



e-FILING REPORT COVER SHEET

COMPANY NAME:

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION?  No  Yes If yes, submit a redacted public version (or a cover letter) by email. Submit the confidential information as directed in OAR 860-001-0070 or the terms of an applicable protective order.

Select report type:  RE (Electric)  RG (Gas)  RW (Water)  RT (Telecommunications)  
 RO (Other, for example, industry safety information)

Did you previously file a similar report?  No  Yes, report docket number:

Report is required by:  OAR  
 Statute  
 Order order 13-288 as amended by order 17-125

Note: A one-time submission required by an order is a compliance filing and not a report (file compliance in the applicable docket)

Other  
(For example, federal regulations, or requested by Staff)

Is this report associated with a specific docket/case?  No  Yes, docket number: UF 4281

List Key Words for this report. We use these to improve search results.

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Send confidential information, voluminous reports, or energy utility Results of Operations Reports to PUC Filing Center, PO Box 1088, Salem, OR 97308-1088 or by delivery service to 201 High Street SE Suite 100, Salem, OR 97301.

PLEASE RETURN THIS AS PAGE 1 OF THE COMPLETED APPLICATION

## PLEASE FILL IN ALL BLANKS

All applications submitted to the Commission must be filed electronically with the Commission's Filing Center. Documents may be electronically filed by sending the filing as an attachment to an electronic mail message addressed to the Commission's Filing Center at [puc.filingcenter@state.or.us](mailto:puc.filingcenter@state.or.us). An original document must be personally delivered or mailed on the date the electronic copy of the document is filed.

Utility Name:	Avion Water Company, Inc.
Address:	60813 Parrell Road
City State Zip:	Bend, OR 97702

### BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

In the Matter of Tariffs for Water Service	)	
in the State of Oregon filed by	)	BRIEF
Avion Water Company, Inc.	)	

Jan M. Wick Name of utility owner
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Pursuant to Oregon Revised Statutes 757.205 and 757.220, herewith files tariff sheets designated as PUC Oregon No. 6, Original Tariff Sheets No. 1 through 38 to become effective at least 30 days after PUC received the filing or for service rendered on and after:

1-Jun-17

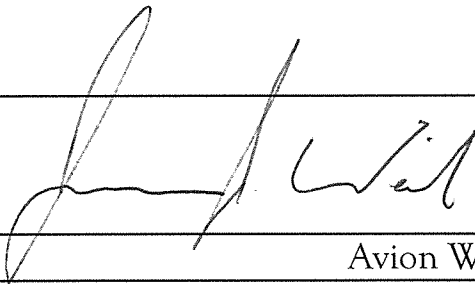
(Date)

The purpose of this filing is to:

(Read carefully, pick the item that reflects your filing, check the box, and fill in the information.)

- Establish rates with the Commission for the first time at the Utility's current rates producing an annual revenue of \$\_\_\_. After deducting for operating expenses, the projected revenues will produce a \_\_\_ percent return on a rate base of \$\_\_\_.
- Establish rates with the Commission for the first time decreasing the Utility's total annual revenues from \$\_\_\_ to \$\_\_\_, resulting in a net decrease of \$\_\_\_ or \_\_\_ percent. After deducting for operating expenses, the projected revenues will produce a \_\_\_ percent return on a rate base of \$\_\_\_.
- Increase in the Utility's currently filed tariffs, increasing the Utility's total annual revenues from \$8,326,298 to \$9,393,790, resulting in a net increase of \$1,067,492 or 12.82 percent. After deducting for operating expenses, the projected revenues will produce a 7.29 percent return on a rate base of \$20,312,604.
- Decrease in the Utility's currently filled tariffs, decreasing the Utility's total annual revenues from \$\_\_\_ to \$\_\_\_, resulting in a net decrease of \$\_\_\_ or \_\_\_ percent. After deducting for operating expenses, the projected revenues will produce a \_\_\_ percent return on a rate base of \$\_\_\_.

The attached testimony summarizes the utility's financial operations, the effects of current rates on the individual classes of customers, and the effects of the proposed rates on the individual classes of customers for the **12-month test period ending** \_\_\_\_\_ .

Signature of owner or officer:	
Utility Name:	Avion Water Company, Inc.
Title:	President
Print Name:	Jason J. Wick
Date:	4/27/17

# UTILITY COMPANY TESTIMONY

(Question and Answer Format)

## PLEASE FILL IN ALL BLANKS

**1 Q. PLEASE PROVIDE THE FOLLOWING INFORMATION REGARDING THE WATER UTILITY:**

A.

Legal Name	Avion Water Company, Inc.		
Business Address	60813 Parrell Road		
City, State, Zip	Bend, OR 97702		
Phone Number	(541) 382-5342	Emergency #	
Fax Number	(541) 382-5390	Email Address	jason@avionwater.com

**2 Q. PLEASE PROVIDE THE FOLLOWING CONTACT INFORMATION IF DIFFERENT FROM QUESTION #1.**

A.

Name	Jason J. Wick		
Business Address	60813 Parrell Road		
City, State, Zip	Bend, OR 97702		
Phone Number	(541) 382-5342	Emergency #	
Fax Number	(541) 382-5390	Email Address	jason@avionwater.com

**3 Q. PLEASE PROVIDE THE FOLLOWING INFORMATION REGARDING THE SYSTEM OPERATOR.**

A.

Operator Name	Marc Caldwell		
Business Address	60813 Parrell Road		
City, State, Zip	Bend, OR 97702		
Phone Number	(541) 382-5342	Email Address	marc@avionwater.com
Certification Level	(541) 382-5390	Registration #	

**4 Q. PLEASE PROVIDE THE FOLLOWING INFORMATION REGARDING THE WATER UTILITY ACCOUNTANT OR BOOKKEEPER.**

Name	Richard C. Bailey		
Firm			
Business Address	60813 Parrell Road		
City, State, Zip	Bend, OR 97702		
Phone Number	(541) 382-5390	Fax Number	(541) 382-5390
Email Address	rick@avionwater.com		

**5 Q. PROVIDE THE FOLLOWING INFORMATION FOR ALL UTILITY OWNERS.**

A.

Name	Jan and Christine Wick		
Business Address	60813 Parrell Road		
City, State, Zip	Bend, OR 97701		
Phone Number	(541) 382-5342	Fax Number	(541) 382-5390
Email Address	jan@avionwater.com		

5 Q. PROVIDE THE FOLLOWING INFORMATION FOR ALL UTILITY OWNERS, CONTINUED.

A.

Name	Jason J. Wick		
Business Address	60813 Parrell Road		
City, State, Zip	Bend, OR 97702		
Phone Number	(541) 382-5342	Fax Number	(541) 382-5390
Email Address	jason@avionwater.com		

Name	Jordan Wick		
Business Address	5335 Meadows Road, Suite 370		
City, State, Zip	Lake Oswego, OR 97035		
Phone Number	(503) 639-0300	Fax Number	
Email Address	Jordan@KywaInternational.com		

Name	David Nelsen		
Business Address	14927 N.E. Newport Street		
City, State, Zip	Portland, OR 97230		
Phone Number	(503) 704-8843	Fax Number	
Email Address	d.nelsen2@yahoo.com		

Name	Leah Wick		
Business Address	5335 Meadows Road, Suite 370		
City, State, Zip	Lake Oswego, OR 97035		
Phone Number		Fax Number	
Email Address			

Name	Adam Wick		
Business Address	5335 Meadows Road, Suite 370		
City, State, Zip	Lake Oswego, OR 97035		
Phone Number		Fax Number	
Email Address			

6 Q.

Name	Joseph Wick		
Business Address	60813 Parrell Road		
City, State, Zip	Bend, OR 97702		
Phone Number		Fax Number	
Email Address			

A.

**PLEASE PROVIDE THE FOLLOWING INFORMATION FOR ALL UTILITY OFFICERS OR BOARD OF DIRECTORS.**

Legal Name	Jason J. Wick		
Title	President/Director		
Business Address	60813 Parrell Road		
City, State, Zip	Bend, OR 97702		
Phone Number	(541) 382-5342	Fax Number	(541) 382-5390
Email Address	jason @avionwater.com		

Legal Name	Jan M. Wick		
Title	Executive Vice President/Chairman of the Board		
Business Address	60813 Parrell Road		
City, State, Zip	Bend, OR 97702		
Phone Number	(541) 382-5342	Fax Number	(541) 382-5390
Email Address	jan@avionwater.com		

Legal Name	Richard C. Bailey		
Title	Secretary-Treasurer		
Business Address	60813 Parrell Road		
City, State, Zip	Bend, OR 97702		
Phone Number	(541) 382-5342	Fax Number	(541) 382-5390
Email Address	rick@avionwater.com		

**6 Q. PLEASE PROVIDE THE FOLLOWING INFORMATION FOR ALL UTILITY OFFICERS OR THE BOARD OF DIRECTORS, CONTINUED.**

A.	Name	Christine M . Wick		
	Title	Director		
	Business Address	60813 Parrell Road		
	City, State, Zip	Bend, OR 97702		
	Phone Number	(541) 382-5342	Fax Number	(541) 382-5390
	Email Address			

Name	Jordan Wick		
Title	Director		
Business Address	5335 Meadows Road, Suite 370		
City, State, Zip	Lake Oswego, OR 97035		
Phone Number	(503) 639-0300	Fax Number	
Email Address	Jordan@KywaInternational.com		

Name	David L. Nelsen		
Title	Director		
Business Address	14927 N.E. Newport Street		
City, State, Zip	Portland, OR 97230		
Phone Number	(503) 704-8843	Fax Number	
Email Address	d.nelsen2@yahoo.com		

Name			
Title			
Business Address			
City, State, Zip			
Phone Number		Fax Number	
Email Address			

Name			
Title			
Business Address			
City, State, Zip			
Phone Number		Fax Number	
Email Address			

**7 Q. WHAT IS YOUR AFFILIATION WITH THE WATER UTILITY?  
DESCRIBE YOUR CURRENT WATER UTILITY RESPONSIBILITIES.**

A. My affiliation with the water utility and my current responsibilities are: I am an owner and President of the Company. I am responsible for all aspects of Avion Water Company's operations and management. My responsibilities include, but are not limited to, long range tax and financial planning and cash management, engineering of new facilities, negotiating with developers, maintaining bank relations, regulatory communications with the Commission, other state and local agencies, and public relations with Avion customers in the Central Oregon area

**8 Q. ARE YOU ENGAGED IN OTHER BUSINESS IN ADDITION TO THE WATER UTILITY?  
(PLEASE CHECK THE CORRECT BOX.)**

A.  **No** I am not engaged in other business.

**Yes** I am engaged in other business(es), they are:

**9 Q. DID YOU PREPARE THE EXHIBITS IN THIS TESTIMONY OR WERE THEY PREPARED UNDER YOUR SUPERVISION?**

- A.  The exhibits in this testimony were prepared by me or under my supervision.  
 I did not prepare the exhibits in this testimony. The exhibits were prepared by:

Name			
Firm			
Business Address			
City, State, Zip			
Phone Number		Fax Number	
Email Address			

**SUMMARY OF THE UTILITY'S PROPOSED RATE REQUEST**

**10 Q. WHAT CHANGE IN ANNUAL REVENUES IS THE UTILITY SEEKING?**

- A. The Utility's most recent calendar year revenues are \$8,326,298. The Utility seeks a rate increase of \$1,067,492 or 12.82 % in current annual revenues, resulting in total annual revenues of \$9,393,790.

**11 Q. PLEASE SUMMARIZE WHY THE UTILITY IS SEEKING THE PROPOSED CHANGE IN RATES.**

- A. The proposed increase in rates will help offset increases in operating costs since the last rate adjustment in 2015 and the addition of 1.0 FTE crewman and change instatus for .5 FTE temporary part time to permanent part time position..

**12 Q. WHAT HISTORICAL 12-MONTH PERIOD IS THE UTILITY SELECTING AS ITS TEST YEAR FOR THIS RATE PROCEEDING?**

- A. The test period the Utility selected is January 1, 2016 to December 31, 2016.

**13 Q. WHAT IS THE UTILITY'S AMOUNT OF RATE BASE (UTILITY PLANT MINUS ACCUMULATED DEPRECIATION AND OTHER CONTRA PLANT ACCOUNTS, PLUS WORKING CASH AND MATERIALS INVENTORY)?**

- A. The Utility rate base is:

**14 Q. WHAT RATE OF RETURN ON RATE BASE (INVESTMENT) IS THE UTILITY PROPOSING IN THIS RATE PROCEEDING AND WHY?**

- A. The Utility is seeking a 7.29% rate of return on a rate base because: this is a reasonable rate of return for a water company of Avion's size.

SUMMARY OF THE UTILITY'S PROPOSED RATE REQUEST

**15 Q. HOW IS THE UTILITY LEGALLY ORGANIZED AND IN WHAT YEAR WAS IT ORGANIZED?**

A. The water Utility was legally organized on Jan. 1, 1976, under the laws of the State of Oregon as a: (please check one)

- Proprietorship
- Partnership
- Corporation
- LLC
- Other (specify)

**16 Q. PLEASE STATE THE YEAR THE WATER SYSTEM WAS ORIGINALLY CONSTRUCTED AND THE MONTH/YEAR IT BEGAN PROVIDING WATER SERVICE.**

A. The system was originally constructed in 1969, began providing service on 1969.

**17 Q. PLEASE PROVIDE THE MONTH AND YEAR THE UTILITY WAS ACQUIRED BY ITS CURRENT OWNER(S) AND HOW IT WAS ACQUIRED.**

A. In November, 1987 (mo/yr), the Utility was: (check one)

- Purchased
- Constructed
- Received through Donation
- Inherited
- Other

**18 Q. DO ORAL OR WRITTEN CONTRACTS EXIST BETWEEN THE UTILITY AND PERSONS AFFILIATED WITH THE COMPANY? PLEASE PROVIDE COPIES OF EACH CONTRACT.**

- A.  **No** Oral or written contracts **do not exist** between the Utility and its owners and affiliated interests.
- Yes PUC approved contracts do exist** between the Utility and its owners and affiliated interests. Approval found in PUC Order No. 07-081, 07-417 .
- Yes Oral or written contracts do exist, but have not been approved by PUC**, between the Utility and its owners and affiliated interests. I have attached a copy of these contracts, along with a cover letter requesting approval of these contracts.

**19 Q. DOES THE UTILITY HAVE A PUC APPROVED SERVICE TERRITORY?**

- No** The Utility has not filed an application with PUC for an approved service territory.
- Yes** The Utility's service territory is approved by the PUC, per Order No. \_\_\_\_\_.
- Filed** The Utility has filed an application for an approved service territory and it is pending.



20. IS THE UTILITY AN AFFILIATE OF A PARENT CORPORATION OR HOLDING COMPANY?

- A.  No The Utility is not a subsidiary of a parent corporation or holding company.  
 Yes

The Utility is a subsidiary of a parent corporation or holding company. Attached are the parent/holding company's balance sheet/income statements for the last calendar year.

21. HOW MANY FULL OR PART-TIME EMPLOYEES DOES THE UTILITY CURRENTLY EMPLOY?

- A. The Utility currently employs 27 full time and 4 part-time employees.

22. PLEASE PROVIDE THE FOLLOWING INFORMATION FOR ALL EMPLOYEES. (IF A POSITION IS CURRENTLY VACANT BUT WILL BE FILLED WITHIN A YEAR, INCLUDE INFORMATION FOR THAT POSITION.)

Employee Name	Monthly Responsibilities/Duties	Hours Per Month	Hourly Wage/ Monthly Salary
Jan Wick	Operational and financial oversight, long term planning	173.34	\$12,875.00/mo
Jason Wick	Operational oversight, long term planning and construction management	173.34	\$12,550.50/mo
Richard Bailey	Accounting, financial and regulatory reporting, human resources and office manager	173.34	\$9,958.34/mo
David Nelson	Financial oversight, long term planning	173.34	\$3,380.14/mo
James Abbott	Well, pumphouse, water line and booster station repairs and maintenance, meter reading, landscape maintenance and other duties as assigned.	173.34	\$28.90/hr
Zachry Abbott	Well, pumphouse and booster station electrical maintenance, repair, new construction, documentation and other duties as assigned.	173.34	\$32.05/hr
Eileen Bailey	Customer service (at front counter, and answering phones)	86.67	\$16.00/hr
Karman Burnett	Customer service (at front counter and answering phones), meter billings, fixed asset tracking, records management and work order processing.	173.34	\$20.80/hr
Marc Caldwell	Daily operation management, construction/project bidding, crew supervision, customer relations, and other duties as assigned	173.34	\$6,129.34/mo
Sarah Chambers	Customer service (at front counter and answering phones), cash receipts and AR processing (manual and computerized), bill pay and lockbox management, work order processing, bookkeeping	173.34	\$18.80/hr
Brian Clancy	Well, pumphouse, water line and booster station repairs and maintenance, meter reading, service and hookup installation and other jobs as assigned.	173.34	\$28.90/hr
Andrew Griggs	Well, pumphouse, water line and booster station repairs and maintenance, meter reading, service and hookup installation and other jobs as assigned.	173.34	\$23.25/hr
Anthony Haines	Well, pumphouse, water line and booster station repairs and maintenance, meter reading, service and hookup installation and other jobs as assigned.	173.34	\$20.00/hr
Michael Heffernan	Plan review and on-site inspection, right of way specialist, Utilities coordinator project estimator and other duties as assigned	173.34	\$6,092.72/mo
Jackie Henderson	Customer service (at front counter and answering phones), payroll and human resources assistant, billing and work order processing.	173.34	25.05/hr
Tanner Hester	Well, pumphouse, water line and booster station repairs and maintenance, meter reading, service and hookup installation and other jobs as assigned.	173.34	\$22.00/hr
Gene Hubbard	Water sampling, locating and other duties as assigned	173.34	\$30.25/hr
Mark Kerns	Locating, meter reading and other duties as assigned	86.67	\$25.57/hr
Tanner Lemmon	Plan review and on-site inspection, right of way specialist, Utilities coordinator project estimator, and other duties as assigned	173.34	\$29.85/hr
Dennis Medeiros	Well, pumphouse, water line and booster station repairs and maintenance, meter reading, service and hookup installation, and other duties as assigned.	86.67	\$28.90/hr
Roger Merrill	Well, pumphouse, water line and booster station repairs and maintenance, meter reading, service and hookup installation, Safety Co-ordinator and other duties as assigned.	173.34	\$26.90/hr
Greg Oldfield	Well, pumphouse and booster station electrical maintenance, repair, new construction, documentation and other duties as assigned.	173.34	\$32.75/hr
Tyrel Peasley	Well, pumphouse, water line and booster station repairs and maintenance, meter reading, service and hookup installation, and other duties as assigned.	173.34	\$20.00/hr
William Morales-Pelajo	Well, pumphouse, water line and booster station repairs and maintenance, meter reading, service and hookup installation, and other duties as assigned.	173.34	\$21.30/hr
Debra Reynolds	Mapping, SCADA designer and operator, IT troubleshooting, annual consumer confidence report, website maintenance and other duties as assigned.	173.34	\$28.90/hr
Mary Safrank	Coordinates DCVA testing, maintenance, reporting and record keeping, meter reading and other duties as assigned.	173.34	\$26.85/hr
Abel Santos-Garcia	Well, pumphouse, water line and booster station repairs and maintenance, meter reading, service and hookup installation, and other duties as assigned.	173.34	\$24.25/hr
Arthur Sharkey	Locating, meter reading and other duties as assigned	86.67	\$34.33/hr
Kristopher Smith	Daily operation management, construction/project bidding, crew supervision, customer relations, inventory management and other duties as assigned	173.34	\$6,474.40/mo
Tamara Taylor	Customer service (at front counter and answering phones), inventory processing, billing, Accounts Payable and work order processing.	173.34	\$20.80/hr
Jon Wallace	Well, pumphouse, water line and booster station repairs and maintenance, meter reading, service and hookup installation, irrigation operation and maintenance, and other duties as assigned.	173.34	\$28.90/hr
<b>TOTAL</b>			

23. IS THE UTILITY PROPOSING TO ADD ANY FULL-OR PART-TIME EMPLOYEES WITHIN THE CONTEXT OF THIS RATE FILING OR DURING THE NEXT YEAR?

- A.  No The Utility does not propose adding any full- or part-time employees.  
 Yes

The Utility proposes to add 1 full-time and/or part-time employees as described below:

Proposed Position	Responsibilities & Duties	Hours per Month	Hourly Wage/ Monthly Salary
Engineer		173.34	\$6,250.00/mo

24 Q. DOES THE UTILITY USE INDEPENDENT CONTRACTORS FOR LABOR, LEGAL, ACCOUNTING, MANAGEMENT, WATER TESTING, AND/OR ANY OTHER SERVICES?

No The Utility **does not** contract for any services.

Yes The Utility contracts for the following services:

Type	Independent Contractor	Description of Goods or Services	Annual Charge
Accounting	Price Fronk & Co. CPAs	Tax and accounting services	\$15,078.00
Legal	Brix Law; Bryant Lovelin & Jarvis	Legal services	\$41,124.46
Labor			\$0.00
Management			\$0.00
Water Tests	Edge Analytical	water testing	\$47,245.80
Other	Metereaders, LLC	meter reading	\$133,551.32
Other	BMS Technologies	Bill printing, online bill pay	\$88,881.50
Other			\$0.00
<b>TOTAL</b>			<b>\$325,881.08</b>

25 Q. PLEASE PROVIDE THE UTILITY'S CURRENT CAPITAL STRUCTURE.

A.

Capital Structure Components	Original Balance	Outstanding Balance	Loan Terms	Interest Rate
<b>Debt: List Lenders</b>				
Bank of the Cascades	\$8,000,000.00	\$7,932,458.00	\$57,309.33/mo; matures 8/15/28	3.48%
Allen, Larry	\$55,000.00	\$7,875.00	\$610.61/mo; matures 2/9/2018	6.00%
<b>TOTAL DEBT</b>	<b>\$8,055,000.00</b>	<b>\$0.00</b>		
<b>Equity:</b>	<b>Balance</b>	<b>Rate of Return</b>		
	\$11,183,553.00	10.00%		
<b>TOTAL EQUITY</b>	<b>\$11,183,553.00</b>			

OPERATING REVENUES

26 Q. IN THE TABLE BELOW, PLEASE PROVIDE THE INFORMATION REQUESTED REGARDING THE UTILITY'S REVENUES:

- a. IN COLUMN A: PROVIDE THE UTILITY'S ACTUAL ANNUAL REVENUE FOR ITS CHOSEN TEST YEAR.
- b. IN COLUMN B: PROVIDE THE UTILITY'S PROPOSED ADJUSTMENTS (INCREASE OR DECREASE) TO COLUMN A FOR THE COMING YEAR FOR EACH APPLICABLE ACCOUNT.
- c. COLUMN C IS THE TOTAL OF COLUMNS A AND B.

A.

Acct #	OPERATING REVENUE	Test Year	Proposed Adjustments	Proposed Results (C + D = E)
A	B	C	D	E
461.1	Residential/commerical Water	\$7,360,427	\$943,661	\$8,304,088
461.2	Commercial/Industrial Water			\$0
462	Fire Protection Sales	\$29,048	\$3,724	\$32,772
464	Water Sales to Public Authorities			\$0
465	Irrigation Water Sales	\$372,174	\$47,715	\$419,889
466	Water Sales for Resale	\$28,417	\$3,643	\$32,060
467	Golf Course			\$0
468	Special Contract/Agreement			\$0
	Other			\$0
	Other			\$0
	Other			\$0
	<b>TOTAL OPERATING REVENUE</b>	<b>\$7,790,066</b>	<b>\$998,743</b>	<b>\$8,788,809</b>

27 Q. PLEASE PROVIDE THE DETAIL FOR ALL INDIVIDUAL LINE ITEMS THAT MAKE UP THE TOTAL REVENUES OTHER THAN WATER SALES.

A.

Description of Revenue Other Than Water Sales. Please specify.	Annual Amount
Miscellaneous Fees (i.e. late fees, disconnections, field visits, etc.)	\$104,521
Backflow Prevention Device Services (if offered)	\$244,535
Rents from Water Property Acct 472	\$0
Other revenues	\$187,176
Other	\$0
Other	\$0
	\$0
	\$0
	\$0
	\$0
<b>TOTAL</b>	<b>\$536,232</b>

- 28 Q IN THE TABLE BELOW, PLEASE PROVIDE THE INFORMATION: REQUESTED
- IN COLUMN C: PROVIDE THE UTILITY'S ANNUAL EXPENSE FOR ITS CHOSEN TEST YEAR, USING THE APPROPRIATE ACCOUNTS.
  - IN COLUMN D: PROVIDE THE UTILITY'S PROPOSED ADJUSTMENTS (INCREASE OR DECREASE) TO COLUMN A FOR THE COMING YEAR FOR EACH APPLICABLE
  - COLUMN E IS THE TOTAL OF COLUMNS C AND D.

A	B	C	D	E
Acct #	Operating Expenses	Test Year	Proposed Adjustment	Proposed Results (C + D = E)
601	Salaries and Wages - Employees	\$1,564,370	\$214,111	\$1,778,481
603	Officers/Directors Salaries and Wages	\$471,168	\$9,303	\$480,471
604	Employee Pension & Benefits	\$774,888	\$51,666	\$826,554
610	Purchased Water	\$267,361	\$5,347	\$272,708
611	Telecommunications	\$52,676	\$13,270	\$65,946
615	Purchased Power	\$898,402	\$17,968	\$916,370
616	Fuel for Power Production	\$0	\$0	\$0
617	Utilities - Other than Power	\$7,739	\$155	\$7,894
618	Chemicals	\$0	\$0	\$0
619	Office Supplies Expense	\$7,206	\$144	\$7,350
619.1	Postage	\$5,265	\$105	\$5,370
620	Material and Supplies (O&M)	\$329,115	\$6,582	\$335,697
621	Repairs to Water Plant	\$115,545	\$2,311	\$117,856
631	Contract - Engineering	\$3,322	\$66	\$3,388
632	Contract - Accounting	\$15,078	\$302	\$15,380
633	Contract - Legal	\$22,626	\$453	\$23,079
634	Contract - Management	\$0	\$0	\$0
635	Contract - Testing	\$47,246	\$945	\$48,191
636	Contract - Labor	\$0	\$0	\$0
637	Contract - Billing/Collection	\$88,882	\$1,778	\$90,660
638	Contract - Meter Reading	\$133,551	\$2,671	\$136,222
639	Contract - Other	\$60,993	\$4,940	\$65,933
641	Rental of Building/Real Property	\$23,615	\$472	\$24,087
642	Rental of Equipment	\$3,026	\$61	\$3,087
643	Small Tools	\$5,880	\$118	\$5,998
648	Computer/Electronic (not capitalized)	\$30,612	\$612	\$31,224
650	Transportation Expenses	\$148,709	\$2,974	\$151,683
656	Insurance - Vehicle	\$15,762	\$315	\$16,077
657	Insurance - General Liability	\$41,481	\$830	\$42,311
658	Insurance - Workman's Compensation	\$24,782	\$1,138	\$25,920
659	Insurance - Other	\$10,094	\$202	\$10,296
660	Public Relations/Advertising	\$0	\$0	\$0
666	Amortization of Rate Case	\$0	\$0	\$0
667	PUC Gross Revenue Fee	\$22,376	\$5,805	\$28,181
668	Water Resource Conservation	\$15,906	\$318	\$16,224
670	Bad Debt Expense	\$23,647	\$473	\$24,120
671	Cross Connection Program	\$0	\$0	\$0
672	System Capacity Development	\$0	\$0	\$0
673	Training and Certification	\$21,807	\$436	\$22,243
674	Consumer Confidence Reports	\$8,695	\$174	\$8,869
675	Miscellaneous Expense (bank charges, dues, subscriptions)	\$214,962	\$4,299	\$219,261
	<b>TOTAL OPERATING EXPENSE</b>	<b>\$5,476,787</b>	<b>\$350,344</b>	<b>\$5,827,131</b>

28 A. Continued:

A	B	C	D	E
Acct #	Other Deductions	Test Year	Proposed Adjustment	Proposed Results (C + D = E)
403	Depreciation Expense	\$601,009	\$109,828	\$710,837
406	Amortization of Utility Plant Acquisition Adjustment	\$0		\$0
407	Amortization Expense	\$0		\$0
408	Taxes Other Than Income Tax	\$558,905	\$25,400	\$584,305
409.1	Federal Income Tax	\$495,614	\$144,009	\$639,623
409.11	Oregon Income Tax	\$119,951	\$30,362	\$150,313
409.13	Extraordinary Items Income Tax			\$0
	Total Other Deductions	\$1,775,479	\$309,599	\$2,085,078
	<b>TOTAL DEDUCTIONS</b>	<b>\$7,252,266</b>	<b>\$659,943</b>	<b>\$7,912,209</b>

29 Q. PLEASE ITEMIZE THE SEPARATE COMPONENTS OF MISCELLANEOUS EXPENSE, ACCOUNT 675, IN QUESTION 28.

Description of Miscellaneous Expenses		Annual Cost
Industry Dues and Memberships		\$3,019.14
Bank Charges		\$27,958.99
Other (Specify)	Merchant fees	\$43,438.98
	Guarantee fee	\$140,544.84
		\$
		\$
		\$
<b>TOTAL</b>		<b>\$214,961.95</b>

### UTILITY CURRENT RATES & SCHEDULES

In the following questions, please indicate the type of service and how the water is measured.

M is for Metered Service    F is for Flat Service    cf is for Cubic Feet    g is for Gallons

30 Q. PLEASE DESCRIBE THE UTILITY'S CURRENT RATE STRUCTURES.

CURRENT RATES FOR RESIDENTIAL/COMMERCIAL SERVICE												
Line / Meter Size	Check One		Current Residential Monthly Base or Flat Rate	Consumption Included in Base Rate	Check One	Current Residential Monthly Rate				Volumetric		
						Rate	Unit	Range				
5/8" by 3/4"	<input checked="" type="checkbox"/>	M	25.97	0		g	Tier 1	0.94	per	100	Up to	0
		F			<input checked="" type="checkbox"/>	cf	Tier 2	\$		per		Above
3/4"	<input checked="" type="checkbox"/>	M	31.58	0		g	Tier 1	0.94	per	100	Up to	0
		F			<input checked="" type="checkbox"/>	cf	Tier 2	\$		per		Above
1"	<input checked="" type="checkbox"/>	M	49.12	0		g	Tier 1	0.94	per	100	Up to	0
		F			<input checked="" type="checkbox"/>	cf	Tier 2	\$		per		Above
1 1/2"	<input checked="" type="checkbox"/>	M	93.57	0		g	Tier 1	0.94	per	100	Up to	0
		F			<input checked="" type="checkbox"/>	cf	Tier 2	\$		per		Above
2"	<input checked="" type="checkbox"/>	M	170.76	0		g	Tier 1	0.94	per	100	Up to	0
		F			<input checked="" type="checkbox"/>	cf	Tier 2	\$		per		Above
3"	<input checked="" type="checkbox"/>	M	304.1	0		g	Tier 1	0.94	per	100	Up to	0
		F			<input checked="" type="checkbox"/>	cf	Tier 2	\$		per		Above
4"	<input checked="" type="checkbox"/>	M	538.02	0		g	Tier 1	0.94	per	100	Up to	0
		F			<input checked="" type="checkbox"/>	cf	Tier 2	\$		per		Above
6"	<input checked="" type="checkbox"/>	M	842.13	0		g	Tier 1	0.94	per	100	Up to	0
		F			<input checked="" type="checkbox"/>	cf	Tier 2	\$		per		Above

CURRENT RATES FOR COMMERCIAL / INDUSTRIAL SERVICE											
Line / Meter Size	Check One		Current Commercial / Industrial Monthly Base or Flat Rate	Consumption Included in Base Rate	Check One	Current Commercial / Industrial Monthly Volumetric Rate					
						Rate	Unit	Range			
5/8" by 3/4"	M		\$	0		g	Tier 1	\$	per	Up to	0
	F					cf	Tier 2	\$	per	Above	0
1"	M		\$	0		g	Tier 1	\$	per	Up to	0
	F					cf	Tier 2	\$	per	Above	0
1 1/2"	M		\$	0		g	Tier 1	\$	per	Up to	0
	F					cf	Tier 2	\$	per	Above	0
2"	M		\$	0		g	Tier 1	\$	per	Up to	0
	F					cf	Tier 2	\$	per	Above	0
3"	M		\$	0		g	Tier 1	\$	per	Up to	0
	F					cf	Tier 2	\$	per	Above	0
4"	M		\$	0		g	Tier 1	\$	per	Up to	0
	F					cf	Tier 2	\$	per	Above	0
6"	M		\$	0		g	Tier 1	\$	per	Up to	0
	F					cf	Tier 2	\$	per	Above	0
8"	M		\$	0		g	Tier 1	\$	per	Up to	0
	F					cf	Tier 2	\$	per	Above	0

CURRENT RATES FOR IRRIGATION DELIVERY SERVICE												
	Check One		Current Irrigation Flat or Base Rate	Consumption Included in Base Rate	Check One	Current Irrigation Monthly Volumetric Rate						
						Rate	Unit	Range				
	M		10.19	0		g	Tier 1	7.64	per	Acre Foot	Up to	0
	F					cf	Tier 2	\$	per	Above	0	
	M		\$	0		g	Tier 1	\$	per	Up to	0	
	F					cf	Tier 2	\$	per	Above	0	
	M		\$	0		g	Tier 1	\$	per	Up to	0	
	F					cf	Tier 2	\$	per	Above	0	
	M		\$	0		g	Tier 1	\$	per	Up to	0	
	F					cf	Tier 2	\$	per	Above	0	
	M		\$	0		g	Tier 1	\$	per	Up to	0	
	F					cf	Tier 2	\$	per	Above	0	
	M		\$	0		g	Tier 1	\$	per	Up to	0	
	F					cf	Tier 2	\$	per	Above	0	
	M		\$	0		g	Tier 1	\$	per	Up to	0	
	F					cf	Tier 2	\$	per	Above	0	

30 A. Continued:

CURRENT RATES FOR FIRE PROTECTION OR HYDRANT SERVICE				
Service	# of Hydrants	Distance between Hydrants	# of Customers	Monthly Rate
Public Fire Protection - 4" and smaller	0	0	44	\$20.42
Public Fire Protection - 6"	0	0	8	\$44.72
Public Fire Protection - 8"	0	0	1	\$78.43
Public Fire Protection - 10"	0	0	0	\$121.73
Public Fire Protection - 12"	0	0	0	\$174.62
Hydrant Maintenance	0	0	85	\$12.80
Other	0	0	0	\$0.00

CURRENT RATES FOR SPECIAL CONTRACTS		
List who the contract is with & explain the monthly charges for each contract.	Check One	Monthly Rate
	M	
	F	\$0.00
	M	
	F	\$0.00
	M	
	F	\$0.00
	M	
	F	\$0.00
	M	
	F	\$0.00

CURRENT RATES FOR OTHER SERVICE NOT COVERED ABOVE		
List the customer, type of service, & explain the monthly rates.	Check One	Monthly Rate
	<input checked="" type="checkbox"/> M	
Sales for resale (bulk domestic water)	F	\$1.00/100 cu ft
	M	
Cross connection control program	<input checked="" type="checkbox"/> F	\$2.76
	M	
	F	\$0.00
	M	
	F	\$0.00
	M	
	F	\$0.00

31 Q. PLEASE PROVIDE THE INFORMATION REQUESTED IN THE FOLLOWING TABLE FOR EACH CUSTOMER CLASS FOR THE MOST CURRENT COMPLETED YEAR.

Customer Class	# of Customers @ Beginning of Year	# of Customers @ End of Year	Total Annual Revenues	Check One	Total Annual Consumption
Residential	12462	12820	\$7,360,427.00	<input checked="" type="checkbox"/> M F	319,228,597 cu ft
Commercial / Industrial				M F	
Irrigation	789	791	\$372,174.00	M F	
Fire Protection / Hydrant Service	138	138	\$29,048.00	M F	
Special Contracts				M F	
Other				M F	
<b>TOTAL</b>	<b>13389</b>	<b>13749</b>	<b>\$7,761,649.00</b>		<b>0</b>

## UTILITY PROPOSED RATES & SCHEDULES

**32 Q. PLEASE DESCRIBE THE UTILITY'S PROPOSED RATE STRUCTURES.**

A.

<b>PROPOSED RATES FOR RESIDENTIAL/COMMERCIAL SERVICE</b>												
Line / Meter Size	Check One		PROPOSED Residential Monthly Base or Flat Rate	Consumption Included in Base Rate	Check One		PROPOSED Residential Monthly Volumetric Rate					
							Rate		Unit	Range		
5/8" by 3/4"	✓	M	28.08	0		g	Tier 1	1.01	per	100 CU FT	Up to	0
		F			✓	cf	Tier 2	\$	per		Above	0
3/4"	✓	M	39.31	0		g	Tier 1	1.01	per	100 CU FT	Up to	0
		F			✓	cf	Tier 2	\$	per		Above	0
1"	✓	M	61.78	0		g	Tier 1	1.01	per	100 CU FT	Up to	0
		F			✓	cf	Tier 2	\$	per		Above	0
1 1/2"	✓	M	109.52	0		g	Tier 1	1.01	per	100 CU FT	Up to	0
		F			✓	cf	Tier 2	\$	per		Above	0
2"	✓	M	196.57	0		g	Tier 1	1.01	per	100 CU FT	Up to	0
		F			✓	cf	Tier 2	\$	per		Above	0
3"	✓	M	336.97	0		g	Tier 1	1.01	per	100 CU FT	Up to	0
		F			✓	cf	Tier 2	\$	per		Above	0
4"	✓	M	589.7	0		g	Tier 1	1.01	per	100 CU FT	Up to	0
		F			✓	cf	Tier 2	\$	per		Above	0
6"	✓	M	954.76	0		g	Tier 1	1.01	per	100 CU FT	Up to	0
		F			✓	cf	Tier 2	\$	per		Above	0
8"	✓	M	1404.06	0		g	Tier 1	1.01	per	100 CU FT	Up to	0
		F			✓	cf	Tier 2	\$	per		Above	0

<b>PROPOSED RATES FOR COMMERCIAL / INDUSTRIAL SERVICE</b>												
Line / Meter	Check One		PROPOSED Commercial /	Consumption Included in Base	Check One		PROPOSED Commercial / Industrial Monthly					
							Rate		Unit	Range		
5/8" by 3/4"		F	\$	0		cf	Tier 2	\$	per		Above	0
1"		F	\$	0		cf	Tier 2	\$	per		Above	0
1 1/2"		F	\$	0		cf	Tier 2	\$	per		Above	0
2"		F	\$	0		cf	Tier 2	\$	per		Above	0
3"		F	\$	0		cf	Tier 2	\$	per		Above	0
4"		F	\$	0		cf	Tier 2	\$	per		Above	0
6"		F	\$	0		cf	Tier 2	\$	per		Above	0
8"		M	\$	0		g	Tier 1	\$	per		Up to	0
		F			✓	cf	Tier 2	\$	per		Above	0



PROPOSED RATES FOR IRRIGATION SERVICE												
Line / Meter Size	Check One		PROPOSED Irrigation Flat or Base Rate/Mo.	Consumption Included in Base Rate	Check One		PROPOSED Irrigation Monthly Rate			Volumetric		
	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>	Rate	Unit	Range			
	<input checked="" type="checkbox"/>	M	\$13.53	0	<input type="checkbox"/>	g	Tier 1	\$10.09	per	Acre-foot	Up to	0
	<input checked="" type="checkbox"/>	F			<input type="checkbox"/>	F	Tier 2	\$	per	0	Above	0
1"	<input type="checkbox"/>	M	\$	0	<input type="checkbox"/>	g	Tier 1	\$	per	0	Up to	0
	<input type="checkbox"/>	F			<input type="checkbox"/>	cf	Tier 2	\$	per	0	Above	0
1 1/2"	<input type="checkbox"/>	M	\$	0	<input type="checkbox"/>	g	Tier 1	\$	per	0	Up to	0
	<input type="checkbox"/>	F			<input type="checkbox"/>	cf	Tier 2	\$	per	0	Above	0
2"	<input type="checkbox"/>	M	\$	0	<input type="checkbox"/>	g	Tier 1	\$	per	0	Up to	0
	<input type="checkbox"/>	F			<input type="checkbox"/>	cf	Tier 2	\$	per	0	Above	0
3"	<input type="checkbox"/>	M	\$	0	<input type="checkbox"/>	g	Tier 1	\$	per	0	Up to	0
	<input type="checkbox"/>	F			<input type="checkbox"/>	cf	Tier 2	\$	per	0	Above	0
4"	<input type="checkbox"/>	M	\$	0	<input type="checkbox"/>	g	Tier 1	\$	per	0	Up to	0
	<input type="checkbox"/>	F			<input type="checkbox"/>	cf	Tier 2	\$	per	0	Above	0
6"	<input type="checkbox"/>	M	\$	0	<input type="checkbox"/>	g	Tier 1	\$	per	0	Up to	0
	<input type="checkbox"/>	F			<input type="checkbox"/>	cf	Tier 2	\$	per	0	Above	0
8"	<input type="checkbox"/>	M	\$	0	<input type="checkbox"/>	g	Tier 1	\$	per	0	Up to	0
	<input type="checkbox"/>	F			<input type="checkbox"/>	cf	Tier 2	\$	per	0	Above	0

PROPOSED RATES FOR FIRE PROTECTION OR HYDRANT SERVICE				
Service	# of Hydrants	Distance between Hydrants	# of Customers	Monthly Rate
Public Fire Protection - 4" and smaller	0	0	44	\$22.97
Public Fire Protection - 6"	0	0	8	\$50.30
Public Fire Protection - 8"	0	0	1	\$88.19
Public Fire Protection - 10"	0	0	0	\$136.91
Public Fire Protection - 12"	0	0	0	\$196.40
Hydrant Maintenance	0	0	85	\$14.47
	0	0	0	\$0.00
	0	0	0	\$0.00

PROPOSED RATES FOR SPECIAL CONTRACTS		
List who the contract is with & explain the monthly charges for each contract.		Monthly Rate
	<input type="checkbox"/> M	\$0.00
	<input type="checkbox"/> F	
	<input type="checkbox"/> M	\$0.00
	<input type="checkbox"/> F	
	<input type="checkbox"/> M	\$0.00
	<input type="checkbox"/> F	
	<input type="checkbox"/> M	\$0.00
	<input type="checkbox"/> F	
	<input type="checkbox"/> M	\$0.00
	<input type="checkbox"/> F	

PROPOSED RATES FOR OTHER SERVICE NOT COVERED ABOVE		
List the customer, type of service, & explain the monthly rates.		Monthly Rate
Sales for resale (bulk domestic water)	<input checked="" type="checkbox"/> M	\$1.12/100 cu ft
	<input type="checkbox"/> F	
Cross Connection Control Program	<input checked="" type="checkbox"/> M	\$2.76/mo
	<input type="checkbox"/> F	
	<input type="checkbox"/> M	\$0.00
	<input type="checkbox"/> F	

33 Q. IF THE UTILITY'S RATE PROPOSAL WAS ADOPTED, PLEASE SHOW THE FOLLOWING INFORMATION FOR EACH CUSTOMER CLASS AT THE SPECIFIED METER OR LINE SIZE.

A.

Customer Class	Check One	Proposed # of Customers	Proposed Average Monthly Bill	Total Annual Consumption	Check One	Total Annual Revenues
Residential/Commercial 5/8 & 3/4"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	11,791	\$45.11	239,197,188	<input checked="" type="checkbox"/> gal <input type="checkbox"/> cf	\$6,382,704.12
Residential/Commercial 3/4"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	39	\$66.70	11,744,465	<input checked="" type="checkbox"/> gal <input type="checkbox"/> cf	\$137,101.12
Residential/Commercial 1"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	866	\$93.91	33,142,883	<input checked="" type="checkbox"/> gal <input type="checkbox"/> cf	\$975,912.72
Residential/Commercial 1 1/2"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	29	\$285.41	6,075,820	<input checked="" type="checkbox"/> gal <input type="checkbox"/> cf	\$99,322.68
Residential/Commercial 2"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	76	\$327.31	11,835,210	<input checked="" type="checkbox"/> gal <input type="checkbox"/> cf	\$298,506.72
Residential/Commercial 3"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	8	\$1,256.03	8,757,540	<input checked="" type="checkbox"/> gal <input type="checkbox"/> cf	\$120,578.88
Residential/Commercial 4"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	10	\$1,242.52	7,775,739	<input checked="" type="checkbox"/> gal <input type="checkbox"/> cf	\$149,102.40
Residential/Commercial 6"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	1	\$10,334.22	11,171,900	<input checked="" type="checkbox"/> gal <input type="checkbox"/> cf	\$124,010.64
Residential/Commercial 8"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	1	\$1,404.06	0	<input checked="" type="checkbox"/> gal <input type="checkbox"/> cf	\$16,848.72
Commercial 5/8 & 3/4"	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> gal <input type="checkbox"/> cf	
Commercial 1"	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> gal <input type="checkbox"/> cf	
Commercial 1 1/2"	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> gal <input type="checkbox"/> cf	
Commercial 2"	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> gal <input type="checkbox"/> cf	
Commercial 3"	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> gal <input type="checkbox"/> cf	
Commercial 4"	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> gal <input type="checkbox"/> cf	
Commercial 5"	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> gal <input type="checkbox"/> cf	
Commercial 6"	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> gal <input type="checkbox"/> cf	
Commercial 8"	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> gal <input type="checkbox"/> cf	
Golf Course	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> gal <input type="checkbox"/> cf	
Irrigation Delivery Rates	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	791	\$23.62	0	<input type="checkbox"/> gal <input checked="" type="checkbox"/> cf	\$214,112.00
Irrigation 1"	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> gal <input type="checkbox"/> cf	
Irrigation 1 1/2"	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> gal <input type="checkbox"/> cf	
Irrigation 2"	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> gal <input type="checkbox"/> cf	
Irrigation 3"	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> gal <input type="checkbox"/> cf	
Irrigation 4"	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> gal <input type="checkbox"/> cf	
Irrigation 5"	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> gal <input type="checkbox"/> cf	
Irrigation 6"	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> gal <input type="checkbox"/> cf	
Irrigation 8"	<input type="checkbox"/> M <input type="checkbox"/> F				<input type="checkbox"/> gal <input type="checkbox"/> cf	
<b>TOTAL THIS PAGE</b>		<b>13,612</b>		<b>329,700,745</b>		<b>\$8,518,200.00</b>

33 A. Continued:

Customer Class	Check One	Proposed # of Customers	Proposed Average Monthly Bill	Total Annual Consumption	Check One	Total Annual Revenues
Public Fire Protection - 4" or smaller	✓	44	\$22.97		gal cf	\$12,128.16
Public Fire Protection - 6"	✓	8	\$50.30		gal cf	\$4,828.80
Public Fire Protection - 8"	✓	1	\$88.19		gal cf	\$1,058.28
Public Fire Protection - 10"	✓	0	\$0.00		gal cf	\$0.00
Public Fire Protection - 12"	✓	0	\$0.00		gal cf	\$0.00
Hydrant Maintenance	✓	85	\$14.47		gal cf	\$14,759.40
Special Contracts					gal cf	
Special Contracts					gal cf	
Special Contracts					gal cf	
Other					gal cf	
Other					gal cf	
Other					gal cf	
<b>Total This Page</b>		<b>138</b>		<b>0</b>		<b>\$32,774.64</b>
<b>Total Previous Page</b>		<b>13,612</b>		<b>329,700,745</b>		<b>\$8,518,200.00</b>
<b>TOTAL ALL</b>		<b>13,750</b>		<b>329,700,745</b>		<b>\$8,550,974.64</b>

### UTILITY PLANT

34 Q.

**HAS THE UTILITY MADE ANY CAPITAL IMPROVEMENTS, ADDITIONS, OR EXTENSIONS TO ITS WATER SYSTEM DURING THE LAST FIVE (5) YEARS OR SINCE ITS LAST RATE CASE?**

- A.  No The utility has made no improvements to the water system since its last rate case or 5 years.  
 Yes The utility has made the following improvements, additions, or extensions to its water system:

Capital Improvement / Plant Description	Cost	Purchase Date	In-Service Date
Land & Land rights	\$272,484.87	2014-2016	2014-2016
Structures & improvements	\$95,789.65	2014-2015	2014-2015
Structures & improvements-irrig	\$2,772.94	2016	2016
Wells & springs	\$213,028.94	2014-2016	2014-2016
Supply mains	\$292,274.98	2015-2016	2015-2016
Pumping equipment	\$13,047.83	2015-2016	2015-2016
Pumping equipment - irrig	\$1,608.84	2016	2016
Water treatment equipment	\$1,409.00	2015	2015
Distribution Reservoirs & standpipes	\$38,650.00	2014-2015	2014-2015
Transmission & Distribution mains	\$3,677,406.57	2014-2016	2014-2016
Services	\$24,784.90	2014-2016	2014-2016
Services-irrig	\$177.17	2015	2015
Meters & meter installation	\$285,994.86	2014-2016	2014-2016
Hydrants	\$10,448.54	2015-2016	2015-2016
Cross Connection Control	\$54,981.10	2014-2016	2014-2016
Office Furniture & Equipment	\$779.99	2015	2015
Transportation Equipment	\$186,145.30	2014-2016	2014-2016
Stores Equipment	\$1,242.91	2015	2015
Tools, Shop & Garage Equipment	\$13,348.97	2014-2016	2014-2016
Tools, Shop & Garage Equipment-DCVA	\$1,416.90	2016	2016
Power operated equipment	\$49,500.00	2014	2014
Communications equipment	\$72,284.42	2014-2016	2014-2016
Electronic/computer Equipment	\$20,077.99	2014-2016	2014-2016

35 Q. **DOES THE UTILITY PROPOSE ANY CAPITAL IMPROVEMENTS, ADDITIONS, OR EXTENSIONS TO THE WATER SYSTEM WITHIN THE NEXT 12 MONTHS?**

- A.  No The utility has no plans to improve the water system in the next 12 months.  
 Yes The utility plans the following improvements, additions, or extensions to its water system:

Capital Improvement Plans / Plant Description	Estimated Cost	Estimated In-Service Date
Juniper utility purchase	\$400,000.00	04/01/17
Juniper utility 15th street intertie	\$44,757.07	04/01/17
Juniper utility China Hat booster station/intertie	\$60,000.00	07/31/17
Nixon Well #2	\$83,000.00	06/01/17

**36 Q. HAS THE UTILITY APPLIED FOR FUNDS FROM THE SAFE DRINKING WATER STATE REVOLVING LOAN FUND (SDWSRLF)?**

- A.  **No** The Utility has not applied for funds from the SDWSRLF.  
 **Yes** The Utility is in the process or has applied for funds from the SDWSRLF.

**37 Q. PLEASE PROVIDE THE FOLLOWING INFORMATION ON THE UTILITY'S PLANT. YOU MAY ATTACH A PLANT / DEPRECIATION SCHEDULE. DO NOT INCLUDE UTILITY PLANT THAT WAS CONTRIBUTED, DONATED, OR GIFTED TO THE UTILITY BY DEVELOPERS OR CUSTOMERS THAT IS NOT INTENDED TO BE PAID BACK.**

A.

ACCT #	WATER UTILITY PLANT ACCOUNTS	IN SERVICE DATE (Month & Year)	ORIGINAL COST
301	Organization	1979	\$211
302	Franchises		\$0
303	Land & Land Rights	1979-2016	\$2,177,515
304	Structures & Improvements	1976-2016	\$1,638,389
305	Collecting/Impounding/Reservoirs	1976-2000	\$4,769
306	Lake, River & Other Intakes	1984-1995	\$33,478
307	Wells & Springs	1992-2016	\$1,723,710
308	Infiltration Galleries & Tunnels	1976	\$106
309	Supply Mains	1976-2016	\$433,706
310	Power Generation Equipment	1976-1980	\$1,203
311	Pumping Equipment	1983-2016	\$1,627,344
320	Water Treatment Equipment	2011-2015	\$17,411
330	Distribution/Reservoirs/Standpipes	1976-2015	\$3,645,948
331	Transmission & Distribution Mains	1976-2016	\$36,651,191
333	Services	1976-2016	\$1,244,088
334	Meters & Meter Installation	1988-2016	\$1,169,704
335	Hydrants	1976-2016	\$158,564
336	Utility-owned Cross Connection Devices	2006-2016	\$204,412
339	Miscellaneous Plant & Equipment	1976-2006	\$210,713
340	Office Furniture & Equipment	1991-2015	\$158,976
341	Transportation Equipment	1998-2016	\$676,169
343	Tools, Shop & Garage Equipment	1976-2016	\$127,573
344	Laboratory Equipment		\$0
345	Power Operated Equipment	1989-2014	\$155,154
346	Communication Equipment	1989-2016	\$164,172
347	Electronic/Computer Equipment	2006-2016	\$201,842
348	Miscellaneous Equipment	1976-2012	\$17,430
<b>TOTAL</b>			<b>\$52,443,779</b>

38 Q. PLEASE PROVIDE THE FOLLOWING INFORMATION ON THE UTILITY'S PLANT. YOU MAY ATTACH A PLANT / DEPRECIATION SCHEDULE. DO NOT INCLUDE UTILITY PLANT THAT WAS CONTRIBUTED, DONATED, OR GIFTED TO THE UTILITY BY DEVELOPERS OR CUSTOMERS THAT IS NOT INTENDED TO BE PAID BACK.

UTILITY PLANT	TEST YEAR	PROPOSED ADJUSTMENTS	PROPOSED RESULTS (B + C = D)
A	B	C	D
Total Utility Plant	\$28,261,569	\$587,757	\$28,849,326
SUBTRACT: Accumulated Depreciation of Utility Plant in Service	\$9,829,634		\$9,829,634
SUBTRACT: Accumulated Amortization of Utility Plant In Service			\$0
SUBTRACT: Advances for Construction			\$0
<b>MAKE SURE CIAC IS NOT INCLUDED</b>			
<b>SUBTOTAL</b>	<b>\$18,431,935</b>	<b>\$587,757</b>	<b>\$19,019,692</b>
ADD: Plant Material & Supplies Inventory	\$201,321		\$201,321
ADD: Working Cash (1/12 of Total Operating Expenses)	\$456,399		\$456,399
<b>TOTAL</b>	<b>\$19,089,655</b>	<b>\$587,757</b>	<b>\$19,677,412</b>

39 Q. DOES THE UTILITY HAVE A MASTER METER AT ITS WATER SOURCE(S)?

A.  No The utility does not have a master meter at its water supply source(s).

Yes The utility does meter at its water supply source(s).

Total amount of water pumped in the last calendar year was:

gallons  cubic feet

40 Q. DOES THE UTILITY HAVE THE CAPACITY AND WATER RIGHTS SUFFICIENT TO MEET OR EXCEED ITS DEMAND? PLEASE FILL OUT THE INFORMATION REQUESTED

A.  No The utility does not have sufficient water adequately service its current customers. low:

Yes The utility has the capacity to adequately serve its customers.

UTILITY WATER SOURCE(S)	Source 1	Source 2	Source 3	Source 4
Name / Identification of Source	Please see attached			
Treatment Type, if any				
Number of Intakes				
Fish Screening Devices				
Water Right Permit or Certification No.				
Water Yield of Source Report				

\* Please attach well logs

41 Q. PLEASE DESCRIBE THE UTILITY'S PUMPING SYSTEM FOR DISTRIBUTION, INCLUDING THE RANGE OF PRESSURE AT WHICH THE WATER IS PUMPED FROM THE SOURCE AND THE RANGE OF PRESSURE DELIVERED TO CUSTOMERS.

PUMPING SYSTEM	Source 1	Source 2	Source 3	Source 4
Pump Type & Horsepower	Please see attached			
Average Daily Demand				
Annual Peak Demand				
Maximum Pumping Capacity				
Range of Pressure at Pump				
Range of Pressure at Customer Property				

**42 Q. DESCRIBE THE UTILITY'S WATER STORAGE CAPACITY.**

A. UTILITY TANKS / RESERVOIRS	No. 1	No. 2	No. 3	No. 4
Name or Identifying Number	Please see attached			
Type (steel, concrete, pneumatic)				
Capacity				
Ground or Elevated				
Date Installed				
Present Condition				

**SERVICE QUALITY**

**43 Q. PLEASE DESCRIBE THE TYPE AND NUMBER OF SERVICE PROBLEMS / COMPLAINTS THE UTILITY HAS EXPERIENCED / RECEIVED IN THE LAST CALENDAR YEAR TO DATE. AT A MINIMUM INCLUDE OUTAGES, LOW PRESSURE, CUSTOMER SERVICE, BILLING & COLLECTION AND WATER QUALITY.**

- A.  **No** The water utility has not received any complaints or experienced any service problems.  
 **Yes** The utility has received customer complaints and/or experienced service problems.

A summary of the complaints and service problems and the actions taken by the Utility to resolve the problems follows: Most customer complaints are due to low water pressure or no water. A serviceman is dispatched as soon as possible to check the problem. In the winter, these issues are usually related to frozen meters and DCVAs. In the summer, these issues are mostly due to line breaks, power outages or excessive demand on the system during hot, dry weather. Problems are generally resolved during the same day. Customer service complaints are generally due to a mis-processed payment or people upset about a service disconnection. Office staff is reminded regularly of the importance of being polite and helpful to customers and errors are corrected as soon as possible.

**44 Q. DOES THE UTILITY HAVE ANY CURRENT SERVICE PROBLEMS IT PLANS TO CORRECT OR IMPROVE DURING THE NEXT CALENDAR YEAR?**

- A.  **No** The Utility does not have any current service problems.  
 **Yes** The Utility does have current service problems it plans to correct/improve in the next year.

The current service problems and the utility's plans to correct or improvement the problems are:

**45 Q. DOES THE UTILITY ROUTINELY FLUSH ITS WATER MAINS?**

- A.  **No** The Utility does not have have a routine flushing schedule.  
 **Yes** The Utility currently flushes its mains on a regular schedule.

The Utility's flushing schedule is as follows: Every 2 - 3 years depending upon winter conditions.

**46 Q. ARE THE CUSTOMERS AWARE OF THE UTILITY'S ROUTINE FLUSHING SCHEDULE, DATE AND TIME?**

- A.  **No** The customers are not aware of the Utility's routine flushing schedule.  
 **Yes** The customer are aware of the date and time of the Utility's routine line flushing schedule.

**47 Q. DOES THE UTILITY HAVE ANY WORKING FIRE HYDRANTS? IF YES, PLEASE PROVIDE INFORMATION REGARDING THE HYDRANTS.**

- A.  **No** The Utility does not have any fire hydrants.  
 **Yes** The Utility does have fire hydrants. See information below:  
The Utility has 1,318 fire hydrants.  
The hydrants are various feet apart.  
The hydrants are maintained and exercised by: Avion Water Company, Inc. personnel.  
The Utility has a fire insurance rating of: unknown.

**48 Q. IS THE UTILITY IN COMPLIANCE WITH ALL OF THE OREGON DEPARTMENT OF HUMAN SERVICES DRINKING WATER PROGRAM (DWP) REQUIREMENTS?**

- A.  **Yes** The Utility is in compliance with all DWP requirements.  
 **No** The Utility is not in compliance with the all the DWP requirements.

The Utility needs to comply with:

**49 Q. DO YOU HAVE FEWER THAN 200 TOTAL CUSTOMERS? IF SO, PLEASE ATTACH A CURRENT AND COMPLETE CUSTOMER MAILING LIST. INCLUDE EACH CUSTOMER'S NAME AND MAILING ADDRESS.**

- A.  **Yes** The Utility has 200 or less customers. The customer mailing list is attached.  
 **No** The Utility has over 200 customers.

**50 Q. WOULD YOU LIKE TO TESTIFY REGARDING ANY OTHER ISSUES?**

- A.  **Yes** I would like to testify on other issues. (Insert additional questions and answers.)  
 **No**

**51 Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

- A.  **Yes**  
 **No**

Avion Water Company, Inc.

Attachment to Q40

ALL AVION WATER RIGHTS as of August 2016

1 of 2

Permits Modified by Permit Amendment T-7778 Sept 3, 1997 (COBUs submitted June 2006)

Applic	Permit	Use	cfs	gpm	Priority	C date	C form	Cert
G-10184	G-9946	QM	4.22	1895.0	Feb-81	-	-	82418
G-10421	G-9948	QM	2.50	1130.0	Jul-81	-	-	82419
G-10378	G-9975	QM	2.15	950.0	Jun-81	-	-	82420
<i>Sub total</i>			8.87	3975				

Water Rights Modified by Transfer T-7779 Nov. 4, 1997 to be completed 10/1/99  
COBU submitted Jan. 2004 and supplemented in June 2006

Permit	Cert	Use	cfs	gpm	Priority	C date	C form	Cert
G-9217	65352	QM	1.11	500.0	Feb-81	-	-	82414
G-9269	65353	QM	0.32	140.0	Apr-81	-	-	82415
G-9320	-	QM	0.04	17.9	May-81	-	-	82416
G-9976	63686	QM	0.03	13.5	Jul-81	-	-	82417
<i>Sub total</i>			10.37	4646.4				

Other Permits Modified by Permit Amendment T-7778 Sept. 3, 1997 (COBUs not submitted to date)

Applic	Permit	Use	cfs	gpm	Priority	C date	C form	Cert
G-10348	G-9971	GD	0.48	215.4	May-81	10/1/2022	-	
G-10599	G-9981	GD	0.18	80.7	Nov-81	10/1/1997	-	87382
G-10440	G-10000	GD	0.56	250.0	Jul-81	10/1/2009	-	86161
G-10263	G-9341	QM	0.66	296.0	Apr-81	10/1/1997	10/01/97	91068
<i>Sub total</i>			12.25	5488.5				

Other Relevant Permits for COBU for T-7778 and T-7779 (Different Water Rights Same Wells)

Applic	Permit	Use	cfs	gpm	Priority	C date	C form	Cert
G-10208	G-16949	QM	0.37	166.0	May-81	10/1/2014	-	88551
G-10347	G-11972	GD	0.24	108.0	Jan-83	10/1/2022	-	
G-11741	G-11389	QM	1.00	448.0	Nov-87	COBU In	-	85743 T-11994
<b>Total</b>			13.86	6210.5				



Avion Water Company, Inc  
 Attachment to Q40  
 2 of 2

Other Avion Permits Not Relevant to COBU per T-7778 & T-7779 (Different Wells)

Applic	Permit	Use	cfs	gpm	Priority	C date	C form	Cert
G-8754	G-8258	GD	0.04	18	Apr-78	10/1/1998	-	84898
G-10371	G-9999	DI	0.27	121	Jun-81	10/1/1998	-	84899
G-10207	G-9283	QM	0.577	250	Mar-81	10/1/2027	-	-
G-10617	G-9982	GD	0.1	45	Dec-81	10/1/2018	-	-
G-12757	G-12330	QM	0.46	206	Jan-92	10/1/2023	-	-
G-10290	G-9398	QM	0.59	265	Apr-81	10/1/2010	-	86874
G-13616	G-12936	QM	0.53	238	Feb-94	10/1/2010	-	87594
G-10349	G-9972	DI	0.57	256	May-81	10/1/2024	-	-
G-10466	G-10019	DI	0.63	283	Jul-81	10/1/2010	-	86875
G-13446	G-12192	DI	0.29	130	Jun-93 Jun-94	10/1/2020		
G-13726	G-13136	DN	0.238	107	&Nov-96	-	-	81805
<i>Sub-Total</i>			4.30	1919				

Master Permit G-12788 and new permits G-16025 and G-16026

Applic	Permit	Use	cfs	gpm	Priority	C date	C form	Cert
G-12924	G-12788	QM	25.2	11305	Dec-92	10/1/2019		84975
G-15851	G-16025	QM	5.0	2244	Oct-02	10/1/2025		
G-16060	G-16026 G-17539	QM	10.0	4488	Jul-03	10/1/2025		
G-17606	G-17551	QM	10.0	4488	Dec-12	4/1/2021		
<i>Sub-Total</i>			50.2	22525				
<b>TOTAL</b>			<b>54.50</b>	<b>24,444</b>				

MAY 2017										MAY 2017													
SITE	HP	RPM	Voits	PHASE	MAKE	MOTOR INFORMATION	CATALOG PRT #	FRAME	SF	EF %	SN	SITE	HP	RPM	Voits	PHASE	MAKE	MOTOR INFORMATION	CATALOG PRT #	FRAME	SF	EF %	SN
58H & Januar	25	3525	230/460	3Ø	Baldor		JHM3512T	553M	1.15	87.0	S/N 09098	58H & Januar	25	3525	230/460	3Ø	Baldor		JHM3512T	553M	1.15	87.0	S/N 09098
58H & Januar	7.5	3510	230/460	3Ø	US Electric		3804-F7-710	113M	1.15	85.5	ED#80728T10W258R109F	58H & Januar	7.5	3510	230/460	3Ø	US Electric		3804-F7-710	113M	1.15	85.5	ED#80728T10W258R109F
Arnold Market	10	1750	230/460	3Ø	Baldor		40L2315TDW74JAAL	123M	1.15	88.5	Q6R7625	Arnold Market	10	1750	230/460	3Ø	Baldor		40L2315TDW74JAAL	123M	1.15	88.5	Q6R7625
Arnold Market	5	3460	230/460	3Ø	Baldor		JHM1318T	143M	1.15	80.0	391910928661	Arnold Market	5	3460	230/460	3Ø	Baldor		JHM1318T	143M	1.15	80.0	391910928661
Akronson	20	1740	230/460	3Ø	Marathon		HA18ZTRDR201AW FI	256P	1.15	88.0	39312W235	Akronson	20	1740	230/460	3Ø	Marathon		HA18ZTRDR201AW FI	256P	1.15	88.0	39312W235
Bill & Rick	10	3450	230/460	3Ø	Baldor		JHM3312T	213M	1.15	88.5	F295	Bill & Rick	10	3450	230/460	3Ø	Baldor		JHM3312T	213M	1.15	88.5	F295
Bradasta Booster #1	20	3510	230/460	3Ø	Baldor		A15042X-55	256P	1.15	90.2	Z0603070014	Bradasta Booster #1	20	3510	230/460	3Ø	Baldor		A15042X-55	256P	1.15	90.2	Z0603070014
Bradasta Booster #2	20	3510	230/460	3Ø	Baldor		A15042X-55	256P	1.15	90.2	Z05121200719	Bradasta Booster #2	20	3510	230/460	3Ø	Baldor		A15042X-55	256P	1.15	90.2	Z05121200719
Bradasta Booster #3	40	1770	230/460	3Ø	Baldor		A17322V-55	324FC	1.15	91.0	Z0403000056	Bradasta Booster #3	40	1770	230/460	3Ø	Baldor		A17322V-55	324FC	1.15	91.0	Z0403000056
Bradasta Well #1 Stinger	30	3510	230/460	3Ø	Baldor		JPM2534T	284P	1.15	91.7	Z0503040037	Bradasta Well #1 Stinger	30	3510	230/460	3Ø	Baldor		JPM2534T	284P	1.15	91.7	Z0503040037
Bradasta Well #2 Stinger	30	3550	230/460	3Ø	Baldor		A20908K-55	364FC	1.15	88.5	Z02201180159	Bradasta Well #2 Stinger	30	3550	230/460	3Ø	Baldor		A20908K-55	364FC	1.15	88.5	Z02201180159
Burnds	20	3525	230/460	3Ø	Marathon		JPM2541T-S	254FC	1.15	90.2	4253699-0-3/21-01	Burnds	20	3525	230/460	3Ø	Marathon		JPM2541T-S	254FC	1.15	90.2	4253699-0-3/21-01
Cinder Butte	15	3500	230/460	3Ø	Marathon		ZVC64ITDS861LANW	364FC	1.31	NA	C07878	Cinder Butte	15	3500	230/460	3Ø	Marathon		ZVC64ITDS861LANW	364FC	1.31	NA	C07878
Conestoga Reservoir N (RCU-1)	15	3500	230/460	3Ø	Marathon		6-3580759-40	D231P	1.15	88.5	A-15104-B-55	Conestoga Reservoir N (RCU-1)	15	3500	230/460	3Ø	Marathon		6-3580759-40	D231P	1.15	88.5	A-15104-B-55
Conestoga Reservoir S (RCU-2)	10	3450	208-230/460	3Ø	Baldor		JPM3312T	213M	1.15	82.5	F699	Conestoga Reservoir S (RCU-2)	10	3450	208-230/460	3Ø	Baldor		JPM3312T	213M	1.15	82.5	F699
Desert Springs	5.0	3515	230/460	3Ø	NA		GM36207	182TC	1.15	82.5		Desert Springs	5.0	3515	230/460	3Ø	NA		GM36207	182TC	1.15	82.5	
Desert Springs	7.5	3450	230/460	3Ø	Baldor		WC93219T	184TC	1.15	87.5		Desert Springs	7.5	3450	230/460	3Ø	Baldor		WC93219T	184TC	1.15	87.5	
DRID	10.0	3450	230/460	3Ø	BALDOR		F031213230	213P	1.15	91.0		DRID	10.0	3450	230/460	3Ø	BALDOR		F031213230	213P	1.15	91.0	
DRID	10.0	3510	230/460	3Ø	WEG		10386532135P	213P	1.15	89.5		DRID	10.0	3510	230/460	3Ø	WEG		10386532135P	213P	1.15	89.5	
DRID	7.5	3018	IN RES	3Ø	Marathon		6VC26T1DR68957BPL	326TLL	1.15	91.6		DRID	7.5	3018	IN RES	3Ø	Marathon		6VC26T1DR68957BPL	326TLL	1.15	91.6	
DRW Booster	60	1770	480	3Ø	Weg		0601803PE3641P	364455P	1.15	93.6		DRW Booster	60	1770	480	3Ø	Weg		0601803PE3641P	364455P	1.15	93.6	
DRW Booster	30	3540	480	3Ø	Weg		030360PPE2841P	NA	NA	NA	DRW Booster	30	3540	480	3Ø	Weg		030360PPE2841P	NA	NA	NA	NA	
DRW - plumbed but nt wired	40	3524	480	3Ø	Baldor		A15045D-SS	NA	NA	Spec# 40G58284G1	DRW - plumbed but nt wired	40	3524	480	3Ø	Baldor		A15045D-SS	NA	NA	Spec# 40G58284G1		
Dyer	100	1775	460	3Ø	Baldor		44016W132H2	404TC	1.15	84.0	C0804300205	Dyer	100	1775	460	3Ø	Baldor		44016W132H2	404TC	1.15	84.0	C0804300205
Dyer	75	1770	460	3Ø	Baldor		44016W132H2	365TC	1.15	88.0	Z070220366	Dyer	75	1770	460	3Ø	Baldor		44016W132H2	365TC	1.15	88.0	Z070220366
Dyer	40	3500	230/460	3Ø	Baldor		A15045X-55	284P	1.15	91.0	Z0609210168	Dyer	40	3500	230/460	3Ø	Baldor		A15045X-55	284P	1.15	91.0	Z0609210168
Highland	7.5	3450	240	3Ø	Undersized		62.20367.972	184JPL			Highland	7.5	3450	240	3Ø	Undersized		62.20367.972	184JPL				
Highland	3.0	3450	240	3Ø	Baldor		JM13158	565	1.15	87.0		Highland	3.0	3450	240	3Ø	Baldor		JM13158	565	1.15	87.0	
Horse Butte	25	3450	230/460	3Ø	Baldor		A15043D-55	256P	1.15	87.0	Z0403040089	Horse Butte	25	3450	230/460	3Ø	Baldor		A15043D-55	256P	1.15	87.0	Z0403040089
Horse Butte	7.5	3450	230/460	3Ø	Marathon		5K18340L254B	184JPL	1.15	85.0	F887	Horse Butte	7.5	3450	230/460	3Ø	Marathon		5K18340L254B	184JPL	1.15	85.0	F887
Mesa Booster	20.0	1625	480	3Ø	Baldor		JHM3219T	184JPL	1.15	87.5	F998	Mesa Booster	20.0	1625	480	3Ø	Baldor		JHM3219T	184JPL	1.15	87.5	F998
Odin Falls	15.0	3500	480	3Ø	Baldor		JHM3314T	1598C	1.15	88.5		Odin Falls	15.0	3500	480	3Ø	Baldor		JHM3314T	1598C	1.15	88.5	
Odin Falls	5.0	3650	480	3Ø	Baldor		WCCM3212T	LFT1409081201	1.15	88.5		Odin Falls	5.0	3650	480	3Ø	Baldor		WCCM3212T	LFT1409081201	1.15	88.5	
Ponderosa	40	1100	330/440	3Ø	Baldor		436038Y1761	364JR	1.15	92.0	Z0003050310	Ponderosa	40	1100	330/440	3Ø	Baldor		436038Y1761	364JR	1.15	92.0	Z0003050310
Ponderosa	30	1785	230/460	3Ø	Marathon		LC 280T1DH-02984 W	565	1.15	92.0	411190503-18-04	Ponderosa	30	1785	230/460	3Ø	Marathon		LC 280T1DH-02984 W	565	1.15	92.0	411190503-18-04
Ponderosa	1.0	3450	230/460	3Ø	Baldor		JHM3312T	213M	1.15	87.0	F500	Ponderosa	1.0	3450	230/460	3Ø	Baldor		JHM3312T	213M	1.15	87.0	F500
Red Cloud Resv	5	3495	230/460	3Ø	US Electric		F-A996-01-171-L052R063	184TC	1.25	88.5		Red Cloud Resv	5	3495	230/460	3Ø	US Electric		F-A996-01-171-L052R063	184TC	1.25	88.5	
Riggs - Surpluss	20.0	1720	230/460	3Ø	Weg		02018053E256P	284P	1.15	89.5		Riggs - Surpluss	20.0	1720	230/460	3Ø	Weg		02018053E256P	284P	1.15	89.5	
Riggs - Surpluss	30.0	3510	230/460	3Ø	Baldor		EPN2134T	284P	1.15	91.7		Riggs - Surpluss	30.0	3510	230/460	3Ø	Baldor		EPN2134T	284P	1.15	91.7	
Riggs - Surpluss	60.0	3520	230/460	3Ø	Baldor		JHM2546T	326M	1.15	93.0		Riggs - Surpluss	60.0	3520	230/460	3Ø	Baldor		JHM2546T	326M	1.15	93.0	
River Bend	75.0	1770	460	3Ø	Baldor		A20913K-55	326TC	1.15	94.1	Z0603200363	River Bend	75.0	1770	460	3Ø	Baldor		A20913K-55	326TC	1.15	94.1	Z0603200363
River Bend	60.0	1765	230/460	3Ø	Baldor		A20907C-55	326TC	1.15	93.0	Z0508180436	River Bend	60.0	1765	230/460	3Ø	Baldor		A20907C-55	326TC	1.15	93.0	Z0508180436
River Bend Booster	30	1780	230/460	3Ø	Baldor		A15094D-55	284P	1.15	94.1	Spec# 40G56W135G1	River Bend Booster	30	1780	230/460	3Ø	Baldor		A15094D-55	284P	1.15	94.1	Spec# 40G56W135G1
Saddleback	7.5	3450	240	3Ø	Baldor		JHM3219T	184JOY	1.15	91.0		Saddleback	7.5	3450	240	3Ø	Baldor		JHM3219T	184JOY	1.15	91.0	
Saddleback	5.0	3451	240	3Ø	Baldor		WC3M3212T	182TC	1.15	95.0		Saddleback	5.0	3451	240	3Ø	Baldor		WC3M3212T	182TC	1.15	95.0	
South Heights - East pump	10	3500	208	3Ø	AO Smith Century		Z-360338-01-00	F497	1.15	87.5	8X12	South Heights - East pump	10	3500	208	3Ø	AO Smith Century		Z-360338-01-00	F497	1.15	87.5	8X12
South Heights - West pump	7.5	3500	208	3Ø	Weg		01036562E213M	F3860	1.15	85.5	LK38324	South Heights - West pump	7.5	3500	208	3Ø	Weg		01036562E213M	F3860	1.15	85.5	LK38324
Sundance Lower Booster	15	3450	230/460	3Ø	Baldor		JHM3314T	115M	1.15	88.5	F1098	Sundance Lower Booster	15	3450	230/460	3Ø	Baldor		JHM3314T	115M	1.15	88.5	F1098
Sundance Middle	5	3500	230/460	3Ø	General Electric		5K182156	1264M	1.15	90.2	Z0206060035	Sundance Middle	5	3500	230/460	3Ø	General Electric		5K182156	1264M	1.15	90.2	Z0206060035
Sundance Midline	3	3450	230/460	3Ø	Baldor		WM3559	182TC	1.15	NA		Sundance Midline	3	3450	230/460	3Ø	Baldor		WM35				

MAY 2017										MAY 2017									
HP	RPM	Volts	PHASE	MAKE	CATALOG PRT #	FRAME	SF	EF %	SN	Brand	Model#	SN	Impeller						
7.5	3450	460	3Ø	Baldor	JPM3212T	NA	1.15	NA	F284	Cornell	Model# 114W5-2	25945	5 7/8						
7.5	3450	240	3Ø	Baldor	3CF74-194	F53860	1.15	85.5		CORNWELL	1 1/4 W7 1/2	49351	6 1/2						
40	1780	240	3Ø	Baldor	JPM3312T	F497	1.15	85.5		PAOC	10-15705-1300011761	7407801018	7						
40	1780	239/460	3Ø	SUPER E	A15095D-55	324JP	1.15	93.6	1950-1265	Cornell	Model# 51BH-40-4	89272							
20	1760	239/460	3Ø	Baldor	JPM2515T	256JP	1.15	88.0	10910	Cornell	Model# 48820-4	79728							
7.5	3495	240	3Ø	General Electric	SK184D1105C	1845P4	1.15	NA	0.9	PACIFIC	10157011300011700	GN103665A	6.62						
7.5	3495	240	3Ø	General Electric	SK184D1105C		1.15	NA	0.9	CORNWELL	1.5WH - 1L	162687							
7.5	3450	240	3Ø	Baldor	JMP3219T	1845P4	1.15	NA		PACIFIC	10157011300011700	GN103665B	6.45						
7.5	3450	240	3Ø	Baldor	JMP2123T	1823M	1.15	NA	95.0	Paco	Car# 10-12707-1300011681	TK95600789	6.45						
3	3450	240	3Ø	Century	8-332768-0	N145M	1.15	NA	13	Gould	Model# 3656	38F13035	6.45						
3	3470	208-230/460	3Ø	Unicoosed	66305-0041	1823BY	1.15	NA		Jacuzzi	501.1 1/4 - T	K7155571							
2.0	3450	240	1/Ø - 3Ø	F & W	940315	SG1	1.15	NA		F & W	C10-1B153 0011								
5	3450	240	3Ø	Baldor	JPM3212T	1821CZ F285	1.15	95.0	F285	Cornell	Model# 114W5-2	35381							
5	3450	240	3Ø	Baldor	JPM3212T	1823M F395	1.15	93.0	F395	Paco	Car# 10-10705-1300011681	ITK95800788							

AVION RESERVOIRS 2017

RESERVOIR SITE NAME	CAPACITY	GAL / FT	TYPE	HEIGHT	DIM	GRAVITY	SUCTION
TETHEROW CROSSING 52 str	30,000.00	3,000.00	STEEL - ROUND	10	10' X 24'	N	Y
CHAPARRAL-1 58TH AND JAG	21,500.00	2,687.50	CONCRETE	8	18' X 20'	N	Y
CHAPARRAL-2 MESA	18,000.00	2,250.00	CONCRETE	8	16' X 8'	N	Y
CHINA HAT 1	2,900,000.00	181,250.00	CONCRETE	16	150 X 160	Y	N
CHINA HAT 2	4,600,000.00	287,500.00	CONCRETE	16	240 X 240	Y	N
CINDER BUTTE	20,000.00	2,500.00	CONCRETE	8	20' X 20'	Y	Y
CONESTOGA	125,000.00	5,208.33	STEEL - ROUND	24	D 29.77	N	Y
DRW	2,500,000.00	75,757.58	STEEL - ROUND	33	124.6D X 33.5H	Y	N
DYER	2,295,000.00	85,000.00	STEEL - ROUND	27	125D X 27H	N	Y
SUNDANCE LOWER	30,000.00	3,000.00	CONCRETE	10	19 X 21	N	Y
SUNDANCE MIDDLE	20,000.00	2,500.00	CONCRETE	8	24' X 20'	N	Y
ODIN FALLS	21,500.00	2,687.50	CONCRETE	8	18' X 20'	N	Y
PB - BRASADA	737,000.00	36,850.00	STEEL - ROUND	20	NA	Y	Y
PB - PBVE NORTH RES	44,960.00	5,620.00	CONCRETE	8	33' X 24'	Y	Y
PB - PBVE SOUTH RES	64,384.00	8,048.00	CONCRETE	8	33' X 33'	Y	Y
PB - RED CLOUD	105,000.00	13,125.00	CONCRETE	8	IRREGULAR	Y	Y
SOUTH REDMOND HEIGHTS	50,000.00	6,250.00	CONCRETE	8	30' X 30'	N	Y
TUSCARORA	33,000.00	4,125.00	CONCRETE	8	22' X 25'	N	Y
WHISPERING PINES	20,000.00	2,000.00	CONCRETE	10	27 X 27	Y	Y
WILD RIVER	10,000.00	625.00	STEEL - ROUND	16	10' X 16'	N	Y
PB - SURPLUSS / RIGGS	30,000.00	3,000.00	STEEL - ROUND	10	D 23.74'	N	Y
TUMALO RIM	60,000.00	7,500.00	CONCRETE	8	60' X 24'	N	Y
DESERT SPRINGS	40,000.00	4,000.00	CONCRETE	10	24' X 24'	N	Y
SADDLEBACK	60,000.00	6,000.00	CONCRETE	10	41' X 21	Y	Y
HIGHLAND ESTATES	18,000.00	3,600.00	CONCRETE	5	23 X 21	N	Y
DRID	20,000.00	2,500.00	CONCRETE	8	18' X 20'	N	Y

**Containing Rules and Regulations  
Governing Water Utility Service**

**NAMING RATES FOR**

Avion Water Company, Inc.

(name of utility)

60813 Parrell Road

(address)

Bend, Oregon 97702

(city, state, & zip code)

541-382-5342 (telephone)

541-382-5390 (fax)

(telephone numbers and type)

Serving water in the vicinity of

Parts of Deschutes & Crook Counties, Oregon

Issue Date		Effective for Service on or after	June 1, 2017
Issued By	Avion Water Company, Inc.		
Signed By			

ADVICE NO. 17-03

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Issue Date		Effective for Service on or after	June 1, 2017
Issued By	Avion Water Company, Inc.		
Signed By			

**SCHEDULE NO. 1**

**RESIDENTIAL AND COMMERCIAL METERED RATES**

AVAILABLE: To customers of the Company in the areas of Crook and Deschutes Counties.

APPLICABLE: To all customers (excluding irrigation service and fire service).

**BASE RATE**

Service Meter Size	Monthly Base Rate	Usage Allowance
5/8 inch	\$28.08	None
3/4 inch	\$39.31	None
1 inch	\$61.78	None
1 ½ inches	\$109.52	None
2 inches	\$196.57	None
3 inches	\$336.97	None
4 inches	\$589.70	None
6 inches	\$954.76	None
8 inches	\$1,404.06	None

**COMMODITY RATE**

COMMODITY RATE	PER	NUMBER OF UNITS	UNIT OF MEASURE	BASE USAGE ALLOWANCE	UNIT OF MEASURE
\$1.01	Per	100	Cubic Feet	None	Cubic Feet

**SPECIAL PROVISIONS:**

1. Water used during the construction of buildings, etc., shall be metered, whenever practical. Charges shall be made at the rates specified in this schedule. When setting of a meter is impractical, the amount of water used shall be estimated, and the charges shall be made at specified rates for the amounts so estimated.
2. City of Bend residents will be charged a monthly 3% franchise fee based off of a monthly total of all accounts recognized by the Oregon P.U.C. to set Avion's rates.

Issue Date		Effective for Service on or after	June 1, 2017
Issued By	Avion Water Company, Inc.		
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## SCHEDULE NO. 2

### IRRIGATION DELIVERY RATES

AVAILABLE: To all irrigation customers of the Utility in Deschutes County whose irrigation water source is Arnold, Swalley, or Central Oregon Irrigation Districts.

APPLICABLE: To those irrigation customers who have water rights adjudicated to the land for which the Utility has facilities to deliver the water under pressure to the customer's land.

BILLING PERIOD: Monthly rates for irrigation service are charged throughout the year. The same customer disconnection and reconnecting irrigation service within the same twelve month period will be billed for continuous service at the time of reconnection.

### IRRIGATION BASE AND VARIABLE RATES

Water Delivery Charge Base Rate per Month	\$13.53 per customer premise
Water Delivery Charge Variable Rate per Month	\$10.09 per acre feet of water right adjudicated to the customer's premise

Issue Date		Effective for Service on or after	June 1, 2017
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### SCHEDULE NO. 3

#### MISCELLANEOUS SERVICE CHARGES

This schedule lists the miscellaneous charges included in the Utility's Rules and Regulations; refer to the appropriate rules for an explanation of charges and conditions under which they apply.

Connection Charge for New Service (Rule No. 8)

Standard ¾-inch service	At cost
Nonstandard ¾-inch service	At cost
Larger than ¾-inch	At cost
Irrigation hookup (if provided on separate system)	At cost

Meter Test (Rule No. 21)

First test within 12-month period	N/C
Second test within 12-month period	\$25

Pressure Test (Rule No. 42)

First test within 12-month period	N/C
Second test within 12-month period	\$25

Late-Payment Charge (Rule No. 22)

Charged on amounts more than 30 days past due Pursuant to OAR 860-036-0130 (as of 1/1/13 – 1.8%)

Deposit for Service (Rule No. 5)

Pursuant to OAR 860-036-0050 (as of 1/1/16 – 0.3%)

Returned-Check Charge /Non Sufficient Funds Charge (Rule No. 23) \$25 each occurrence

Trouble-Call Charge (Rule No. 38)

During normal office hours	\$25 per hour
After normal office hours on special request	\$35 per hour

Disconnection/Reconnection Charge (Rule No. 29)

During normal office hours	\$25 per occurrence
After normal office hours on special request	\$35 per occurrence

Unauthorized Restoration of Service (Rule No. 30)  
 costs

Reconnection charge plus

Damage/Tampering Charge (Rule No. 34)

At cost

Issue Date		Effective for Service on or after	June 1, 2017
Issued By	Avion Water Company, Inc.		
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### SCHEDULE NO. 3 (Continued)

#### MISCELLANEOUS SERVICE CHARGES

<u>Disconnect Field Visit Charge</u> (Rule No. 29)	\$25
<u>Non-customer Hourly Rates</u>	\$40.00 / hr + Material
 <u>Visa / MasterCard Transaction Fees</u>	 \$0.75 Transaction fee per transaction
(An Authorization Fee applies only if Avion runs the transaction and receives a prompt to call for authorization. This happens when the card has been flagged for some reason.)	\$0.75 Authorization fee
(A Chargeback Transaction Fee applies only when a customer disputes a transaction but Visa / MasterCard finds it was an authorized transaction.)	\$12.00 Chargeback transaction fee

Special Note: Avion’s Visa / MasterCard transaction fees will vary according to the rates charged by Visa / MasterCard. Avion is required to provide 30 days written notice to the Oregon PUC of any changes in these charges prior to their taking effect.

Issue Date		Effective for Service on or after	June 1, 2017
Issued By	Avion Water Company, Inc.		
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## SCHEDULE NO. 4

### FIRE SERVICE RATES

AVAILABLE: To fire service customers of the Utility in the areas of Deschutes and Crook Counties, Oregon.

APPLICABLE: To fire service customers with privately-owned and maintained fire service lines connected to the Utility mains.

#### Fire Service Base Rate Per Month

<b>FIRE SERVICE LINES BY SIZE</b>	<b>RATE</b>
4 inch and smaller supply	\$22.97
6 inch supply	\$50.30
8 inch supply	\$88.19
10 inch supply	\$136.34
12 inch supply	\$195.57

### FIRE HYDRANT MAINTENANCE RATES

AVAILABLE: To fire service customers of the Utility in the areas of Deschutes and Crook Counties, Oregon.

APPLICABLE: To premises with fire hydrants located on premises.

BASE CHARGE PER MONTH: Per hydrant per month; \$14.47.

Issue Date		Effective for Service on or after	June 1, 2017
Issued By	Avion Water Company, Inc.		
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ADVICE NO. 17-03

## SCHEDULE NO. 5

### RATES FOR COMMERCIAL WATER HAULERS

AVAILABLE: To commercial water haulers in Deschutes and Crook Counties where the Utility's facilities and excess capacity exist. Determination of adequacy of facilities and capacity is in the sole discretion of Avion Water Company, Inc. Each commercial water truck must be equipped with a suitable hydrant meter, suitable backflow prevention devices, and a fire hydrant wrench.

APPLICABLE: To all commercial water haulers.

### COMMERCIAL WATER HAULERS MONTHLY RATE

\$112 per 100 cubic feet
--------------------------

### SPECIAL PROVISIONS:

1. Truck meters must be presented at Avion's office between the 1st and the 5th of each month. Bills for service are due in accordance with the tariff.
3. Commercial water haulers detected not using meters or proper equipment may be denied service for one month for the first offense, and denied service completely for a second offense.

Issue Date		Effective for Service on or after	June 1, 2017
Issued By	Avion Water Company, Inc.		
Signed By			

ADVICE NO. 17-03

**SCHEDULE NO. 6**

**EQUAL PAYMENT PLAN**

AVAILABLE: To residential customers of Avion Water Company, Inc.

APPLICABLE: To residential customers of Avion Water Company, Inc.

EQUAL PAYMENT PLAN:

At the option of the customer, residential service billings may be rendered in equal monthly amounts provided the customer has satisfactory credit or account balances not exceeding the calculated equal monthly billing. At the Utility's option, the plan may be offered to commercial customers.

The Equal Payment Plan (EPP) shall consist of 12 equal monthly billings, based on an average actual cubic feet usage for the most recent 12 months billed at the current rates. Customers must have 12 months account history at the address to qualify for EPP. When rate schedules change, the EPP will be re-computed based on the new approved rates.

EPP accounts shall be reviewed after the first twelve months of billing and at least annually thereafter. During the annual review month, the actual accounts receivable balance (debit or credit) shall be incorporated into the estimate for the next 12 months on the EPP unless the customer requests that the account balance be settled at that time.

The EPP may be reviewed and amended by the Utility as needed in response to changing prices or variations in the customer's water usage.

Enrollment in the EPP may occur at any time. Customers may cancel their EPP by notifying the Utility and paying the total account balance. The Utility reserves the right to cancel a customer's EPP if they are delinquent on payment of the equal monthly billing.

Issue Date		Effective for Service on or after	June 1, 2017
Issued By	Avion Water Company, Inc.		
Signed By			

**SCHEDULE NO. 7**

**RESIDENTIAL UNIT EQUIVALENTS BY METER SIZE**

AVAILABLE: To customers of the Utility in the areas of Crook and Deschutes Counties.

APPLICABLE: To developers of projects using the Utility’s water service.

**RESIDENTIAL UNIT EQUIVALENTS BY SERVICE METER SIZE**

<b>Service Meter Size</b>	<b>AWWA Multiplier</b>	<b>FEE</b>
5/8" x 3/4" inch	1	\$1,000
¾ inch	1.5	\$1,500
1 inch	2.5	\$2,500
1 ½ inch	5.0	\$5,000
2 inch	8.0	\$8,000
4 inch	25.0	\$25,000
6 inch	50.0	\$50,000
8 inch	80.0	\$80,000
Less than 4 inch fire	2.0	\$2,000
Greater than 6 inch fire	4.0	\$4,000

SPECIAL PROVISIONS:

- Multiple family projects are charged based upon meter size required.
- Condominium projects or similar projects are charged based upon meter size per unit.
- 
- Multipliers are provided by the American Water Works Association (AWWA).

Issue Date		Effective for Service on or after	June 1, 2017
Issued By	Avion Water Company, Inc.		
Signed By			

**SCHEDULE NO. 8**

***Reserved for Future Use***

Issue Date		Effective for Service on or after	June 1, 2017
Issued By	Avion Water Company, Inc.		
Signed By			

**SCHEDULE NO. 9**

**COMMODITY POWER COST ADJUSTMENT**

Schedule No. 9 is an “Automatic Adjustment Clause” as defined in ORS 757.210. It is subject to review by the Commission at least once every two years.

**PURPOSE:** To define procedures for periodic revision in rates due to changes in the Utility’s purchased commodity power cost, to describe how a rate change for purchased commodity power cost is calculated, and identify any other requirements.

**APPLICABLE:** The commodity power cost adjustment applies to the following schedules contained in the Utility’s tariffs: Schedules 1, 2, 4, and 5.

**COMMODITY POWER COST ADJUSTMENT**

Changes under the applicable schedules are subject to increases or decreases that may be made without prior hearing to reflect the changes in the Utility’s purchased power costs resulting from adjustments in the rate of the Utility’s power suppliers. Such adjustments may be shown in Schedule 1 and 2, or may be incorporated directly in the applicable rate schedules.

The Utility may file purchased power cost adjustments periodically to be effective upon the date its power suppliers implement rate changes. If the Utility chooses to file for power cost increases, it is obligated to file for decreases in power costs.

**DESCRIPTION OF POWER COST ADJUSTMENT CALCULATION FOR DOMESTIC WATER**

Current power rate per 100 cf of water, multiplied by the power provider’s percentage increase, multiplied by the power provider’s allocation, equals the power cost adjustment per 100 cf. For example, PacifiCorp provides 56.22 percent of the Utility’s electric power for domestic water. A 30 percent increase by PacifiCorp would result in the following power cost adjustment:

<b>Current Power Rate</b>	<b>Percentage Increase</b>	<b>Allocation</b>
\$0.2422	30%	0.5622

$\$0.2422 \times 0.30 \times 0.5622 = \$0.041$  increase per 100 cf.

Issue Date		Effective for Service on or after	June 1, 2017
Issued By	Avion Water Company, Inc.		
Signed By			



**DESCRIPTION OF POWER COST ADJUSTMENT CALCULATION FOR IRRIGATION WATER**

Current power rate per acre feet of water, multiplied by the percentage increase in power costs, multiplied by the power provider’s allocation, equals the power cost adjustment per acre foot of water. For example, PacificCorp provides 68.21 percent of Avion’s electric power for irrigation water. A 30 percent increase by PacifiCorp would result in the following:

<b>Current Power Rate</b>	<b>Percentage Increase</b>	<b>Allocation</b>
\$41.694	30%	0.682

$\$41.694 \times 0.30 \times 0.682 = \$8.521$  increase per acre foot of water

Similar calculation would be needed for each power supplier that changed its rates. The effect of these calculations would be a rolling forward current cost increase or decrease. Likewise, current power costs should be recalculated, providing a new basis for power cost at each future rate case to account for any changes in the distribution of power use among suppliers (a change in allocation). The Allocation index must be recalculated at two year intervals from the effective date of this schedule.

**OTHER REQUIREMENTS**

Avion shall, whenever possible, utilize its pumping operations at off-peak times in order to promote energy conservation. Avion will adopt a time-of-day usage of electric power from power suppliers who offer such a conservation tariff.

Issue Date		Effective for Service on or after	June 1, 2017
Issued By	Avion Water Company, Inc.		
Signed By			

**SCHEDULE NO. 10**

**CROSS CONNECTION CONTROL PROGRAM (PROGRAM)  
 BACKFLOW PREVENTION DEVICE SERVICES AND FEES**

**PURPOSE:** Avion Water Company offers its customers backflow prevention device/double check valve assembly (DCVA) testing, maintenance, and repair services (the Program).

**AVAILABLE:** To customers of Avion Water Company, Inc. (Avion), in Bend, Oregon and vicinity.

**APPLICABLE:** To residential and commercial/industrial premises with 1” or smaller DCVAs installed at the meter.

**ENROLLMENT:** Avion WILL ENROLL all customers with DCVAs installed at the meter in this Program UNLESS the customer signs an “OPT OUT” NOTICE and returns such notice to Avion.

**PROGRAM DESCRIPTION**

1. **TESTING SERVICE** – Avion will provide the required DCVA annual test by a state certified tester pursuant to Oregon Administrative Rules 333-061-0070 through OAR 333-061-0072.
2. **MAINTENANCE AND REPAIR SERVICE** – Avion will provide maintenance and repairs on customer-owned DCVAs installed at the meter. Maintenance does not include the start up, blow out, or other freeze protection of assemblies on irrigation systems. Replacement of DCVA is the responsibility of the customers and is not covered by Avion’s DCVA maintenance and repair services.

**PROGRAM RATES**

1. **ALL CUSTOMERS ENROLLED IN PROGRAM**  
 Monthly rate (itemized separately on customer water bill): \$2.76
2. **ALL CUSTOMERS WHO OPT OUT, BUT CHOOSE AVION AS A DEFAULT SERVICE SUPPLIER ON THEIR OPT OUT NOTICE**  
 At the time of annual testing, Avion will bill customers: \$45.00

Issue Date		Effective for Service on or after	June 1, 2017
Issued By	Avion Water Company, Inc.		
Signed By			

**SCHEDULE NO. 10 (CONTINUED)**

**CROSS CONNECTION CONTROL PROGRAM**  
**BACKFLOW PREVENTION DEVICE SERVICES AND FEES**

**OPT OUT CUSTOMERS WHO FAIL TO PROVIDE DCVA TEST RESULTS**

OPT OUT customers who fail to provide Avion with annual DCVA test results by the customer's annual deadline will be disconnected from water service pursuant to OAR 860-036-0245 (DISCONNECTION PROCEDURES FOR ALL CUSTOMERS OF WATER UTILITY SERVICES) or OAR 860-036-0215 (EMERGENCY DISCONNECTION).

**SPECIAL PROVISIONS:**

1. The customer is under no obligation to use Avion's DCVA services.
2. The customer can choose any qualified company or individual to test, maintain, and repair his/her DCVA.
3. Avion will provide each customer with notification of the Program services being offered. The notification shall include a written Program refusal (OPT OUT NOTICE).
4. Customers who choose to OPT OUT of the Program must sign the written OPT OUT NOTICE and return it to the Company.
5. Customers who choose to OPT OUT of the Program are responsible for the annual testing, maintenance, repair, and replacement of their DCVAs.
6. Avion will notify each customer who OPTS OUT of the Program 30 days prior to the annual test results due date. Annual test results must be provided to Avion on or before the customers' annual deadlines.
7. Avion reserves the right to propose before the Public Utility Commission of Oregon any change in the amount charged for the Program services.
8. Customers will be given the choice of accepting or rejecting a new agreement in advance of any rate increase.

Issue Date		Effective for Service on or after	June 1, 2017
Issued By	Avion Water Company, Inc.		
Signed By			

**SCHEDULE NO. 11**

**DESCHUTES RIVER RESTORATION PROGRAM**  
**VOLUNTARY RESIDENTIAL AND COMMERCIAL METERED RATES**

**AVAILABLE:** To customers of the Company in the areas of Crook and Deschutes Counties who elect to participate in “Deschutes River Restoration” Program.

**APPLICABLE:** To all customers of Avion.

**BASE RATES:**

**Rate Schedule (5/8” x 3/4”)**

<b><u>Participation Level</u></b>	<b><u>Residential Equivalents</u></b>	<b><u>Monthly Mitigation Charge</u></b>	<b><u>Residential Rate (example)</u></b>
A	1	\$1.60	\$26.99
B	2	\$3.20	\$28.59
C	3	\$4.80	\$30.19
D	4	\$6.40	\$31.79

1. Rates for participation level are added to customer’s base rate in Schedule 1.
2. Customers may elect to discontinue the voluntary program at any time and not receive any charges.
3. The total amount collected each month will be passed on directly to the Deschutes River Conservancy with the express purpose of purchasing water rights to dedicate in-stream to the Deschutes River.
4. The amount received will be transferred to the Deschutes River Conservancy on the 15<sup>th</sup> of each month.
5. The registration form will be included with billing statements once every two years and will be available at the office.

Issue Date		Effective for Service on or after	June 1, 2017
Issued By	Avion Water Company, Inc.		
Signed By			

**SCHEDULE NO. 12**

Woodriver Village Tariff – System Impact Fee

Purpose: To provide money for upgrading the Woodriver Village main service line without causing undue financial burden upon any one developer.

Available: To customers of the Utility at Deschutes and Crook Counties, Oregon, and vicinity.

Applicable: To developers of projects in Woodriver Village, Bend, Oregon using the Company’s water service.

Cost Estimate of installing main service line:

Excavation = \$56,500  
 Pipe and Fittings = \$13,648.78  
 PRV Station = \$17,000  
 Contingency (10%) = \$87,148.78 \* (.10) = \$8,714.88  
 Total = \$95,864

Initial amount of lots required to commence the project is estimated to be at 20 lots. To fulfill local Fire Marshall requirements for fire flow, the standard meter size will be 1”.

**Woodriver Village System Impact Fee - Schedule A:**

RESIDENTIAL UNIT EQUIVALENTS BY SERVICE METER SIZE

<b>SERVICE</b>	<b>FEE</b>
Standard Meter Connection – 1”	\$4,793.20
Less than 4 inch fire	\$2,000
6 inch and greater fire	\$4,000

Issue Date		Effective for Service on or after	June 1, 2017
Issued By	Avion Water Company, Inc.		
Signed By			

As a result, the 1 inch system impact fee will equal = \$4,793.20 per lot (\$95,864 / 20 lots). This amount is subject to refunds pursuant to Oregon Administrative Rule 860-036-0065 and Avion Rules 10 and 11 as contained in Avion’s tariffs. The system impact fees collected for this area will be deposited into a separate account.

When the target amount of \$95,864 is reached, the project will be re-estimated and providing the cost is within the budget limits of collections, the line will be installed. If the cost of installation is above the collected amount, additional system impact fees will be collected at the rates listed in the above Woodriver Village System Impact Fee - Schedule A until the new target is reached. This procedure will be repeated until the project is able to be completed.

**Refunds - Ten year Line share Agreement:**

The estimated amount of new lots that will be added in 10 years after completion of the line improvement is 100 lots.

The System Impact Fee for next 100 lots (1 inch meter) would equal \$2,500 (Avion Schedule 7 cost).

These system impact fees will be divided as follows: \$2,041.36 to Avion that will be used as contributions in aid of construction and \$458.64 distributed evenly among the original participants. As a result of the advance and refund provisions, the original participants will at full build out, pay the Avion Schedule 7 Residential Unit Equivalent for a 1 inch meter (\$2,500).

Refunds will only occur for the ten year period following completion of the project or when 120 units are developed.

Issue Date		Effective for Service on or after	June 1, 2017
Issued By	Avion Water Company, Inc.		
Signed By			

Woodriver Village System Impact Fee - Schedule B:

**RESIDENTIAL UNIT EQUIVALENTS BY SERVICE METER SIZE**

SERVICE	FEE
Standard Meter Connection – 1”	\$2,500
Less than 4 inch fire	\$2,000
6 inch and greater fire	\$4,000

The residential unit equivalents by meter size fees will return to the rate listed on Schedule No. 7 after the first 120 lots or 10 years after completion of the new service main.

Any contribution received over the initial construction costs will be recorded as contributions in aid of construction and used for future system capacity costs.

**Special Conditions:**

1. All Woodriver Village funds will be maintained in a separate account.
2. Avion will provide annual construction / construction funds update to Commission Staff by February 1 of each year for the ten-year line share agreement duration.

Issue Date		Effective for Service on or after	June 1, 2017
Issued By	Avion Water Company, Inc.		
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**Schedule NO. 13**

**Nottingham Irrigation Customers**

AVAILABLE: To all bulk irrigation customers in Nottingham subdivision, Bend, Oregon

APPLICABLE: To those irrigation customers who do not have water rights adjudicated to their land yet, still receive bulk irrigation service.

BILLING PERIOD: Monthly rates for irrigation service are charged throughout the year.

**FLAT RATE**

<b>BULK WATER</b>	<b>MONTHLY BASE RATE</b>	<b>USAGE ALLOWANCE</b>
Nottingham Square Residential	\$33.21	N/A
Nottingham Square HOA (17 Residential Equivalents)	\$564.57	N/A

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## **RULES AND REGULATIONS**

### **Rule 1: Jurisdiction of the Commission**

The Rules and Regulations herein shall be subject to the rules and regulations of the Public Utility Commission of Oregon. See Oregon Administrative Rules Chapter 860, Division 036, and applicable statutes.

### **Rule 2: Definitions**

- A. **“Utility”** refers to **AVION WATER COMPANY, INC.**
- B. **“Applicant”** means any person, business, or organization that applies for service or reapplies for service at a new existing location after service has been discontinued, except as noted in the definition of “Customer.”
- C. **“Commission”** means the Public Utility Commission of Oregon.
- D. **“Customer”** shall mean any person, business, or organization who has applied for, been accepted to receive, or is currently receiving service. A customer who voluntarily discontinues service at the same or different premises within 20 (twenty) days after discontinuance retains customer status.
- E. **“Residential customer premises”** shall mean any dwelling and its land including, but not limited to, a house, apartment, condominium, townhouse, cottage, cabin, mobile home, or trailer house.
- F. **“Commercial Premises”** means any premises at which a customer carries on any major activity of gaining a livelihood or performing a public service. Such activity may be of a business, industrial, professional, or public nature.
- G. **“Customer Line”** means the pipe, stops and fittings leading from the property line to the building served, excluding the meter and meter box.
- H. **“Commercial Customer”** means a customer who performs or produces a service or product that is a source of revenue, income, or livelihood to the customer or others using the water service.
- I. **“Main”** shall mean the pipe laid in the street, alley, or other right-of-way for the distribution of water to customers. It shall not include service lines.
- J. **“Service Connection”** means the connection between the Utility’s main line to the customer’s property line of the premises served that provides water service. It includes, but may not be limited to the pipe, valves, stops, fittings, meter, and meter box.

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- K. **“Service Line”** means the pipe, valves, stops, fittings, meter, and meter box laid from the main to the property line of the premises served.
- L. **“Point of Delivery”** is the property line or the outlet swivel/union of the meter defining where the service connection stops and the customer line starts.

**APPLICATION FOR SERVICE**

**Rule 3: Customer/Applicant Information (OAR 860-036-0015)**

The Utility shall provide or be able to provide customers or applicants with the following information:

- A. Instructions on how to read meters, either in writing or by explanation;
- B. Application and contract forms;
- C. Utility rules and regulations;
- D. Commission rules and regulations;
- E. Approved tariffs;
- F. Rights and Responsibilities Summary for Oregon Utility Consumers;
- G. Notices in foreign languages, if applicable;
- H. The Utility’s business address, telephone number, and emergency telephone number; and
- I. Notices approved by the Commission.

**Rule 4: Application for Service (OAR 860-036-0035)**

Application for water service must be made for each individual service. The application shall identify the applicant, the premises to be served, the billing address if different, the type of use to which the water is to be put, and an agreement to conform to the Rules and Regulations of the Utility as a condition for receiving such service. The applicant shall, at this time, pay any scheduled fees or deposits. An application is a request for water service and shall not be accepted until the applicant establishes credit as set forth in OAR 860-036-0040.

An application for water service must be made under the following conditions:

- A. An applicant who has not previously been served by the water Utility requests service;
- B. Service has been involuntarily discontinued in accordance with the Utility and Commission rules, and service is sought;
- C. Service has been voluntarily discontinued and a request to restore service has not been made within 20 days; or
- D. There is a change in the identity of a customer or the type of use to which the water is put, or the number of premises served.

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**Rule 5: Establishment of Credit and Deposits (OAR 860-036-0040, 0045, 0050 and 0055)**

In accordance with the Commission’s rules for credit establishment and deposit waiver, an applicant or a customer may be required to make a deposit to secure payment of bills for service. The deposit shall not exceed one-sixth (1/6) the amount of reasonable estimated billings for one year’s use of service at the premises during the prior year or upon the type and size of the customer’s equipment that will use the service. (OAR 860-036-0040)

The Utility shall pay interest on deposits at the rate established by the Commission. After the customer has paid bills for service for 12 consecutive months without having had service discontinued for nonpayment, or more than two occasions in which a shut-off notice was issued, and the customer is not then delinquent in the payment of bills, the Utility shall promptly and automatically refund the deposit plus accrued interest by (OAR 860-036-0050 and 0055):

- 1) issuing the customer a refund check
- 2) crediting the customer’s account

**Rule 6: Customer Service Line**

The customer shall own and maintain the customer service line and promptly repair all breaks and leaks. For non-metered service, the customer service line begins at the property line or utility-owned shut off valve. For metered service, the customer service line begins on the customer’s side of the meter or utility-owned shut off valve. The Utility shall not be responsible for any damage or poor service due to inadequacy of the customer line or any portion of the customer’s plumbing. All leaks in the customer line, faucets, and all other parts of the plumbing owned or controlled by the customer shall be promptly repaired so as not to waste water.

**Rule 7: Separate Control of Service**

All premises supplied with water will be served through service lines so placed as to enable the Utility to control the supply to each individual premise using a valve placed within and near the line of the street, the Utility right-of-way, or at the meter.

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**Rule 8: Service Connections (OAR 860-036-0060)**

The service connection is that portion of the water system between the Utility's main line and the customer's property line, including all material and installation (hot tap, pipes, fittings, meter, etc.) necessary to provide water service to the customer. The Utility shall own, operate, maintain, and replace the service connection when necessary and promptly repair all breaks and leaks. The customer shall not be responsible for any damage or poor service due to inadequacy of the Utility's service lines or any portion of the Utility's plumbing.

- A. The Utility may pay for and install the service connection and meter and, generally all materials and labor are included in rate base; or
- B. The Utility may purchase and install the service connection and charge the customer the cost of the service connection less the cost of the meter. Generally, the cost of the meter is included in rate base; or
- C. The customer may pay for the meter and contribute or gift the meter to the Utility. Contributions of this type are generally excluded from rate base.
- D. In special cases and upon approval by the Commission, a customer may purchase and install the service connection (including meter, meter box, parts, and all excavation and plumbing) and contribute or gift the entire service connection to the Utility. Contributions of this type are generally excluded from rate base.

Avion will generally proceed with method A above.

The customer will provide access during reasonable hours to company-owned service lines that extend on to the premises of the customer for the purposes of reading meters, maintenance, or removal of Utility property at the time service is to be terminated.

**Rule 9: Service Connection Charge**

An applicant requesting permanent water service to premises not previously supplied with permanent water service by the Utility shall be required to pay the service connection charge listed in the Utility's Miscellaneous Service Charges Schedule 3.

**Rule 10: Main Line Extension Policy (OAR 860-036-0065)**

The Utility shall specify the size, character, and location of pipes and appurtenances in any main line extension. Main line extensions shall normally be along streets, roads, highways, or other satisfactory rights-of-way. All construction work shall conform to all applicable rules, regulations, codes, and industry standards. Each main line extension shall normally extend along applicant's property line to the point the applicant's service line would be at a 90-degree angle to the street or main line.

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**Rule 11: Main Line Advances and Refunds Policy**

Extensions to the main will be made by the Utility along only streets, county roads, highways, or satisfactory rights-of-way; provided that in these cases of extension pressure conditions permit and the Utility has sufficient water to supply additional demands without detriment to those customers already being served. The following provision governing service shall apply.

The utility may require each applicant, for new service, to provide the main line extension when required to bring service to the applicant's premise. The main line extension will continue along the applicant's property line to the point where the applicant's service line would be at a 90 degree angle to the street or main line.

Each new customer requesting a main line extension shall advance the Utility the cost-base amount necessary to extend the main line to provide service to the applicant prior to receiving service.

**For a period of 5 years** after construction of the requested main line extension, an amount per foot equal to the new applicant's proportionate share (per lineal feet) of the main line extension cost for that portion used. No part of the distribution system installed prior to the request for a main line extension shall be used to calculate any customer advance or refund.

The Utility will then refund the share differential amount to those customers who previously shared the cost of said main line extension. Refunds shall not exceed the amount originally advanced. Refunds are based upon line length constructed, or property frontage, whichever is appropriate.

Main line extensions that serve tracts, subdivision, housing projects or industries may be a matter of special contract with the promoters. Special contracts are subject to review by the Public Utility Commission.

**Rule 12: Types of Use**

Water service may be supplied for residential, commercial, irrigation, temporary construction, special contracts, fire prevention, and other uses. The Utility shall file separate rate schedules for each type of use and basis of supply.

**Rule 13: Multiple Residences/Commercial Users**

An apartment building, mobile home park, motel, trailer camp, duplex, townhouse, or any other property consisting of more than one residential/commercial unit, if served through one service line, will be considered to be equivalent of the number of dwelling units when determining the customer count.

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**Rule 14: Utility Access to Private Property (OAR 860-036-0120(3)(b) and OAR 860-036-0205(3))**

Customers shall provide access during reasonable hours to Utility-owned service lines that extend onto the premises of the customer for the purposes of reading meters, maintenance, inspections, or removal of Utility property at the time service is to be discontinued. Where the customer does not cooperate in providing reasonable access to the meter or to the premises, as required by law or to determine if a health or safety hazard exists, it is grounds for disconnection.

**Rule 15: Restriction on Entering a Customer Residence (OAR 860-036-0085)**

No water Utility employee shall enter the residence of its customers without proper authorization except in an emergency when life or property is endangered.

**REFUSAL OF SERVICE**

**Rule 16: Refusal of Service Due to Customer Account (OAR 860-036-0080(1-3))**

The Utility may refuse to serve an applicant until receipt of full payment of overdue amounts, or other obligations related to a prior account of the applicant with the Utility, when the following circumstances exist:

- A. An overdue amount remains outstanding by a customer at the service address; and
- B. The applicant resided at the service address indicated in (A) during the time the overdue charges were incurred; and
- C. The person indicated in (A) will reside at the location to be served under the new application.  
(OAR 860-036-0080)

Except for residential customers or applicants who were disconnected for theft of service, a water utility shall provide service to a residential applicant upon receipt of payment equal to at least one-half of any overdue amount. The balance of the amount owed to the utility shall be paid within 30 days of the date service is initiated.

Service shall not be refused for matters not related to water service. Residential service shall not be refused due to obligations connected with nonresidential service.

If service is refused under this rule, the Utility shall inform the applicant or customer of the reasons for the refusal and of the Commission's dispute resolution process.

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**Rule 17: Refusal of Service Due to Utility Facilities (OAR 860-036-0080(7))**

The Utility shall not accept an application for service or materially change service to a customer if the Utility does not have adequate facilities or water resources to render the service applied for, or if the desired service is of a character that is likely to unfavorably affect reasonable service to other customers.

For refusal of service under this rule, the Utility shall provide a written letter of refusal to the applicant informing applicant that applicant may request the details upon which the Utility's decision was based. A copy of such notice will also be sent to the Commission. The details will include, but not be limited to:

- A. Current capacity and load measured in gallons or cubic feet per minute;
- B. Current capacity and load measured in pounds per square inch;
- C. Cost to the Utility for additional capacity in order to provide the additional service; and
- D. Information regarding the appeal process of the Utility's refusal to provide service is available through the Commission's dispute resolution process pursuant to OAR 860-036-0025.

**Rule 18: Refusal of Service Due to Customer Facilities (OAR 860-036-0080)**

The Utility shall refuse service to an applicant or customer whose facilities do not comply with applicable plumbing codes or, if in the best judgment of the Utility, are of such a character that safe and satisfactory service cannot be given.

If service is refused under this rule, the Utility will provide written notification to the customer within 10 working days stating the reason(s) for refusal and providing information regarding the Commission's complaint process. A copy of the notification will also be sent to the Commission.

**METERS**

**Rule 19: Utility Meters (OAR 860-036-0105)**

The Utility shall own, maintain, and operate all meters. Meters placed in service shall be adequate in size and design for the type of service, set at convenient locations, accessible to the Utility, subject to the Utility's control, and placed in a meter box or vault between the street curb and property line. Each meter box or vault shall be provided with a suitable cover. When the location between the street curb and property line is not convenient and both the Utility and the customer agree, the meter may be placed near or inside a building in a suitable location.

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Where additional meters are furnished by the Utility or relocated for the convenience of the customer, a reasonable charge may be made in accordance with a schedule approved by the Commission.

The water Utility shall have the right to set meters or other devices for the detection and prevention of fraud or waste without notice to the customer.

Each customer shall provide the Utility with regular access to its meter, including removal of barriers and snow and ice. Customers whose meters are due to be read when snow or ice covers the meters will be notified by mail and informed that if they request their meter read, they should expose the meter box and notify the Utility and the Utility will read the meter.

Customers whose meters are blocked by other barriers will be notified that if the obstructions are not removed, the utility will estimate the customer's bill. Except for those customers notified as above, meter reading intervals will not exceed three months.

Failure to permit access at reasonable times and after the Utility provides reasonable written notice to the customer is grounds for disconnection of service. (OAR 860-036-0120)

Should damage result to the meter from molesting, tampering, or willful neglect on the part of the customer, the Utility shall repair or replace the meter and may bill the customer for the reasonable cost. (OAR 860-036-0105(7)). Broken meters shall be repaired or replaced within 30 days of discovery.

**Rule 20: Meter Testing (OAR 860-036-0110)**

The meter shall be tested prior to or within 30 (thirty) days of installation to determine it is accurate to register not more than 2 percent error. No meter shall be allowed to remain in service if it registers an error in excess of 2 percent under normal operating conditions. The Utility shall maintain a record of all meter tests and results. Meter test result records shall include:

- A. Information necessary to identify the meter;
- B. Reason for making the test;
- C. Date of test;
- D. Method of testing;
- E. Meter readings;
- F. Test results; and
- G. Any other information required to permit convenient checking of methods employed.

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**Rule 21: Customer-Requested Meter Test (OAR 860-036-0115)**

A customer may request that the Utility test the service meter; such test shall be made within 20 working days of the receipt of such request at no cost to the customer. The customer has the right to be present during said test, which is to be scheduled at a mutually agreeable time. A written report shall be provided to the customer stating:

- A. Customer's name;
- B. Date of the customer's request;
- C. Address at which the meter has been installed;
- D. Meter identification number;
- E. Date of actual test; and
- F. Test results.

If a customer requests a meter test more often than once in any 12-month period, the deposit listed on the Miscellaneous Service Charges Schedule may be required to recover the cost of the test. If the meter is found to register more than 2 percent fast under conditions of normal operation, the Utility shall refund the deposit to the customer.

**BILLING**

**Rule 22: Billing Information/Late-Payment Charge (OAR 860-036-0120, OAR 860-036-0125 and OAR 860-036-0130)**

All bills, including closing bills, are due and payable when rendered by deposit in the mail or other reasonable means of delivery, unless otherwise specified on the bills. As near as practical, meters will be read at **bimonthly** intervals on the corresponding day of each meter reading or billing period. The bill shall be rendered immediately thereafter. All water service bills shall indicate on the bill the following:

- A. Beginning and ending meter readings for the billing period;
- B. Beginning and ending dates of the period of service to which the bill applies;
- C. For all metered bills, beginning and ending meter readings for the period for which the bill is rendered;
- D. Number of units of service supplied stated in gallons or cubic feet;
- E. Schedule number under which the bill was computed;
- F. Delinquent date of the bill;
- G. Total amount due; and
- H. Any other information necessary for the computation of the bill.

The Utility will keep at least 10 years of all billings records (flat or metered rates) and three years of meter readings. The Utility shall make reasonable efforts to prepare opening and closing bills from actual meter readings. When there is good reason for doing so, estimated bills may be submitted. Any

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estimated billings shall be clearly designated as such. The utility will read meters with alternate months estimated on the following schedule:

Winter (November through February) residential usage will be estimated at 700 cubic feet per month.

Winter (November through February) commercial usage will be estimated from the previous actual meter reading or 700 cubic feet, whichever method provides the most consistent billing for the commercial customer. The Customer may request either method.

Summer (March through October) will be estimated based on the average of the previous three months usage. The Utility may decrease estimated billings based upon changes in plant pumping rates so that customers will, insofar as practical, not be overbilled.

All bills become delinquent if not paid within 30 days of the date of transmittal of the bill. OAR 860-036-0125 requires a minimum of 15 days. The late-payment charge, determined by the Commission and listed on the Miscellaneous Service Charges Schedule 3, shall be applied to all overdue balances at the time of preparing the subsequent months' bill. If permitted to become delinquent, water service may be terminated after proper notice as provided in Rule 28, Disconnection of Water Service for Cause.

**Rule 23: Returned-Check Charge**

The returned-check, non sufficient funds charge listed on the Miscellaneous Service Charges Schedule 3 shall be billed for each occasion a customer submits a check for payment, or has an electronic transaction, excepting Visa / Mastercard, that is not honored, for any reason, by a bank or other financial institution.

**Rule 24: Prorating of Bills**

Initial and final bills will be prorated according to the number of days service was rendered and on the basis of a 30-day month. For metered services, the meter will be read upon opening and closing a customer's account. Consumption will be charged at scheduled rates. Any minimum monthly charge will be prorated.

**Rule 25: Adjustment of Bills (860-036-0135)**

When an underbilling or overbilling occurs, the Utility shall provide written notice to the customer detailing the circumstances, period of time, and the amount of the adjustment. If it can be shown that the error was due to an identifiable cause, the date of which can be fixed, the overcharge or undercharge shall be computed back to such date. If no date can be fixed, the Utility will refund the overcharge or rebill the undercharge for no more than six months'

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usage. In no event will an overbilling or underbilling be for more than three years' usage. No billing adjustment is required if a meter registers less than 2 percent error under conditions of normal operation.

When a customer is required to repay an underbilling, the customer is entitled to enter into a time-payment agreement without regard to whether the customer already participates in such an agreement. If the customer and the Utility cannot agree upon payment terms, the Commission shall establish terms and conditions to govern the repayment obligation. The Utility will provide written notice advising the customer of the opportunity to enter into a time-payment agreement and of the Commission's complaint process.

**Rule 25a: Transfer Billings (OAR 860-036-0140)**

If a water utility identifies a balance a customer owes from the customer's prior account for Oregon service, the water utility shall have the option to transfer the amount to the customer's current account. The water utility will give the customer prior notice of the transfer, including:

- A. The amount due under the prior account; and
- B. The period when the balance was incurred; and
- C. The service address under which the bill was incurred.

The utility has the option to send a separate notice to the customer giving the same information, but collecting the amount for the prior account separately from the customer's current account. If the customer has an amount remaining on an existing time-payment agreement, the customer may enter into a new time-payment agreement to include the transfer.

This rule also applies to customers who change service locations, and who applied for the new service within 20 days of closing the prior account (thereby retaining customer status).

**DISCONNECTION OF WATER SERVICE**

**Rule 26: Voluntary Discontinuance (OAR 860-036-0210)**

Except for emergencies, customers who (for any reason) wish to have service discontinued shall provide the Utility at least five business-days' advance notice of the requested to discontinue service. The customer is responsible to identify the date of disconnection and for all service rendered until the Utility receives the customer's notice and the service is discontinued on the requested date.

Rates are based on continuous service. Disconnect and reconnect transactions do not relieve a customer from the obligation to pay the base rate or minimum charge that accumulates during the period of time the service is voluntarily disconnected for up to 12 months. Should the customer wish to recommence service within 12 months at the same premise, the customer will be required to pay the

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accumulated minimum monthly charge or base rate as if service had been continuous. The reconnection charge listed on the Miscellaneous Service Charges Schedule will be applicable at the time of reconnection.

**Rule 27: Emergency Disconnection (OAR 860-036-0215)**

The Utility may terminate service in emergencies when life or property is endangered without following the procedures set forth in OAR 860-036-0245. Immediately thereafter, the Utility will notify the customer and the Commission. When the emergency termination was through no fault of the customer, there shall be no charge made for restoration of service.

**Rule 28: Disconnection of Water Service for Cause (OAR 860-036-0205 and 0245)**

When a customer fails to comply with the Utility’s rules and regulations, or permits a bill or charge for regulated services to become delinquent (except for nonpayment of a time-payment agreement\*), the Utility shall give at least five days’ written notice before the water may be shut off. The notice shall state plainly the following:

- A. The reason(s) for the proposed disconnection;
- B. The earliest date for disconnection;
- C. The amount to be paid to avoid disconnection;
- D. An explanation of the time-payment provision of OAR 860-036-0125;
- E. Information regarding the Commission’s dispute resolution process; and
- F. The Commission’s Consumer Services toll-free number, 1-800-522-2404.

Prior to disconnection on the day that the water Utility expects to disconnect service, the Utility must make a good-faith effort to physically contact the customer or an adult at the customer’s premise to be disconnected to advise the customer/adult of the proposed disconnection. If contact is not made, the Utility shall leave a notice in a conspicuous place at the customer’s premise informing the customer that service has been or is about to be disconnected. The Utility shall document its efforts to provide notice and make that documentation available to the customer upon request.

When the Utility’s representative makes a premise visit for the purpose of delivering a disconnect notice, the representative is authorized to accept payment for a delinquent account, but will not dispense change for payment tendered in excess of the amount due or owing. Any excess payment will be credited to the customer’s account.

If the customer’s disconnect notice is due to a rules violation, the representative will attempt to make a good-faith effort to physically contact the customer or an adult at the customer’s premise to advise the customer/adult of the proposed disconnection and attempt to remedy the rules violation.

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When the Utility sends a representative out to the premise to deliver a disconnect notice, the Utility will charge a Disconnection Visit Charge as shown in the Miscellaneous Service Charges Schedule 3.

The Utility will not disconnect service for nonemergencies on a Friday, the day of a state or Utility recognized holiday, or the day prior to such holiday. (OAR 860-036-0220)

The Utility will not disconnect residential service due to the failure to pay or meet obligations associated with nonresidential service. (OAR 860-036-0225)

The Utility will not disconnect residential service for nonpayment if a customer enters into a written time-payment plan. The Utility will offer such customers a choice of payment agreements between a levelized-payment plan, an equal-pay-arrearage plan, or some other mutually agreeable payment arrangement agreed to in writing. (OAR 860-036-0125)

Disconnection for Failure to Comply With a Time Payment Agreement

A time-payment agreement disconnection occurs when a customer fails to comply with the terms of a written time-payment agreement between the customer and the Utility, or the Utility permits a time-payment agreement charge to become delinquent. The Utility shall give the customer a 15-day' written notice and a 5-business day written notice before the water service may be disconnected.

**Rule 29: Disconnection and Reconnection of Water Service and Field Visit Charge**

Disconnection Charge

When service was disconnected pursuant to OAR 860-036-0245 or OAR 860-036-0250, the water utility may charge the disconnect fee stated in its tariff.

Reconnection Charge

Service must be reconnected after the customer or applicant has requested reconnection, paid all applicable charges, provided necessary credit information, and satisfied all requirements for service when service was disconnected pursuant to OAR 860-036-0245 or OAR 860-036-0250, the water utility may charge the reconnection fee stated in its tariff.

Field Visit Charge

A water utility may assess a field visit charge whenever the water utility visits a residential service address intending to reconnect or disconnect service, but due to customer action, the water utility is unable to complete the reconnection or disconnection at the time of the visit. The field visit charge must be either filed in its tariffs or included in its statement of rates, whichever is applicable.

A field visit charge may not be assessed to a customer for delivery of any disconnect notice when the Utility has a viable address (es) for the customer. If a Utility delivers a disconnect notice, it is responsible

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to document its efforts to send the disconnect charge by mail and demonstrate to the Commission the reasonableness of delivering any disconnect notice to the customer's residence.

**Rule 30: Unauthorized Restoration of Service**

After the water has been disconnected or shut off at the curb stop or at the meter, if any person not authorized by the Utility should turn it on, the water service line may be disconnected without notice. Service shall not be reconnected until all arrearages; all cost-of-service disconnection and reconnection fees listed on the Miscellaneous Service Charges Schedule 3 are paid in full.

**Rule 31: Unauthorized Use**

No person shall be allowed to make connection to the Utility mains, or to make any alteration to service connections, or to turn a curb stop off or on to any premises without written permission of the Utility. Meter tampering, diverting service, or any other unauthorized use of service will automatically cause a disconnection of the water service and meter removal. All fees, costs of disconnection and reconnection, past-due billings, and service charges list owing must be paid in full before any service is restored. An advance deposit for restoration of service may be required.

**Rule 32: Interruption of Service (OAR 860-036-0075)**

The Utility shall have the right to shut off the water supply temporarily for repairs and other necessary purposes. The Utility shall use all reasonable and practicable measures to notify affected customers in advance of such discontinuance of service, except in the case of emergency repairs. The Utility shall not be liable for any inconvenience suffered by the customer or damage to the customer's property arising from such discontinuance of service.

The Utility shall keep a record of all service interruptions affecting its whole system or a major section thereof, including the time and date of interruption, duration, and cause or purpose of interruption.

**Rule 33: Water Supply/Usage Restrictions (OAR 860-036-0325)**

The Utility shall exercise due diligence to furnish a continuous and adequate supply of water to its customers. If water restrictions are necessary to equitably apportion its available water supply among its customers with due regard to public health and safety, the Utility shall provide written notification to its customers and the Commission including:

- A. Reason for the restriction;
- B. Nature and extent of the restriction;
- C. Effective date of the restriction; and

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D. Probable date of termination of such restriction.

**Rule 34: Damages/Tampering**

Should damage result to any of the Utility’s property from molesting or willful neglect by the customer to a meter or meter box located in the customer’s building, the Utility will repair or replace such equipment and will bill the customer for the costs incurred. (OAR 860-036-0105(7)).

**SERVICE QUALITY**

**Rule 35: System Maintenance (OAR 860-036-0305)**

The Utility shall have and maintain its entire plant, distribution system, and hydrants in such condition that it will furnish safe, adequate, and reasonable continuous service. The Utility shall inspect its facilities in such manner and with such frequency as may be necessary to ensure a reasonably complete knowledge of its condition and adequacy at all times.

The Utility shall keep such records of all routine maintenance as considered necessary for the proper maintenance of its system, including regular flushing schedules, exercising of valves, and valve inspections.

**Rule 36: Work Quality**

No person shall be allowed to make connections with the mains, alterations to the service lines, or turn water off or on to any premises without the permission of the Utility. The Utility shall specify the size, character and location of pipes and appurtenances in any main extension. All construction work to the Utility’s system will conform to State and Utility approved standards.

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**Rule 37: Shut Off for Repairs**

The Utility shall have the right to shut off the water supply temporarily for repairs or other necessary purposes. The Utility will use all reasonable and practical measures to notify the customer in advance of such discontinuance of service except in the case of emergency repairs. The Utility shall not be liable for any inconveniences suffered by the customer or damage to customer property arising from such discontinuance of service.

**Rule 38: Trouble Call**

The trouble-call charge listed on the Miscellaneous Service Charges Schedule 3 may be billed whenever a customer requests that the Utility visit the customer's premises to remedy a service problem and the problem is due to the customer's facilities.

**Rule 39: Water Purity (OAR 860-036-0310)**

The Utility shall deliver water for domestic purposes free from bodily injurious physical elements and disease-producing bacteria and shall cause such tests to be made and precautions taken as will ensure the constant purity of its supply. The Utility shall keep a record of all water quality tests results, monitoring, and reports.

The Utility shall deliver domestic water that is reasonably free from elements that cause physical damage to customer property such as pipes, valves, appliances, and personal property. A water supply that causes such damage will be remedied until the conditions are such as to not reasonably justify the necessary investment.

**Rule 40: Water Pressure (OAR 860-036-0315)**

Each water Utility shall maintain pressure at a minimum of 20 pounds per square inch (psi) for health reasons to each customer at all times and not exceed a maximum of 125 psi. The 20 psi and 125 psi standards are not presumed to be adequate service and do not restrict the authority of the Commission to require improvements where water pressure or flow is inadequate.

In general, 40 psi of water pressure in the water mains is usually adequate for the purposes of this rule. Adequate pressure may vary depending on each individual water system and its customers' circumstances. In the case of a dispute, the Commission will determine the appropriate water pressure for the water Utility.

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**Rule 41: Pressure Surveys (OAR 860-036-0320)**

The Utility shall have a permanently placed pressure gauge located on a main that is representative of the system's pressure. A portable gauge in good working condition shall be available for checking pressure conditions in any part of the distribution area.

**Rule 42: Customer-Requested Pressure Test (OAR 860-036-0320)**

Upon customer request, the Utility will perform a water pressure test within 20 working days of the request at no cost to the customer. If the customer requests more than one pressure test within any 12-month period, a deposit to recover the reasonable cost of the additional test may be required of the customer. The deposit shall be returned if the pressure test indicates less than 20 psi or more than 125 psi. The customer or designated representative has the right to be present at the pressure test, and said test shall be conducted at a mutually agreeable time.

For metered service, the pressure will be tested at a point adjacent to the meter on the customer's service line. For nonmetered service, the pressure will be tested at the customer's service line or hose bibb or other reasonable point likely to best reflect the actual service pressure.

The first pressure test performed in a twelve (12) month period will be at no charge. The second pressure test within a twelve month period (if the first test meets Avion Water Company and PUC standards) will be charged as listed on the Miscellaneous Service Charges Schedule 3.

**Rule 43 Maps/Records (OAR 860-036-0335)**

The Utility shall keep on file current maps and records of the entire plant showing size, location, character, and date of installation of major plant items, including shut-off valves.

**Rule 44: Utility Line Location (One Call Program) (OAR 860-036-0345)**

The Utility and its customers will comply with the requirements of OAR 952-001-0010 through and including OAR 952-001-0090 (One Call Program) regarding identification and notification of underground facilities.

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**Rule 45: Cross Connection/Backflow Prevention Program**

In compliance with the Oregon Administrative Rules, Chapter 333, Division 61, the Utility will undertake programs for controlling and eliminating cross connections.

Inspections will be made by certified personnel where there is reasonable cause to believe that a cross connection or a potential cross connection exists on the customer's premise.

A customer that has another water supply that cross connects with the Utility's system or has conditions that presents the possibility of contamination or pollution to the Utility's water supply, must either eliminate the cross connection or install a cross connection control device (device).

The device and its installation or the elimination of the cross connection shall be in accordance with standard practices pertaining to cross connection control approved by the Department of Human Services, the Utility, and the National Safe Drinking Water Act.

The entire cost of installation and equipment will be at the expense of the customer. Any corrective measure, disconnection, or change on the customer's property shall be at the sole expense of the person in control of said property.

The Utility shall regulate the location, installation, and testing of all devices. The Utility will inspect the installation prior to providing water service. The annual testing of the device shall be by licensed personnel. All devices in service must be tested annually. The Utility will determine the frequency of testing based upon the severity of the hazard.

Customer failure to install, maintain, and test the device(s) as required are grounds for disconnect of water service to that customer's premise(s).

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