

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UW 172

In the Matter of Mountain Home Water)
District, Application for) STIPULATION
General Rate Increase)

1 Mountain Home Water District. (Mt. Home or Company), appearing by and
2 through its attorney Jennie Bricker, the Public Utility Commission of Oregon
3 Staff (Staff), appearing by and through its attorney, Sommer Moser, Assistant
4 Attorney General, and intervenors Mel and Connie Kroker, appearing by and
5 through their attorney Peter Mohr, hereafter collectively referred to as the
6 Stipulating Parties, enter into this stipulation resolving all issues in this case.

7 1.

8 The Stipulating Parties support entering into evidence, without requiring any
9 Stipulating Party to lay a foundation for its admission, this Stipulation, Staff's
10 written Testimony in Support of the Stipulation (Exhibit Staff/300), and additional
11 supporting exhibits.

12 2.

13 The Stipulating Parties support and recommend the Commission adopt a
14 total revenue requirement of \$19,485, an increase of 777 percent over test year
15 revenues. Additionally, the Stipulating Parties agree that Mt. Home will have an
16 opportunity to earn an 8.9 percent rate of return on a total rate base of \$73,723.

1 The stipulated revenue requirement and adjustments are included for review as
2 Attachment A to this Stipulation.

3 3.

4 The Stipulating Parties agree to and support the rate of \$541.26 per month,
5 which is calculated based on providing service to three households on the system
6 at the time the rates from this docket are stipulated to go into effect: 1) the Krokors,
7 2) Dr. Ironside, and 3) Valerie Meyer. In the event that Nate Seymour, owner of
8 the fourth household currently receiving service from the Company, does not
9 cease taking service from the Company prior to the rate effective date discussed in
10 paragraph 6, the rate per household will be \$405.94 per month

11 4.

12 The Stipulating Parties agree that the replacement well is used and useful in
13 the provision of utility service, and that \$62,374 should be added to the Company's
14 rate base representing the prudent investment in the replacement well.

15 5.

16 The Stipulating Parties agree that each household using the system is entitled
17 to use water to irrigate an equal share of one half acre (i.e., if three customers are
18 served by the system, each customer will be able to irrigate 1/6 of an acre). The
19 Stipulating Parties agree that they will each designate an area of 1/6 acre or less as
20 their Designated Irrigation Area (DIA), submit a plat map including their DIA to Mt.
21 Home, and agree to restrict their irrigation to their DIA. Finally, the Stipulating
22 Parties also agree that failure to abide by this restriction is grounds for notice and
23 termination under OAR 860-036-1500, 1510, 1520, 1530, and 1670.

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The Stipulating Parties agree to and support rates being effective for service rendered on and after July 1, 2018.

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The rates and regulations included in this Stipulation are premised on the commitment by the Krokors to drill their own well in 2018. The Stipulating Parties agree that once the Krokors have disconnected their water service from the Company, Mt. Home will no longer be a regulated utility under the jurisdiction of the Commission.

8.

The Stipulating Parties agree that the Company will not file a general rate case, in the event that the Krokors are unable to secure an alternative water source, until after December 31, 2018. The Stipulating Parties further agree that the Stipulation shall not be construed to restrict the positions of the parties on any issue included in this Stipulation in such a future rate case.

9.

The Stipulating Parties have negotiated this Stipulation in good faith and recommend that the Commission adopt the Stipulation in its entirety.

10.

The Stipulating Parties agree that the Stipulation represents a compromise in the positions of the Stipulating Parties. By entering into this Stipulation, no Stipulating Party shall be deemed to have approved, accepted, or consented to the

1 facts, principles, methods, or theories employed by any other Stipulating Party in
2 arriving at this Stipulation.

3 11.

4 The Stipulating Parties agree that without the written consent of all
5 Stipulating Parties, evidence of conduct or statements including, but not limited to,
6 term sheets or other documents created solely for use in settlement conferences in
7 this docket, and conduct or statements made at settlement conferences, are
8 confidential and not admissible in the instant or any subsequent proceeding,
9 unless independently discoverable or offered for other purposes allowed under
10 ORS 40.190.

11 12.

12 The Stipulating Parties have negotiated this Stipulation as an integrated
13 document. Accordingly, if the Commission rejects all or any material portion of this
14 Stipulation, or adds any material condition to any final order that is not consistent
15 with this Stipulation, each Stipulating Party reserves the right, upon written notice
16 to the Commission and all parties to this proceeding within 15 days of the date of
17 the Commission's final order, to withdraw from the Stipulation and to present
18 additional evidence and argument on the record. Nothing in this paragraph
19 provides any Stipulating Party the right to withdraw from this Stipulation as a result
20 of the Commission's resolution of issues that this Stipulation does not resolve.

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The Stipulating Parties understand that this Stipulation is not binding on the Commission in deciding Mt. Home's application for a general rate increase and does not foreclose the Commission from addressing any other issues.

14.

The Stipulating Parties are each responsible for their own costs and attorney fees incurred in these proceedings as well as in the preparation of this Stipulation.

15.

This Stipulation may be executed in any number of counterparts, each of which will be an original for all purposes, but all of which taken together will constitute one and the same agreement.

DATED this 22nd day of February, 2018.



Sommer Moser, OSB # 105260
Assistant Attorney General
Of Attorneys for PUC Staff

Jennie Bricker, OSB # 975240
Attorney for Mt. Home

Peter Mohr, OSB # 013556
Attorney for Mel and Connie Kroker

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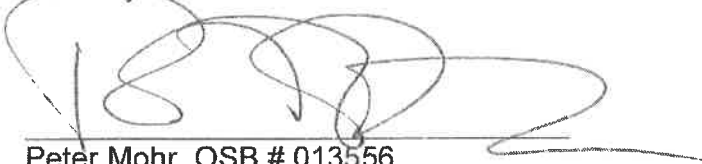
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DATED this _____ day of January, 2018.

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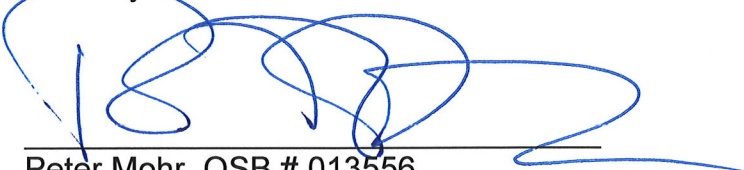
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