GENERAL
1162 Court Street NE, Salem Oregon 97301-4096
jason.w.jones@state.or.us

GLENN, SITES, REEDER & GASSNER, LLP
TIMOTHY GASSNER
205 SE 5th Street, Madras, Oregon, 97741
timgassner@gmail.com (email address as indicated in 5/8/08 email)

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I certify that on May 20, 2008, I served the following entity, by placing in the US Mail with postage prepaid, a true and correct copy of the foregoing "Response to Crooked River Ranch Water Company's Motion for Reconsideration/Clarification":

CROOKED RIVER RANCH WATER COMPANY
BRIAN ELLIOT – PRESIDENT BOARD OF DIRECTORS
PMP 313 – 1604 S Hwy 97 # 2
Redmond, Oregon 97756

/s/ Craig Soule
Craig Soule