



e-FILING REPORT COVER SHEET

COMPANY NAME: *Willamette Water Company*

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 *15-111*

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:

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

AAC

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January 6, 2017

Oregon Public Utility Commission
PO Box 1088
Salem OR 97308-1088

RE: Automatic Adjustment Clause Tariff for EWEB Charges

Pursuant to ORS 757.210, ORS 757.220, and Order No. 15-111 (UW 161), Willamette Water Company (Willamette) requests Commission approval of the following attached tariff sheets:

PUC Oregon No. 3, Second Revised Sheet No. 13
PUC Oregon No. 3, Second Revised Sheet No. 14

Willamette requests an effective date of February 17, 2017.

Willamette purchases all its water from the Eugene Water and Electric Board (EWEB). EWEB has announced plans to implement a 3 percent rate increase with an effective date of February 1, 2017, with the new rate applying to January's consumption which is billed in February.

On April 13, 2015, the Commission approved Order 15-111, which included Willamette's request for an Automatic Adjustment Clause for purchased water from the Eugene Water and Electric Board. The tariffs approved in that filing allow Willamette to file purchased water cost adjustments annually to be effective upon the date EWEB implements rate changes. Order 15-111 describes an adjustment calculation methodology for the Year 1 increase (February 2014 through January 2015), as well as anticipated EWEB water rate increases in Years 2 through 10 (February 2015 through January 2024).

Willamette is filing the enclosed AAC tariff sheets in compliance with Commission Order No. 15-111.

Please contact me if you have questions.

Sincerely,



Jeff Demers
Secretary

SCHEDULE NO. 8

PURCHASED WATER COST ADJUSTMENT

Schedule No. 8 is an "Automatic Adjustment Clause" as defined in ORS 757.210(b). The Automatic Adjustment Clause is subject to an annual review by the Commission.

Purpose: To define procedures for periodic revision in rates due to changes in the Company's purchased water cost (that reflect the previous year's February to January EWEB invoices), to describe how a rate change for purchased water cost is calculated, and to identify any other requirements.

Applicable: The purchased water cost adjustment applies to the following schedules contained in the Company's tariffs: Schedules 1, 2, 3, 4, 5, and 6.

Purchased Water Cost Adjustment

Charges under the applicable schedules are subject to increases that may be made without prior hearing to reflect the changes in the Company's purchased water costs resulting from adjustments in the rate charged to the Company by the Eugene Water and Electric Board (EWEB).

The Company may file purchased water cost adjustments annually to be effective upon the date EWEB implements rate changes.

Description of Purchased Water Cost Adjustment Calculation for Year 1 (February 2014 through January 2015)

Year 1

1. The 2013 purchased water cost adjusted to reflect EWEB's mid-year May 1, 2013, 23.7 percent increase and May 1, 2014, 3 percent increase determines the anticipated cost.

2013 Cost	EWEB Adjustment	Anticipated 2014 Cost
107,671	10,707	\$118,378

Issue Date		Effective Date	February 17, 2017
Issued By	Willamette Water Company, Inc.		
Signature			
Name & Title	Jeff Demers, Secretary		

ADVICE NO. _____
(PUC USE ONLY)

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**Description of Purchased Water Cost Adjustment Calculation
 for Years 2 through 10 (February 2015 through January 2024)**

Years 2 through 10:

The Commission will calculate the Automatic Adjustment Clause as follows:

1. Examine the actual February through January cost for the preceding year.
2. Take the February through January actual cost for the preceding year and escalate based on EWEB announced increase for the current year.
3. Adjust 2013 base year cost for consumption by multiplying 2013 base year cost to projected consumption and dividing result by 2013 base year consumption.
4. Subtract the previous adjusted base year cost (Step 3) from the calculated increased cost (Step 2).
5. Divide the result of Step 4 by the projected consumption in units of 100 cf for the current year. The result is the Adjustment Rate.
6. The Company shall file the information and proposed tariff described in Steps 1 through 5 within 30 days of applicable water rate increase decisions by EWEB, to be effective no less than 30 days after the filing date.

Adjustment Rates

<u>Schedule</u>		<u>\$ per 100 cf</u>
1	Residential	\$0.219
2	Commercial	\$0.219
3	Industrial	\$0.219
4	Private Fire Protection	\$0.219
5	Public Fire Protection Service	\$0.219
6	Temporary Hydrant Meter	\$0.219

The rates shown above shall be added to the commodity charge listed in each schedule.

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