

Sent: June 1, 2016
To: PUC Filing Center
From: Mel and Connie Kroker, Intervenor, mkarch@frontier.com
Subject: UM 1769 Mountain Home Water District
Re: Response to Staff Status Report to ALJ Patrick Power

We are in general agreement with the Staff Status Report filed with ALJ Patrick Power stating that at the close of the May 23, 2016 meeting, it seemed likely that the Company and the Intervenor would be able to reach agreement on future provision of water service. That general agreement centered around a shared well concept being considered between Intervenor Elizabeth Kelley and Mel and Connie Kroker. As of today, Elizabeth Kelley no longer wishes to be an Intervenor and has asked the PUC to remove her name from the list.

As the meeting was coming to a close the discussion moved to whether or not the Company would provide monetary compensation as mitigation for the extreme financial hardship the abandonment of the water utility would impose. The Company indicated it would negotiate a settlement individually with each of the affected parties but there will not be an extended time for us to come up with a settlement offer. There was no time limit stated by the Company. It was suggested we should email our progress to the Company by June 1, 2016. We consider this letter as adequate notification that we are working on it and need more time. None of these important points were mentioned in the Staff Report. The magnitude of the loss is different for all parties. This affects the amount of time needed to prepare for the negotiation to reach a fair settlement. At this time we are still in discovery as to how and at what cost we can put a water service on our own land. We need more time to assemble the information.

Septic System Contractor can't provide a bid until the alternate drain field site is tested.
Clackamas County Septic System soils analysis and permit will take 2-3 weeks.
PGE Design Engineer won't start for 6 weeks after the well site is identified.
Well Driller can't start until the alternate drain field septic system is approved.
The above list of activities will take 9 to 10 weeks.