

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

WJ 8, UW 120

In the Matters of

CROOKED RIVER RANCH WATER  
COMPANY

An Investigation Pursuant to ORS 756.515 to  
Determine Jurisdiction (WJ 8)

and

Request for a General Rate Revision (UW 120)

ORDER

DISPOSITION: JOINT STATEMENT APPROVED

**I. BACKGROUND**

In Order No. 11-060, entered February 18, 2011, the Public Utility Commission of Oregon (Commission) directed Crooked River Ranch Water Company (Crooked River) to confer with the Commission Staff (Staff), and instructed the parties to file “a joint statement within 60 days of the date of [the] order regarding the financial status of Crooked River Ranch Water Company and a plan for filing a general rate revision (as necessary).” After an extension of time, Crooked River and Staff filed their “Joint Financial Statement” on May 16, 2011.

In their joint statement, the parties set out their financial plan for the Company. The elements of the plan are as follows:

1. Crooked River will provide Staff quarterly periodic cash reports for two years after Commission approval of the joint financial statement.
2. Crooked River has deposited and will retain the \$130,656.26 collected as part of a special assessment fund in the Company’s bank account specifically established for these funds. Crooked River will:

- a. Only use these funds for major repairs and capital improvements.
  - b. File semi-annual reports to Staff that include the semi-annual beginning balance, semi-annual ending balance, expenditures, and deposits to the funds.
  - c. Publish on its website or otherwise make available to its members the reports described in paragraph 2(b) above.
  - d. Confer with Staff on individual, or project, expenditures that exceed \$10,000. (This requirement ends when the July 1, 2013, report described below is submitted to the Commission.)
  - e. Report to the Commission on the status of these funds on July 1, 2013. This report will include beginning balance, ending balance, expenditures, and deposits (interest, other) to the funds.
3. Crooked River will continue to charge its current rates until filing a general rate case application. As part of this provision, Crooked River will:
- a. Adopt the Commission's System of Accounts for Water Utilities.
  - b. Maintain all 2011 invoices and receipts for operations and maintenance expenses, administrative and general expenses, and capital expenses.
  - c. File a general rate case application no later than February 18, 2012, using a test year of January, 2011, through December, 2011.

As part of their filing, the parties included detailed notes regarding Crooked River's status of funds, checking account balances, planned capital improvements, and rates.

## II. DISCUSSION

In their joint statement, Crooked River and Staff have presented a comprehensive plan for moving forward to establish and maintain a sound financial foundation for the future affairs of the Company. The Commission approves their statement with one clarification.

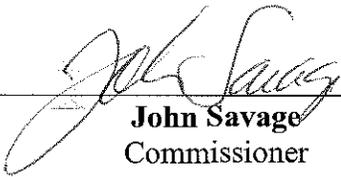
Part 3 of their plan provides that "Crooked River will continue to charge its current rates as established by the Company until filing a general rate case application." That provision is inartfully worded. It is not the filing of Crooked River's next general rate case that will trigger a change in the Company's rates; it will be the Commission's decision in Crooked River's next general rate case that will effectuate the change in rates.

With that clarification, the joint statement of Crooked River and Staff should be approved.

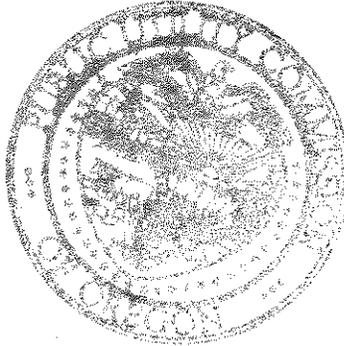
**III. ORDER**

IT IS ORDERED that the Joint Financial Statement filed by Crooked River Ranch Water Company and the Staff of the Public Utility Commission of Oregon, on May 16, 2011, is approved, as clarified in this order.

Made, entered, and effective JUN 01 2011

  
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**John Savage**  
Commissioner

  
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**Susan K. Ackerman**  
Commissioner



A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480 through 183.484.