



AVION WATER CO INC.

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Public Utility Commission of Oregon
Attn: Filing Center
201 High Street, S.E.
P.O. Box 1088
Salem, OR 97308-1088

RE: Adv. 18-02, Schedule 14 filing, non-resort golf courses

This filing is to request a non-resort golf course tariff. Avion currently only serves one non-resort golf course, Lost Tracks. Lost Tracks is different from resort courses because a) they are different legal entities with very different regulatory requirements both State and local and b) Lost Tracks does not have the ability to provide “vacation packages” like a resort does to attract play.

Physically Lost Tracks is different because it is at the very top of our system (south end of Bend, water flows north) and only has about 200ft of mainline that it uses. The water does have to be pumped from the aquifer so there is an electrical cost, like all of our water. They do only take water in the summer.

Below is a line item list of general savings and or items that make Lost Tracks unique:

Residential equivalent of 50 meters but only 1 meter to read 6 months of the year
All of the equipment they use is very close to being depreciated out. 2-5 years, left on the reservoirs and 15-ish on the pipe so little basis in the plant they use.
Their use is so close to the reservoirs that there is little effect from their use.
Water is purely gravity fed (once up from the groundwater table)
Their service is interruptible for domestic use.
If they go out of business rates will go up because they are a large user who requires very little maintenance.

The electrical cost per 100 cubic feet is:

Pacific Power July of 2017: \$1693.46 Water production for the same time =
136,575.62 100's of cubic feet (13,657,562 cubic feet)

Cost to produce 100 cubic feet from China Hat site $1693.46/136575.62 = \$0.0124$

In Summary, Avion's rate payers are benefitting from Lost Tracks and their bulk water use. Lowering Lost Tracks cost will allow the business to function properly and will still giving rate payers a benefit.

SCHEDULE NO. 14

AVAILABLE: Non-resort golf courses

APPLICABLE: To any non-resort golf course served by Avion

Commodity Rate: \$.40 / 100^ft3

Service is interruptible if needed for domestic service and may be adjusted by the PUC at any time.

Base Rate to follow Schedule No. 1.

Issue Date		Effective for Service on or after	April 15 th , 2018
Issued By	AVION WATER COMPANY, INC.		