

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: December 1, 2015**

REGULAR CONSENT EFFECTIVE DATE December 2, 2015

DATE: November 9, 2015

TO: Public Utility Commission

FROM: Malia Brock 

THROUGH: Jason Eisdorfer, Bryan Conway, and Bruce Hellebuyck 

SUBJECT: PIGEON POINT WATER SUPPLY COMPANY:
(Docket No. UM 1665) Request to withdraw jurisdiction of Pigeon Point Water Supply Company and close Docket No. UM 1665.

STAFF RECOMMENDATION:

Staff recommends that the Public Utility Commission of Oregon (Commission) withdraw jurisdiction of Pigeon Point Water Supply Company (PPWSC) and close Docket No. UM 1665.

ISSUE:

Should the Commission withdraw jurisdiction over PPWSC because it no longer has any customers?

RULE:

Under ORS 757.005, the Commission regulates entities that provide water service directly or indirectly to the public. Even if an association of individuals does not provide water service directly or indirectly to or for the public, the Commission may assert regulation over the association if 20 percent or more of the members file a petition with the Commission. See ORS 757.063.

HISTORY:

On August 20, 2012, the Commission received two petitions from members of PPWSC requesting utility regulation. The petitions represented approximately 20 percent of the membership and met the statutory threshold of 20 percent.

The petition resulted in the Commission asserting rate and service regulation in Order No. 13-073.

On October 7, 2015, in Order No. 15-311, the Commission approved appointment of regents to operate and maintain PPWSC. The Commission also approved rates to reimburse the regents costs and approved an assessment necessary to provide system improvements and overdue water system maintenance.

ANALYSIS:

Current water member customers were given the option to continue to receive water under rate and service regulation and to pay the approved rates necessary to run the system. Members were given until October 28, 2015, to advise the Commission whether or not they wanted to continue to receive water service.

All members opted to discontinue water service under the Commission approved rates and assessments. As a result, PPWSC has no customers and is not providing water service directly or indirectly to or for the public. Because there are no customers of PPWSC, there can be no money collected under the tariffs. Without any ability to collect money to operate and maintain a system owned by the PPWSC, it is not in the public interest for the Commission to regulate the system when PPWSC does not have paying customers or revenues.

PROPOSED COMMISSION MOTION:

Withdraw Commission jurisdiction of Pigeon Point Water Supply Company and close Docket No. UM 1665.