

**SCHEDULE NO. 8**

AVAILABLE: To customers of the Utility

APPLICABLE: To developers of projects using the Utilities water service.

Any individual or entity making a cash, see schedule 7 or 12, or plant contribution (CIAC) to Avion Water Company will be assessed a fee to pay for the associated federal and state income tax consequences to Avion for accepting the CIAC.

If a plant CIAC is being contributed, the developer will provide to Avion Water Company the cost of the CIAC.

The additional fee will be calculated based on the following formula:

$$\text{Fee} = [\text{CIAC}/(1-\text{tax rate})]-\text{CIAC}$$

The tax rate = Federal tax rate of 21% plus Oregon corporate tax rate of 7.6%.

Avion will refund any CIAC tax collected under this schedule if tax law changes do not require Avion to pay the taxes on CIAC.

Issue Date		Effective for Service on or after	February 28, 2018
Issued By	AVION WATER COMPANY, INC.		

# LESS THAN STATUTORY NOTICE APPLICATION

This document may be electronically filed by sending it as an attachment to an electronic mail message addressed to the Commission's Filing Center at [puc.filingcenter@state.or.us](mailto:puc.filingcenter@state.or.us).

## BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

IN THE MATTER OF THE APPLICATION OF ) UTILITY L.S.N. APPLICATION  
Avion Water Company, Inc. )  
(UTILITY COMPANY) ) NO. \_\_\_\_\_  
TO WAIVE STATUTORY NOTICE. ) (LEAVE BLANK)

**NOTE:** ATTACH EXHIBIT IF SPACE IS INSUFFICIENT.

1. GENERAL DESCRIPTION OF THE PROPOSED SCHEDULE(S) ADDITION, DELETION, OR CHANGE. (SCHEDULE INCLUDES ALL RATES, TOLLS AND CHARGES FOR SERVICE AND ALL RULES AND REGULATIONS AFFECTING THE SAME)

This is a new schedule. The additional schedule would allow Avion Water Company, Inc. to charge an additional fee to recover the tax consequences on cash and plant CIAC received by Avion Water Company, Inc. The Federal tax laws effective Jan. 1, 2018 make CIAC received by water utilities taxable.

2. APPLICANT DESIRES TO CHANGE THE SCHEDULE(S) NOW ON FILE KNOWN AND DESIGNATED AS: (INSERT SCHEDULE REFERENCE BY NUMBER, PAGE, AND ITEM)

This would be a new schedule.

3. THE PROPOSED SCHEDULE(S) SHALL BE AS FOLLOWS: (INSERT SCHEDULE REFERENCE BY NUMBER, PAGE AND ITEM)

Please see attached.

4. REASONS FOR REQUESTING A WAIVER OF STATUTORY NOTICE:

Changes to federal tax law, effective January 1, 2018, make CIAC received by water utilities taxable. Avion Water Company, Inc. seeks to charge the person/entity paying or giving the CIAC a fee to cover the state and tax consequences of Avion Water Company, Inc. accepting the CIAC. Without this additional fee, Avion's current customers will be significantly harmed because of the additional tax burden that will need to be paid Federally and to the State of Oregon.

5. REQUESTED EFFECTIVE DATE OF THE NEW SCHEDULE(S) OR CHANGE(S): February 28, 2018

AUTHORIZED SIGNATURE	TITLE Chairman/ President	DATE 2/8/18
PUC USE ONLY		
<input type="checkbox"/> APPROVED <input type="checkbox"/> DENIED	EFFECTIVE DATE OF APPROVED SCHEDULE(S) OR CHANGE	
AUTHORIZED SIGNATURE	DATE	