

e-FILING REPORT COVER SHEET

REPORT NAME: Water Annual Affiliated Interest Report

COMPANY NAME: Lakeshore Water District, Inc.

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION?  No  Yes

If yes, please submit only the cover letter electronically. Submit confidential information as directed OAR 860-001-0070 or the terms of an applicable protective order.

If known, please select designation:  RE (Electric)  RG (Gas)  RW (Water)  
 RO (Other)

Report is required by:  OAR OAR 860-036-0815(3)  
 Statute ORS 757.005  
 Order  
 Other

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

Key words: Lakeshore Water District Water Annual Affiliated Interest Report 2011

If known, please select the PUC Section to which the report should be directed:

- Corporate Analysis and Water Regulation
- Economic and Policy Analysis
- Electric and Natural Gas Revenue Requirements
- Electric Rates and Planning
- Natural Gas Rates and Planning
- Utility Safety, Reliability & Security
- Administrative Hearings Division
- Consumer Services Section

**PLEASE NOTE: Do NOT use this form or e-filing with the PUC Filing Center for:**

- **Annual Fee Statement form and payment remittance or**
- **OUS or RSPF Surcharge form or surcharge remittance or**
- **Any other Telecommunications Reporting or**
- **Any daily safety or safety incident reports or**
- **Accident reports required by ORS 654.715.**



## Lakeshore Water District, Inc.

30086 Federal Lane  
Eugene, OR 97402  
(541) 342-1718

April 17, 2012

Public Utility Commission  
PO Box 2148  
Salem, OR 97308-2148

RE: Water Annual Affiliated Interest Report 2011: Lakeshore Water District

This correspondence is in response to the notification of our requirement for the 2011 “Annual Affiliated Interest Report” for the Lakeshore Water District, Inc.

### I. Organizations

The companies involved are Delta Environmental Services, Inc. (DES), Oregon Water Services, Inc. (OWS), and the Ravin Group, LLC (Ravin).

Kevin Hunt is the sole stockholder for DES. Established in 1982, the company specializes in contract operation of water and wastewater treatment facilities. It is a state certified testing laboratory that performs the laboratory work in compliance with the Oregon Health Division.

I own and operate OWS. My area of expertise is water treatment system installation, pump repair and maintenance, and wastewater system operation. I have over 25 years experience in the business.

Ravin was formed as a separate company to hold assets and provide equal ownership of interests from acquisitions. Kevin and I each hold 50% of the stock in the company.

Kevin and I own Lakeshore Water District, Inc., equally. I am acting president and Kevin is treasurer. Lakeshore Water District has the water rights and easements at the site and owns the client base that is billed for water service. Ravin owns the property, equipment and distribution system.

There are no written contracts between any of the companies involved with the system. Since Kevin and I each own 50% of the system, we take equal responsibility for its operation. This keeps the accounting system simple since we are not billing each other for services on a facility we own equally. It does, however, cause problems in notifying the PUC as to our operation costs for annual reports. Many of the costs end up being estimated according to what we charge other facilities we operate under contract. No Company had transactions of more than \$25000.

II. GOODS & SERVICE PAYMENTS BY UTILITY TO THE AFFILIATE

<u>Payments to Oregon Water Services, Inc.-2011</u>	<u>Total Company</u>
Repairs/Maintenance	\$8801.33
Chemicals/Supplies	\$567.00
Total Payments	\$9368.33
Cost of Services	\$9368.33
Margin of Charges over Cost	\$0.00
Assets Allocable to Services	\$0.00
Overall Rate of Return	0%

\*Payments to Oregon Water Services, Inc. were for actual costs incurred. No profit was added to the amount charged the water district.

Payments to Ravin Group, LLC.-2011

Rent	\$9600.00
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\*A rental fee of \$800 a month is charged for the use of the property and treatment equipment owned by Ravin.

Payments to Delta Environmental Services - 2011

Repairs/Maintenance	\$0000.00
Laboratory Testing	\$1705.00
Total Payments	\$1705.00
Cost of Services	\$1705.00
Margin of Charges over Cost	\$0.00
Assets Allocable to Services	\$0.00
Overall Rate of Return	0%

\*Payments to Delta Environmental, Inc. were for actual costs incurred. No profit was added to the amount charged the water district.

III. Loans to the Utility

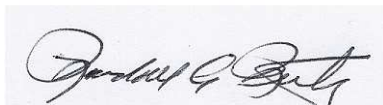
None

IV. Utility Guaranteed Affiliated Debt

None

I believe this will be useful in determining the different companies' involvement with the water district. Our intent is to operate the system as efficiently as possible, keep costs down for our consumers, and hopefully make a small profit for our time and investment. If you have any further questions or need more information, please feel free to contact me.

Sincerely,



Randall A. Reitz  
President