

1 **BEFORE THE PUBLIC UTILITY COMMISSION**
2 **OF OREGON**

3 UW 120

4
5)
6 In the Matter of) INTERVENOR – CRAIG SOULE
7 CROOKED RIVER RANCH WATER) MOTION TO COMPEL
8 COMPANY) DATA REQUEST NUMBER 27 TO 66
9 Request for Rate increase resulting in total)
10 annual revenues of \$868,453.)
11)
12)

13 **INTRODUCTION**

14
15 OAR 860-014-0070 (1) grants an intervenor the authority to request information from any party
16 to the proceeding.

17 On October 4, 2007, Intervenor - Craig Soule served data request numbers 27 to 66 on Crooked
18 River Ranch Water Company (CRRWC). A response to data request numbers 27 to 66 was
19 required by October 19, 2007.

20 As of November 4, 2007 no response to the data requests has been received from CRRWC.

21 Consistent with OAR 860-014-0070(3), Intervenor - Soule has attempted to confer via email
22 with CRRWC concerning the subject data requests. CRRWC has not provided a response to the
23 email communications. The parties are unable to informally resolve this dispute.

24 Pursuant to OAR 860-014-0070(3), Intervenor - Soule files this motion to compel production of
25 the information/documentation requested and respectfully requests a ruling or order requiring
26 CRRWC to provide full and complete answers or documentation to the subject data requests.
Since the time for these responses has already passed, Intervenor - Soule also requests that

1 CRRWC be ordered to provide these full and complete responses or documentation in a timely
2 fashion.

3 DISCUSSION

4 **CRRWC did not respond to data requests numbers 27 to 66.**

5 Data Requests numbers 27 to 66 addressed issues that were raised in CRRWC's "Rebuttal
6 Statement" & "Rebuttal Testimony and Exhibits" submitted by James Rooks – General Manager
7 of CRRWC and the "Rebuttal Testimony and Exhibit" of Wesley Price - CPA partner, Harrigan,
8 Price, Fronk & Co. LLP (collectively "CRRWC's Rebuttal Testimony").

9 **Data Request 27 (a)(b)** - CRRWC did not provide the documentation requested concerning the
10 "Rebuttal Testimony" of Wesley Price – CPA. Data request 27 (a) & (b) asks for
11 documentation/information to adequately demonstrate that Wesley Price is qualified and has the
12 familiarity to provide testimony concerning the subject rate/tariff case. The qualifications of
13 Wesley Price are relevant to the rate/tariff setting process and CRRWC should be compelled to
14 provide this information.

15 **Data Request 27 (c)** – Data request 27 (c) addresses the issue of member ownership of
16 CRRWC. Clarification of the ownership issue would clearly impact the assets included in plant
17 and the rate of return allowed by the Oregon Public Utility Commission (PUC) in the rate/tariff
18 setting process. The data request is clearly relevant and CRRWC should be compelled to provide
19 this information.

20 **Data Request 27 (d)(e)** – The subject data requests address the issue of CRRWC's legal status
21 as an entity and subsequent member capital credits. The legal status of CRRWC would dictate
22 numerous aspects of CRRWC's operation and relationship with its members, including the
23 retention or dispersion of member capital credits. The subject discussed in the data request is
24 relevant and CRRWC should be compelled to provide this information.

25 **Data Request 27 (f)(g)(h)(i)** – The subject data requests concern the "Rebuttal Testimony" of
26 Wesley Price – CPA. The subject rebuttal testimony appears to contain information that is
beyond the scope of the accountant's skills, experiences and qualifications. Requesting
information/documentation to ascertain the source and validity of the accountant's testimony is

1 relevant. The subject data requests by Intervenor - Soule concerning the “Rebuttal Testimony” of
2 Wesley Price – CPA is relevant to the rate/tariff setting process and CRRWC should be
3 compelled to provide this information.

4 **Data Request 27 (j)** - Data request 27 (j) asks for information/documentation concerning main
5 waterline extensions. Mainline extensions are capital improvements potentially included in plant.
6 The question of who paid for and the source of funding for the mainline extension is critical to
7 determining if this capital improvement should be included in plant. Data request 27 (j) by
8 Intervenor - Soule concerning CRRWC’s main waterline extensions is highly relevant to the
9 rate/tariff setting process and CRRWC should be compelled to provide this information.

10 **Data Request 28** - Data request 28 asks for clarification of a statement in CRRWC’s Rebuttal
11 Testimony that is not consistent with the record. A clear and concise record is relevant to the
12 rate/tariff setting process and CRRWC should be compelled to provide this information.

13 **Data Request 29** – The subject data requests asks for documents/information concerning the
14 petition to intervene applications submitted by Craig Soule and Charles Nichols, the introduction
15 of irrelevant subjects and the ulterior motives of intervenor Soule. Qualifying the parties to the
16 proceeding is critical to the process. The documents/information requested concerning the
17 intervenor applications and accompanying statements made in CRRWC’s “Rebuttal Testimony”
18 is relevant to the rate/tariff setting process and CRRWC should be compelled to provide this
19 information.

20 **Data Request 30** - Data request 30 asks for information on the settlement conferences held by
21 the PUC in August 2007. The subject data request by Intervenor - Soule requests information
22 from CRRWC to support their assertions that the PUC allowed the public to participate in the
23 settlement conferences. The statements by CRRWC in their rebuttal testimony concerning how
24 the PUC handles proceedings is relevant to the rate/tariff setting process and CRRWC should be
25 compelled to provide this information.

26 **Data Request 31** – Data request 31 asks for an explanation concerning CRRWC’s “Rebuttal
Testimony” statement that the PUC has established a budget for individual activities, items or
categories. The request for an explanation clarifying CRRWC’s understanding of the rate/tariff

1 setting process is relevant to the rate/tariff setting process and CRRWC should be compelled to
2 provide this information.

3 **Data Request 32** - Data request 32 requests information concerning the Oregon State Bar
4 complaint against Tim Gassner. Although, it is odd that a Bar complaint would be included in
5 rebuttal testimony for a rate/tariff case before the PUC. CRRWC has made the subject part of the
6 rate/tariff case and it is therefore relevant to the rate/tariff setting process and CRRWC should be
7 compelled to provide this information.

8 **Data Request 33** - Data request 33 asks for the exhibits that were not included in the emailed
9 rebuttal testimony filing. A hard copy of the subject rebuttal testimony was not received. Data
10 request 33 by Intervenor - Soule concerning CRRWC's rebuttal testimony exhibits is relevant to
11 the rate/tariff setting process and CRRWC should be compelled to provide this information.

12 **Data Request 34** - Data request 34 inquires into the CRRWC's "Rebuttal Testimony"
13 statements concerning the adequacy of the PUC investigation into the financial status of
14 CRRWC and also requests auditing information. The information requested concerning the
15 audits and adequacy of the rate/tariff setting investigation is relevant to the rate/tariff setting
16 process and CRRWC should be compelled to provide this information.

17 **Data Request 35** - Data request 35 asks for information/documentation concerning income and
18 unpaid accounts of CRRWC. CRRWC income and the status of unpaid accounts would have a
19 direct impact on cash flow and therefore the financial status of CRRWC. Data request 35 by
20 Intervenor - Soule concerning CRRWC's income and unpaid accounts is highly relevant to the
21 rate/tariff setting process and CRRWC should be compelled to provide this information.

22 **Data Request 36** - Data request 36 asks for an explanation of a quote the accountant for
23 CRRWC made in CRRWC's "Rebuttal Testimony" concerning how this rate case is proceeding.
24 The perception by the accountant of this rate case proceeding differently from the norm is
25 relevant to the rate/tariff setting process and CRRWC should be compelled to provide this
26 information.

Data Request 37 - The subject data request asks for information/documentation concerning the
ongoing capital improvement program to provide a new water well to CRRWC's system. The

1 subject data request by Intervenor - Soule pertains to a prudency review of the new well. The
2 financial prudency of a major capital improvement is highly relevant to the rate/tariff setting
3 process and CRRWC should be compelled to provide this information.

4 **Data Request 38** - Data request 38 asks for information/documentation concerning CRRWC's
5 satellite phone service. CRRWC's use and need for a specialized communication service would
6 have an impact on the expenses of CRRWC. Data request 38 by Intervenor - Soule concerning
7 CRRWC's satellite phone service is relevant to the rate/tariff setting process and CRRWC
8 should be compelled to provide this information.

9 **Data Request 39 & 57** – Data requests 39 & 57 inquires into the CRRWC's "Rebuttal
10 Testimony" statements concerning CRRWC year-end financial statements and rate/tariff setting
11 test year. Inquires into the adequacy of an un-audited compilation of financial information for
12 use in rate/tariff process and the 2007 test year is relevant to the rate/tariff setting process and
13 CRRWC should be compelled to provide this information.

14 **Data Request 40 & 41** – The subject data requests asks for documentation on the legal
15 claims/expenses CRRWC indicates the Crooked River Ranch Water Watch Dogs have been
16 responsible for. The legal expenses and CRRWC staff time for litigation potentially has an effect
17 on the financial structure of CRRWC. The information requested concerning the litigation is
18 relevant to the rate/tariff setting process and CRRWC should be compelled to provide this
19 information.

20 **Data Request 42** - Data request 42 asks for documentation concerning the SCADA system.
21 Repairs to the SCADA system would impact the financial status of CRRWC. Data request 42 by
22 Intervenor - Soule concerning CRRWC's repairs to the SCADA system is relevant to the
23 rate/tariff setting process and CRRWC should be compelled to provide this information.

24 **Data Request 43** - Data request 43 asks for documentation/information concerning CRRWC
25 paying for the liability insurance coverage for equipment not owned by CRRWC. The cost of
26 liability insurance coverage would impact the financial status of CRRWC. Data request 43 by
Intervenor - Soule concerning CRRWC's liability insurance cost is relevant to the rate/tariff
setting process and CRRWC should be compelled to provide this information.

1 **Data Request 44** - Data request 44 asks for documentation concerning recertification and
2 ongoing training of CRRWC staff. The presence of ongoing training and recertification costs
3 would have a direct effect on the expenses of CRRWC. Data request 44 by Intervenor - Soule
4 concerning CRRWC's ongoing training and recertification needs is relevant to the rate/tariff
5 setting process and CRRWC should be compelled to provide this information.

6 **Data Request 45** - Data request 45 requests documentation concerning property taxes on land
7 owned by CRRWC. Property taxes are an account within the rate/tariff setting process, and the
8 presence of property taxes would have a direct effect on the expenses of CRRWC. Data request
9 45 by Intervenor - Soule concerning CRRWC's property tax expenses is relevant to the rate/tariff
10 setting process and CRRWC should be compelled to provide this information.

11 **Data Request 46** – Data request 46 asks for documentation/information concerning CRRWC's
12 “Rebuttal Testimony” statements discussing a “15 year plan of improvements”. The presence,
13 status and degree of completion of an improvement plan would impact numerous facets of
14 CRRWC's system and operation. The information requested concerning the 15 year
15 improvement plan is highly relevant to the rate/tariff setting process and CRRWC should be
16 compelled to provide this information.

17 **Data Request 47, 48, 49, 50 & 62** – Data request 47, 48, 49, 50 and 62 inquire into numerous
18 facets of the fire flows provided by CRRWC, the underlying issue of the need for a new well,
19 water rights associated with the well and funding to construct the well/infrastructure. The
20 information/documents sought concerning fire flows, underlying capital improvements and
21 funding for the capital improvements is highly relevant to the rate/tariff setting process and
22 CRRWC should be compelled to provide this information.

23 **Data Request 51** – Data request 51 asks for documentation concerning written CRRWC policy.
24 The subject data request asks for a copy of the written policy of CRRWC concerning questions
25 from intervenors. Discovery in the rate/tariff setting process is critical. A policy that is not
26 consistent with Oregon State Rule/Law is highly relevant to the rate/tariff setting process and
CRRWC should be compelled to provide this information.

Data Request 52 – Data request 52 asks for documentation concerning a reserve account
established under the provisions of ORS 94 – Homeowners Associations. The requirements of

1 ORS 94 concerning the existence of a reserve fund for the maintenance, repair and replacement
2 of common property would impact the financial position of CRRWC. The funding sources
3 (accounts) for all of the activities of CRRWC are critical to the rate/tariff setting process and
4 therefore highly relevant to the rate/tariff setting process and CRRWC should be compelled to
5 provide this information.

6 **Data Request 53, 54 & 56** - Data request 53, 54 & 56 asks for documentation/information to
7 substantiate the qualifications of James Rooks - General Manager of CRRWC. Further, the
8 subject data requests ask for documentation concerning the employment and repair/maintenance
9 contracts between CRRWC and James Rooks. The financial details of the contracts and
10 underlying qualifications to fulfill the contracts would impact the day to day operation and
11 management of CRRWC. The contracts and qualifications of James Rooks are relevant to the
12 rate/tariff setting process and CRRWC should be compelled to provide this information.

13 **Data Request 55** – Data request 55 asks for documentation of in-house costs and contrasting
14 outside bids concerning maintenance, repair and construction done in-house. Documentation
15 substantiating the subject in-house costs is critical and is therefore highly relevant to the
16 rate/tariff setting process and CRRWC should be compelled to provide this information.

17 **Data Request 58** – The subject data request asks for documentation on CRRWC legal expenses.
18 The subject rebuttal testimony indicates that legal expenses stem from James Rooks employment
19 with CRRWC. The legal expenses and CRRWC staff time for litigation potentially has an effect
20 on the financial structure of CRRWC. The information requested concerning the legal expenses
21 is relevant to the rate/tariff setting process and CRRWC should be compelled to provide this
22 information.

23 **Data Request 59** – Data request 59 asks for documentation concerning the wells owned by
24 CRRWC. The need for equipment to maintain and repair the wells would be considered an asset
25 of CRRWC and would substantiate the used and useful requirement for the asset to be included
26 in the rate/tariff setting process. The information requested concerning the wells and associated
capital equipment is relevant to the rate/tariff setting process and CRRWC should be compelled
to provide this information.

1 **Data Request 60** – Data request 60 asks for documentation concerning CRRWC’s radio read
2 meter conversion program. Documentation of the studies and evaluations of the subject program
3 would establish the initial costs, cost to benefit ration, payback period and funding source(s). The
4 radio read meter conversion program would impact numerous facets of CRRWC’s system,
5 operation and finances. The information requested concerning the radio read meter conversion
6 program is relevant to the rate/tariff setting process and CRRWC should be compelled to provide
7 this information.

8 **Data Request 61** – The subject data request asks for documentation on the development of the
9 original water system by the developer of Crooked River Ranch. The initial development,
10 development cost and ownership of the water system is a factor in plant; a major component of
11 the rate/tariff setting process. Therefore, the information requested concerning development of
12 the original water system is relevant to the rate/tariff setting process and CRRWC should be
13 compelled to provide this information.

14 **Data Request 63** – The subject data request asks for an explanation concerning CRRWC’s “20
15 Year Master Plan”. The 20 Year Master Plan is a major planning document to guide the
16 development of the water system into the future. An inquiry into why CRRWC believes the plan
17 is outdated/antiquated and asking about amendments to the plan is critical to the future
18 development of the water system. Therefore, the explanation is highly relevant to the rate/tariff
19 setting process and CRRWC should be compelled to provide this information.

20 **Data Request 64** – The subject data request to obtain copies of CRRWC responses to the PUC’s
21 DR 121 to 139 is authorized by Oregon Administrative Rule (OAR) 860-014-0070(2). The
22 PUC’s DR 121 to 139 are presumed to be relevant to the rate/tariff setting process, and therefore
23 CRRWC should be compelled to provide the information.

24 **Data Request 65** - Data request 65 asks for documentation concerning CRRWC’s backflow
25 installation and testing program. CRRWC staff time to monitor and record the backflow program
26 would impact the financial status of CRRWC. Data request 65 by Intervenor - Soule concerning
CRRWC’s monitoring and recording the backflow program is relevant to the rate/tariff setting
process and CRRWC should be compelled to provide this information.

1 **Date Request 66** – Data Request 66 concerns an ongoing investigation by the local District
2 Attorney and Oregon Department of Justice. Documentation of the current status of the
3 investigation is relevant, in that, possible legal expenses and CRRWC staff time due to the
4 investigation potentially has an effect on the financial structure of CRRWC. Data request 66 by
5 Intervenor - Soule concerning the subject investigation is relevant to the rate/tariff setting
6 process and CRRWC should be compelled to provide this information.

7
8 **CONCLUSION**

9 For the foregoing reasons, Intervenor – Craig Soule requests that CRRWC be compelled to
10 produce the information discussed herein.

11 DATED this 4th day of November 2007.

12 Respectfully submitted,

13
14 
15 _____
16 Intervenor Craig Soule

CERTIFICATE OF SERVICE UW 120

I certify that on November 5, 2007, I served a true and correct copy of the foregoing "Motion to Compel" 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 G NICHOLS

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

CROOKED RIVER RANCH WATER COMPANY

JAMES R ROOKS - GENERAL MANAGER

POB 2319, Terrebonne, Oregon 97760
jr@crwc.com

PUBLIC UTILITY COMMISSION OF OREGON

MICHAEL DOUGHERTY

550 Capitol Street NE Suite 215, Salem Oregon 97301
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JASON W. JONES - ASSISTANT ATTORNEY GENERAL

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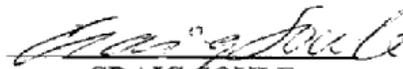
&

I certify that on November 5, 2007, I served the following entity, by placing in the US Mail with postage prepaid, a true and correct copy of the foregoing "Motion to Compel":

CROOKED RIVER RANCH WATER COMPANY

BRIAN ELLIOT - PRESIDENT BOARD OF DIRECTORS

PMP 313 - 1604 S Hwy 97 # 2
Redmond, Oregon 97756


CRAIG SOULE

DATA REQUEST 27 to 66

DATE: October 4, 2007

TO: Crooked River Ranch Water Company (CRRWC)
PO Box 2319
Terrebonne, Oregon 97760

FROM: Craig Soule-Intervenor
11953 SW Horny Hollow Trail
Terrebonne, Oregon 97760
cby_64@yahoo.com

DOCKET: UW 120

REQUEST AUTHORITY: OAR 860-014-0070 (1)

RESPONSE REQUIRED BY: October 19, 2007

Please provide responses and the requested documentation to the following requests for information. If the request is unclear, contact the requestor for clarification in a timely fashion to allow a response by the required response date noted above.

27. Wes Price - CPA with Harrigan Price Fronk & Co. LLP provided rebuttal testimony for CRRWC in PUC rate case UW 120.

- a. The subject rebuttal testimony indicates CRRWC accountant Wes Price may be qualified to provide input to the rate/tariff case. CRRWC's rebuttal testimony Number 4 -- Tariff/Budget - states, "*Wes has been the company accountant for 9 years, has considerable education and skill in accounting practices, and represents many water and homeowner associations. Has extensive experience with PUC rate filings.*" Please provide written documentation (certification, degrees, licenses, professional association, list of represented water/homeowner associations and involvement list of PUC filings) substantiating the education and experience of Wes Price as stated in the subject rebuttal testimonies.
- b. Please provide all of the information/documentation referred to under the heading/title "Involvement with CRRWC" in the subject rebuttal testimony by Wes Price.
- c. Wes Price - Rebuttal to Staff 100/5 states, "*CRRWC believes that gives the members the status of owners ****". CRRWC Bylaws (4/6/01) Definitions states, "*Have not (no) financial interest in The Company, only voting rights.*" CRRWC

Bylaws (5/2/01) Definitions states, *"Have not (no) financial interest in The Company, only voting rights"* CRRWC Bylaws (9/24/04) Part II – Membership - Bylaw 2.2(c) states, *"Membership in the Corporation shall vest only voting rights and shall not vest in the member any financial interest in the Corporation or its assets."* CRRWC Cooperative Bylaws (6/30/06) Part II – Membership - Bylaw 2.2(c) states, *"Membership in the Cooperative shall vest only voting rights and shall not vest in the member any financial interest in the Cooperative."* CRRWC's rebuttal testimony Number 6 to Dougherty's Testimony 21/12 - states, *"*** this company, which is member owned ***."* The record is conflicting. Are the members' owners with a financial interest in the assets of CRRWC or do the members only hold the right to vote for Board Members? Please provide clarification.

- d. Wes Price - Rebuttal to Staff 100/5 states, *"CRRWC has operated as a mutual benefit entity with members since its formation on April 27, 1977. All forms 990 filed have shown the appropriate status as a 501(c)12 mutual ditch company"*. CRRWC's rebuttal testimony Number 2 - Current PUC Action states, *"CRRWC is a co-op."* On July 5, 2006 Articles of Dissolution were filed with the Oregon Secretary of State (SOS). On July 5, 2006 CRRWC filed Articles of Incorporation with the SOS as cooperative under ORS 62. CRRWC refers to itself as a Cooperative and has continued the operation of the Corporation as a Cooperative. Please explain the discrepancies between the CPA's rebuttal testimony and CRRWC's rebuttal testimony and previous assertions of CRRWC. If CRRWC is a cooperative please provide documentation, beyond the filing with the SOS, demonstrating that CRRWC has operated and continues to operate in full compliance with all legal requirements of a cooperative.
- e. Wes Price - Rebuttal to Staff 100/5 states, *"By definition in the IRS tax code, all parties who pay for services become members of the entity and are entitled to member capital credit for each year that they pay for water services. At the discretion of the Board of Directors, that capital can either be retained by the company as working capital or can be all or partially rebated to the members."* Is the referenced IRS tax code concerning capital credit applicable to mutual benefit corporations? Please provide the minutes and the resolution of the CRRWC Board of Directors discussing and authorizing the retention or dispersion of the member capital credit. Please provide evidence of the recording and accounting for member capital credits for all members of CRRWC.
- f. Wes Price - Rebuttal to Staff 100/5 states, *"The homeowners/ratepayers would feel a substantial increase in fire insurance rates if CRRWC was not able to provide adequate fire flows on demand."* The CRRWC Water Conservation Management Plan – September 2003 indicates that CRRWC is unable to provide adequate fire flows. Additionally, Chief Larry Langley – Crooked River Ranch Rural Fire Protection District has stated in a letter to CRRWC dated, September 17, 2007 that fire flows provided by the CRRWC system are inadequate. Demonstrate how a "substantial increase" in fire insurance rates would be possible with no change from the current status of CRRWC's inability to provide inadequate fire flows.

- g. Wes Price - Rebuttal to Staff 100/6 and 7 states, "*A single wildfire incident in May, 2007 used over 600,000 gallons of water to extinguish ****" CRRWC's rebuttal testimony Number 6 to Dougherty's Testimony 44/11 - states, "*During a recent wildland fire at the ranch, Mr. Rooks had all pumps running. At one point, the 700,000 gallon tower was down to 1' of water.*" Please provide documentation substantiating the statements. What was the source of the 600,000 gallons of water?
 - h. Wes Price - Rebuttal to Staff 100/6 and 7 states, "**** Using existing customers August, 2006 peak demand at 927,182 gallons, the total peak demand assuming the same usage for 2600 customers would be 1,551,270 gallons per day.*" Please provide documentation demonstrating that CRRWC intends to and has the ability to provide water service to the entire ranch at complete build out of 2600 lots.
 - i. Wes Price - Rebuttal to Staff 100/37 states, "*A number of meter sets are in steep and difficult to access locations exposing the company to loss of time injuries.*" Please provide documentation showing the past history of loss of time injuries related to meter reading activities.
 - j. Wes Price - Rebuttal to Staff 100/38 states, "**** a number of system line extensions that were only partially paid by users were excluded at 100%.*" Please provide documentation showing the relevant line extension(s) and the percentage that was paid by users of the subject line extension project. Please provide documentation of the individual water line extension user's payment to CRRWC for the water line extension. Who paid for and what was the source of funds for the portion of the relevant line extension that was not paid for by the users of the line extension project?
28. CRRWC's rebuttal testimony Number 2 – Current PUC Action - states, "*5/12/06 CRRWC files for Judicial Review with Oregon Court of Appeals*". The subject statement is inconsistent with the record. Please provide clarification.
29. CRRWC's rebuttal testimony Number 3 –Tariff Process – 8/13/07 Settlement Conference - states, "*NOTE: The company filed a challenge to Craig Soule and Charles Nichols being intervenors, based primarily on the fact that they belong to the Watch Dogs, an "activist" group, and both failed to list it on their intervenor applications. In addition, the CRRWC felt that they would try to introduce subjects that have nothing to do with the tariff case only to prolong the proceeding. This, in fact, has happened.*" The Statement James Rooks filed with CRRWC's Rebuttal Testimony states, "*Mr. Soule filed a complaint with the Bar Association against Mr. Gassner. It was not founded, but none the less, proves the ulterior motive, just as the company had stated in their opposition letter.*"
- a. Please provide documentation demonstrating that the PUC requires intervenors to disclose affiliation to groups or organizations as part of the intervenor application process.

- b. Please provide documentation that intervenor Soule and Nichols have introduced irrelevant subjects to prolong the proceeding.
 - c. Please provide documentation of the ulterior motive(s) of the intervenor Soule.
30. CRRWC's rebuttal testimony Number 3 –Tariff Process – 8/13/07 Settlement Conference - states, *"At the Public Meeting held in Terrebonne on 6/11/07, ALJ Power, AAG Jones, and Michael Dougherty informed the public that they would not be participating in the settlement conferences. However, Jones, Dougherty, and Manager Marc Hellman allowed the public, which were primarily Watch Dogs, and some were not even members of the water company, to ask questions and make comments."* CRRWC's rebuttal testimony Number 3 –Tariff Process – 8/28 Second Settlement Conference - states, *"Once again, several people in the audience were non-members, but were allowed to ask questions and/or make comments in a proceeding which the public was not to be participating in. According to the PUC's handout, identified on their website as "Rate Making 101", page 6, only "parties" may participate in a Settlement Conference. Another example of the PUC not following their own rules!"*
- a. Please explain why CRRWC believes the subject settlement conferences was still in session after CRRWC chose to leave the proceeding?
 - b. Please provide documentation that the public was allowed to participate in the subject settlement conferences prior to CRRWC leaving the proceeding.
31. CRRWC's rebuttal Testimony refers to a budget of individual activities, items or categories. Please explain how the PUC rate/tariff setting process has established a subject line item budget.
32. CRRWC's rebuttal testimony Number 3 – Tariff Process – 8/28 Second Settlement Conference - states, *"Craig Soule then began to address questions to Tim Gassner. Tim told them that he would not respond to Soule's questions. Soule had filed a complaint with the Bar Association against (against) Tim Gassner and Dave Glenn. It was an unfounded complaint designed to harass the company attorney's. Soule said the issue was not over and although the Bar Association declined to take any action he had the opportunity to furnish more information. The opportunity granted by the Bar for Soule to furnish that information has now passed and no action has been taken by the Bar against company counsel. Soule feels that Tim works for the members, however, Tim said that is not true."*
- a. Please provide documentation demonstrating that the subject bar complaint was unfounded and designed to harass the CRRWC's attorneys.
 - b. Please explain why attorney Tim Gassner no longer represents James Rooks in Jefferson County Circuit Court case 06-CV-0055.
 - c. Please provide documentation that the opportunity for Mr. Soule to provide more information to the Oregon State Bar as of 9/21/07 has passed.

- d. Please explain who and who's interest attorney David Glenn and Tim Gassner represent concerning matters involving CRRWC.
33. CRRWC's rebuttal testimony filing refers to several exhibits. The exhibits were not included in the emailed subject rebuttal testimony filing. A hard copy of the subject rebuttal testimony was not received by Intervenor Soule. Please provide the exhibits referenced in the documents filed 9/21/07.
34. CRRWC's rebuttal testimony Number 4 – Tariff/Budget - states, "*Michael Dougherty has never asked what the company does with the money brought into the company.*"
- a. Please explain why the rate/tariff filing by CRRWC and subsequent data/information requests from the PUC and intervenors was not an adequate inquiry into "what the company does with the money that is brought into the company".
- b. Please provide a complete audit for the years 2004, 2005, 2006 and 2007 (to date) showing all aspects of the financial activities and status of CRRWC.
35. CRRWC's rebuttal testimony Number 4 – Tariff/Budget - states, "*Michael Dougherty has failed to make any allowance for unpaid accounts. Since this company has no income other than customer accounts, it is vital that an allowance be made for unpaid accounts and the cost of staff time to attempt collection.*"
- a. Please provide documentation demonstrating that CRRWC has no income other than customer accounts.
- b. Please provide documentation showing the past history of unpaid customer accounts and associated staff time devoted to the attempted collection of unpaid customer accounts.
36. CRRWC's rebuttal testimony Number 4 – Tariff/Budget - states, "*In the 20+ years our accountant has dealt with the PUC, he has never seen a rate case proceed in this manner (i.e., Mr. Dougherty requiring receipts for all expenditures).*" Please explain how this rate case is proceeding differently from other rate cases the accountant for CRRWC has been involved with.
37. CRRWC's rebuttal testimony Number 4 – Tariff/Budget - states, "**** Michael Dougherty refers to staff having not performed a "prudency review of the well".*"
- a. Please provide the minutes of the CRRWC Board of Directors discussing all aspects of the new well, including but not limited to the need, location, cost analysis and comparisons against other options.
- b. Please provide documentation that outside opinions, recommendations, input or counsel was sought concerning all aspects of the new well.
38. CRRWC's rebuttal testimony Number 5 – The Budget – Line Items - states, "*Due to his*

(James Rooks) hearing disability, and the fact that cell service is lacking in many parts of the ranch and general tri-county area, this service (satellite phone) is absolutely necessary in order for the manager to maintain contact with the office and the water system."

- a. Please provide documentation that James Rooks hearing disability requires satellite phone service for him to maintain contact with the office and the water system.
 - b. Please provide documentation showing the historic and recent use of the satellite phone service for the manager to maintain contact with the office and the water system.
39. CRRWC's rebuttal testimony Number 5 – The Budget – Line Item #19 - states, "*He (Mike Dougherty) was provided a year end financial statement for 2006, however, he chose to not use that report, ****". Please explain how the CRRWC 2006 year end financial statement, an un-audited compilation of financial information provided by CRRWC to the accountant, was adequate for rate/tariff setting purposes.
40. CRRWC's rebuttal testimony Number 5 – The Budget – Line Item #23 - states, "**** which primarily the majority of the expenses have been caused by members of the Dogs*". Please provide documentation that a majority of CRRWC's legal expenses have been caused by the CRR Water Watch Dogs.
41. CRRWC's rebuttal testimony Number 5 – The Budget – Line Item #23 - states, "*The Water Watch Dogs file frivolous legal claims against the company ****". Please provide documentation demonstrating that the CRR Water Watch Dogs has filed legal claims against CRRWC.
42. CRRWC's rebuttal testimony Number 5 – The Budget – Line Item #29 - states, "**** the company spends approximately \$2400 per year in repair costs when the computer system scrambles in lightening storms, repairing damage from vandalism at the SCADA sites, etc.*" Please provide documentation (sheriff's reports, repair orders or insurance claims) of the damage to the system caused by lightening and vandalism.
43. CRRWC's rebuttal testimony Number 5 – The Budget – Line Item #36 - states, "*Since the excavator has been used primarily for water company business, it is a legal responsibility for the company to cover the insurance costs while in use.*"
- a. Please provide documentation that the excavator, owned by James Rooks, is used primarily for water company business.
 - b. Please provide documentation that it is the legal responsibility of the company to cover liability insurance costs while the subject excavator is being used for CRRWC business.
 - c. Please provide documentation that CRRWC is not paying for liability insurance when the subject excavator is not being used for CRRWC business.

44. CRRWC's rebuttal testimony Number 5 – The Budget – Line Item #46 - states, "*On-going staff also require recertification and ongoing training, which all have costs attached.*" Please provide documentation, by staff member, showing the historic, recent and current requirements for recertification and training.
45. CRRWC's rebuttal testimony Number 5 – The Budget – Line Item #52 - states, "*CRRWC pays property taxes on 2 pieces of property: the property purchased for expansion next to the company office, and the property on Crater Loop that will be used for the new well. The 2006 taxes for these 2 properties totaled \$426.31.*" Please provide documentation showing that CRRWC is assessed and pays property taxes on the subject properties.
46. CRRWC's rebuttal testimony Number 6 to Dougherty's Testimony 3/6 - states, "*Our rates are not excessive and include a 15 year plan of improvements.*" Please provide the 15 year plan of improvements. When was the plan initiated? Please provide documentation showing which improvements in the 15 year plan have been completed.
47. CRRWC's rebuttal testimony Number 6 to Dougherty's Testimony 3/6 - states, "*This recommended budget will not only destroy the company's efforts, it will also place 5000 peoples lives and homes in extreme danger for lack of adequate fire protection.*"
- a. Please explain and provide documentation on how the recommended PUC rate/tariff for CRRWC would place 5000 peoples lives and homes in extreme danger for lack of adequate fire protection.
 - b. Please provide documentation of all efforts by CRRWC to provide adequate fire protection since the year 2000.
48. CRRWC's rebuttal testimony Number 6 to Dougherty's Testimony 3/6 - states, "*The Crooked River Ranch Rural Fire Protection District is dependent on CRRWC for fire protection resources.*" Please provide documentation demonstrating that the Crooked River Ranch Fire Protection District is dependent on CRRWC for fire protection resources.
49. Wes Price - rebuttal to Staff 100/6 & 7 in the subject rebuttal testimony states, "**** Fire flows are also a significant reason for CRRWC attempting to true up its water rights at the 5cfs level rather than settling for the existing level.*" CRRWC's rebuttal testimony Number 6 to Dougherty's Testimony 6/15-16 - states, "**** the company cannot prove up on this permit without the new well.*" CRRWC's rebuttal testimony Number 6 to Dougherty's Testimony 6/15-16 - states, "*The transfer of water rights from the Association Well #3 to the new well that the CRRWC intends to drill, has nothing to do with the fact that the company has until 10/08 to prove up.*" CRRWC's rebuttal testimony Number 6 to Dougherty's Testimony 7/12 - states, "*What we have said, is that due to the way this system is configured, we cannot prove up on our 5.0 cfs without the new well.*"
- a. Please provide complete documentation concerning water right permit G-11376, including all amendments, transfers and certifications.
 - b. Is the subject water right a "certified water right?"

- c. Please explain what is meant by “true up its water rights” & “prove up on the water right” and how do fire flows equate into truing up or proving up the subject water right?
 - d. The subject testimony concerning the water rights and new well is confusing and conflicting, please provide clarification.
50. CRRWC’s rebuttal testimony Number 6 to Dougherty’s Testimony 7/12 - states, “*Our \$8 assessment was levied by the Board of Directors primarily to address source water for fire protection, and that is the proposed Well #3, and secondly, to prove up on our water rights.*” Please provide documentation demonstrating that the primary function of the special assessment passed by resolution of the Board of Directors was to address source for fire protection and to prove up on CRRWC’s water rights.
51. CRRWC’s rebuttal testimony Number 6 to Dougherty’s Testimony 9/12 - states, “*As far as intervenors are concerned, water company policy is that we will answer policy questions from non-biased intervenors. Soule and Nichols do not fall into this category.*” Please provide a copy of the written policy of CRRWC supporting the subject statement.
52. CRRWC’s rebuttal testimony Number 6 to Dougherty’s Testimony 15/17 - states, “*ORS 94.595 “Reserve Account for replacing common property: reserve study: 30-year maintenance plan” states, in part, “(1) The declarant shall: (a) Conduct a reserve study...and (b) establish a reserve account for replacement of all items of common property which will normally require replacement...” #2 (a) A reserve account established under this section must be funded by assessments against the individual lots for which the reserves are established.” The Company has met the requirements as outlined in this rule. ORS 94.595 is a mandatory requirement for all “association” as that term is defined under Chapter 94 of the Oregon Revised Statutes.*”
- a. Please provide documentation that CRRWC is a homeowners association and therefore governed by and in full compliance with ORS 94.
 - b. Please provide documentation that special assessment funds have been used to maintain, repair or replace items of common property identified in the reserve study.
 - c. Please provide documentation that a reserve account has been established and funded by assessments against individual lots for which the reserves were established.
53. CRRWC’s rebuttal testimony Number 6 to Dougherty’s Testimony 15/17 - states, “*In the last 10 years under the existing management ***” The Statement of James Rooks filed with CRRWC’s rebuttal Testimony states, “ ***the General Manager who has successfully run this company for almost a decade, and has been owner/operator of various company’s over the last 35 years, ****”
- a. Please provide documentation that the existing management has successfully run and been in place at CRRWC for the last 10 years.

- b. Please provide a detailed list, including the name, location, size and characteristics of the companies James Rooks has owned/operated over the last 35 years.
54. CRRWC's rebuttal testimony Number 6 to Dougherty's Testimony 20/17 & 23/7 discusses the contract that Mr. Rooks has with the company to perform the repair and maintenance of equipment. Please provide a copy of the subject contract.
55. CRRWC's rebuttal testimony Number 6 to Dougherty's Testimony 21/1 - states, "*Outside bids to repair 700,000 gallons standpipe = \$175,000; it was repaired in house for under \$50,000. Line extensions - contractor bid = \$37.50 per foot - actual in-house cost was under \$25 per foot. The closing of loops per Water Resources Division requirements: outside and in-house bids same as above. Another comparison, mechanical repair of vehicles and equipment. The outside bid, which covered only oil changes, air filters, basic preventative, was \$3750 per month. In house repairs, including preventative maintenance, R & R of engines, rebuilding transmissions, all hydraulic and electrical repairs, welding, engine tune-ups, etc., \$2000 per month. Repairs to Well #2, outside bid for R & R of building, rebuild well, approximately \$75,000 - accomplished in house for under \$30,000. These same comparisons hold true for the extension of the office building, enlarging the shop, installing security fencing around the stand pipe, repair to the 100,000 gallon cistern, on-going repairs to piping, fire hydrants, and the pump station.*" Please provide copies of the bids and documentation of the contrasting in-house costs; including material receipts, time sheets for labor and equipment use logs for all of the projects noted in the subject statement.
56. CRRWC's rebuttal testimony Number 6 to Dougherty's Testimony 21/12 - states, "*Michael Dougherty does not know the qualification of James Rooks, nor does he know the amount of work performed, the quality of work, or the skills he possesses.*" CRRWC's rebuttal testimony Number 6 to Dougherty's Testimony 48/3 - states, "*The Board of Directors of the CRRWC established his (James Rooks) duties when they developed his employment contract.*"
- a. Please provide documentation showing the qualifications and skills qualifying James Rooks to hold the CRRWC general manager position.
- b. Please provide documentation comparing the quality and quantity of work performed by James Rooks with individuals holding similar positions in water companies with similar characteristics.
- c. Please provide a copy of the subject contract and list of duties.
57. CRRWC's rebuttal testimony Number 6 to Dougherty's Testimony 25/19 - states, "*Mr. Dougherty took the first 3 months of 2007 to use as an average. The winter is a time when little work is done. Mr. Dougherty did not ask for further information. The company provided the year end financial statement to show the amount spent in 2006. Mr. Dougherty's use of the first quarter of 2007 is a deliberate attempt to cut finances for this company.*" Please explain why CRRWC requested 2007 as the rate case test year, and is now disputing that the partial year information available for 2007 did not accurately reflect the

company's annual financial picture.

58. CRRWC's rebuttal testimony Number 6 to Dougherty's Testimony 28/5 - states, "*In fact, every legal expense listed on his chart was the result of Mr. Rooks employment and happened while on the job.*"
- a. Please provide documentation that every legal expense on the subject chart was a result of James Rooks employment with CRRWC.
 - b. Please explain how the legal costs and representation of individual employees of CRRWC in criminal & civil proceedings addressing the employee's behavior and conduct that is outside the realm of the individuals' employment with CRRWC is in the best interest of the organization.
59. CRRWC's rebuttal testimony Number 6 to Dougherty's Testimony 30/7 - states, "*The crane is an important asset to the company as it is needed for maintenance due to the 1000' foot depth of the wells.*" Please provide documentation that the 2 wells owned by CRRWC are 1000 feet deep and that the pumps are installed at the 1000 foot depth.
60. CRRWC's rebuttal testimony discusses radio read meters. Please provide documentation demonstrating that CRRWC has thoroughly studied and evaluated all aspects of the proposed radio read meter conversion program.
61. CRRWC's rebuttal testimony Number 6 to Dougherty's Testimony 33/3 - states, "*The original developer, in order to recoup his money invested in the water system, subdivided Phase 3 and subsequently other Phases from 5 acre parcels to 1 acre parcels, increasing his revenue substantially above and beyond the water facilities installation.*" Please provide documentation supporting the subject statement.
62. CRRWC's rebuttal testimony Number 6 to Dougherty's Testimony 44/11 - states, "*Because of the PUC's failure to retain the Assessment charge, the company will not be able to begin the new well, which means an extension will need to be filed for the company's water rights. According to Mr. Dougherty, the company will also need to request another point of diversion transfer with WRD.*" Water Resources Department final order T-9663 amending water right permit G-11376 states October 1, 2008 is the date for complete application of water. The Condensed 20 Year Project Report and Explanation of Expenditures and Assessments – March 2004 states the cost of the construction of the new well is \$860,000. CRRWC has gone on the record stating that funds will not be borrowed; projects will be constructed on a pay as you go basis. Please explain how CRRWC intends to construct the new well, providing complete application of water, by October 1, 2008, when the current balance of the special assessment fund plus future revenue (if the special assessment continued) would not be adequate to fund the construction of the new well by the subject deadline.
63. CRRWC's rebuttal testimony refers to CRRWC's 20 Year Master Plan as being "out of date and antiquated".
- a. Please explain how the 20 Year Master Plan is "antiquated/out of date" if the plan

covers the time period from 1997 to 2017.

- b. Please explain why CRRWC has not amended or up dated the “out of date/antiquated” 20 Year Master Plan.

64. Please provide copies of all responses to the PUC’s DR 121 to 139.

65. The Statement James Rooks filed with CRRWC’s Rebuttal Testimony states, “*The backflow installation and testing is paid for by the customer, but it still involves many hours of staff time to monitor and record the results.*” Please provide documentation detailing the amount of staff time devoted to monitoring and recording the results of the backflow installation and testing.

66. The Statement James Rooks filed with CRRWC’s Rebuttal Testimony states, “*The company has not done anything wrong, which can be proven by the Department of Justice and the local District Attorney’s office.*” Please provide documentation that CRRWC has been cleared of any wrong doing in the on-going criminal investigation being conducted by the Jefferson County District Attorney and Oregon Department of Justice.

Please provide a copy of your responses to the following:

Craig Soule
11953 SW Horny Hollow Trail
Terrebonne, Oregon 97760
cby_64@yahoo.com (541) 504-7516

Sincerely,



Craig Soule - Intervenor

cc: ALJ Patrick Power
Service List

CERTIFICATE OF SERVICE

I certify that on October 4, 2007, I served a true and correct copy of the foregoing data request number 27 to 66 on all parties of record in this proceeding by delivering a copy by electronic mail to:

STEVEN COOK
sewfab4u@hotmail.com

CHARLES G NICHOLS
charlien@blazerind.com

CROOKED RIVER RANCH WATER COMPANY
JAMES R ROOKS - GENERAL MANAGER
jr@crrwc.com

PUBLIC UTILITY COMMISSION OF OREGON
MICHAEL DOUGHERTY
michael.dougherty@state.or.us

OREGON DEPARTMENT OF JUSTICE
JASON W. JONES - ASSISTANT ATTORNEY GENERAL
jason.w.jones@state.or.us

&

I certify that on October 4, 2007, I served the following entity, by placing in the US Mail with postage prepaid, a true and correct copy of the foregoing data request number 27 to 66:

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


CRAIG ALLAN SOULE

Date: Mon, 29 Oct 2007 22:26:47 -0700 (PDT)
From: "Craig Soule" <cby_64@yahoo.com>
Subject: Data Request 18 to 26
To: jr@crrwc.com
CC: cby_64@yahoo.com, "Tim Gassner" <timgassner@hotmail.com>, "POWER Patrick J." <patrick.power@state.or.us>

Mr. Rooks,

OAR 860-014-0070 (1) grants an intervenor the authority to request information from any party to the proceeding. On October 4, 2007, I served data request numbers 27 to 66 on Crooked River Ranch Water Company (CRRWC). A response to the data requests was required by October 19, 2007. As of October 29, 2007 no response or other communication to the data requests has been received.

Consistent with OAR 860-014-0070(3), I am attempting to confer with CRRWC regarding the subject data requests. I hope we can informally address and resolve the production of the information requested in the subject data requests.

~ Craig

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Attachments

Files:

 UW_120_DATA_REQUEST_CS_27_TO_66_10_4_07.tif (617k)

Date: Mon, 29 Oct 2007 22:38:05 -0700 (PDT)
From: "Craig Soule" <cby_64@yahoo.com>
Subject: Corrected Email - Data Request 27 to 66
To: jr@crrwc.com
CC: cby_64@yahoo.com, "Tim Gassner" <timgassner@hotmail.com>, "POWER Patrick J." <patrick.power@state.or.us>

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Note: Please disregard the previous email, it contained the incorrect subject line "Data Request 18 to 26".

~ Craig

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