

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UW 149

In the Matter of

CROOKED RIVER RANCH WATER  
COMPANY

ORDER

Request for a General Rate Revision.

DISPOSITION: STIPULATION ADOPTED

**I. INTRODUCTION**

Crooked River Ranch Water Company (Crooked River) filed its application on February 15, 2012, requesting an increase in its water rates of \$62,495 (10.6 percent), Advice No. 12-1. Crooked River is a non-profit, mutual benefit corporation with members that provides water service to about 1505 customers at Crooked River Ranch, a 12,000 acre unincorporated private resort community with a population of about 5,000.

On March 7, 2012, the Commission suspended Advice No. 12-1 for a period of nine months, to complete its investigation, under ORS 757.210 and ORS 757.215.

A Public Comment Open House and Prehearing Conference were held in Crooked River Ranch on April 5, 2012. Petitions to intervene were filed by Steven Cook and Barbara Oakley. Their petitions were granted in rulings by the administrative law judge.

On September 28, 2012, the Staff of the Public Utility Commission of Oregon filed a stipulation and supporting testimony. Parties to the stipulation are Crooked River, Staff, Intervenor Cook and Oakley. No person has filed an objection to the stipulation, and the time for doing so has passed. Staff's testimony is received as evidence. The stipulation is attached to this order as Appendix A.

**II. STIPULATION**

The parties propose a rate increase of one percent over adjusted test year revenues, effective for service rendered on and after December 21, 2012. The increase results in a net operating income of \$0 and a zero percent return on rate base, reflecting Crooked River's non-profit, mutual benefit corporation status. The parties propose a monthly metered customer base rate of \$23.00 and a two-tier commodity rate, with the higher second tier rate applicable to volumes greater than 6,000 cubic feet per month. They also

propose Temporary Community Events and Water Hauler commodity rates. For both rate schedules, the proposed rate is equal to the second tier rate on the Metered Customer rate schedule.

In the stipulation, the parties agree that Crooked River's tariffs contain the following items:

- A Double Check Valve Assembly (DCVA) Installation Program (Program) tariff to achieve compliance with the Cross Connection Control Program requirements of the Oregon Health Authority's Drinking Water Section (DWS). The Program would be offered to all customers that do not have a DCVA installed. Customers that opt out of the Program must install a DCVA as required.
- A DCVA Maintenance, Repair and Testing Services (Services) tariff that will apply to customers that opt out of the Program and customers that own their own DCVAs, unless such customers opt-out.
- Miscellaneous service charges in Schedule No. 6 that, among other things, includes the cost of a meter as part of the connection charge for new service.

The parties also propose that Crooked River combine its Assessment Fund into its Contingency Fund to form a single reserve fund for improvements, repairs and emergencies. The parties also agree that \$43,240 of the combined Contingency Fund may be used as working cash.

As part of the parties' settlement, Crooked River agrees to remove its proposed Power Cost Adjustment tariff and to the following conditions: (1) Crooked River will file a rate case on or before January 5, 2016, (2) Crooked River will file a two-part annual report to the Commission; and (3) within 30 days of the date of this order approving the stipulation, Crooked River will transfer its Assessment Fund balance into the company's Contingency Fund.

### III. STAFF TESTIMONY

Staff first recounts Crooked River's regulatory history, noting that the Commission's jurisdiction is based on petitions filed by Crooked River's customers in 2006. Only after decisions by this Commission, the Oregon Court of Appeals, and the Jefferson County Circuit Court, was the jurisdictional question finally settled in Order No. 11-060, entered February 18, 2011. A key part of that process was a sweeping change in Crooked River's board of directors and management. The regulatory history is relevant because some of the ratemaking issues relate to the accounting practices of the prior management.

As noted above, the stipulation provides for a zero percent return on rate base for Crooked River, as requested by the company. Crooked River is a nonprofit, mutual benefit association, with members. All customers are members and owners. Staff

describes how the stipulation provides the means for Crooked River to acquire capital to fund major repairs, respond to emergencies, and make improvements with no return on rate base.

Staff proposes that the Commission approve a System Program Fund for Crooked River (Contingency Fund). Based on its study of the risk factors facing Crooked River, Staff believes the benchmark for the company's reserve account should be at least six months of its annual operating expenses of \$259,438. The current balance of the fund is \$70,000.

Crooked River currently has an Assessment Fund remaining from a rate surcharge imposed by its prior management. The fund has a remaining balance of \$93,577. Staff proposes that the Assessment Fund balance be transferred to the Contingency Fund, resulting in a balance of \$163,577, leaving a shortfall of \$95,861, relative to the optimum balance.

Although the purpose of the Contingency Fund is to provide for repairs and capital expenditures, Staff intends that \$43,240 of the fund be used for working cash.<sup>1</sup> Working cash is based on one month of annual operating expenses.

Staff proposes that Crooked River report its Contingency Fund expenditures annually. Capital expenditures from the fund will be considered Contributions in Aid of Construction in future rate cases and not allowed in rate base.

Staff reports its adjustments to Crooked River's proposed test year revenues. The effect of Staff's adjustments was to reduce test year revenue from \$590,324 to \$572,348.

Staff made a number of adjustments to Crooked River's test period expenses, both upward and downward. The net effect of Staff's adjustments reduced test year expenses from \$563,636 to \$518,863. In its testimony supporting the stipulation, Staff explains its significant adjustments in detail. The final revenue requirement is \$577,793.

As explained by Staff, DWS requires water systems to implement a Cross Connection Control Program. DWS rules require the installation of a protective device for all customers that represent cross connection hazards. The standard of what presents a potential hazard is determined by each utility.

A DCVA is a type of back-flow prevention device that protects water supply from cross contamination. Crooked River determined that all connections present a potential health hazard and requires that all customers have a DCVA installed on their service lines.

Crooked River proposed a \$70,000 annual expense to provide for the installation of DCVAs on 120 customer lines per year. Staff explains that the company can achieve the same result through a separate tariff that would have the customers pay directly for their

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<sup>1</sup> In ratemaking, working cash is a component of rate base and would earn a return. Because Crooked River has a zero percent rate of return, it does not earn a return on its working cash.

DCVA purchase and installation. The stipulation incorporates Staff's proposed tariff approach.

Staff notes that water meters typically are paid for by the utilities and their cost included in rate base. Staff further notes the non-profit status on Crooked River and its earlier practice of requiring customers to pay for their meters. Staff's proposal to include the meter cost in the service connection charge is incorporated in the stipulation.

Regarding Crooked River's request for an automatic power cost adjustment clause, Staff testified that such a clause is not necessary at this time, noting that purchased power costs are not substantial risk for the company.

Staff explains its proposed rate design in some detail. Key elements of the proposed rates include consideration of the high seasonality of water use and conservation. Staff describes how it derives its proposed base rates, consumption tiers, and commodity rates.

Regarding the terms of the stipulation, Staff explains several provisions where the parties agreed to values that are different from the amounts proposed by Staff. The stipulated changes increased the company's proposed annual revenue requirement.

With regard to rate design, Staff notes that the stipulation provides for a higher allocation of the revenue requirement to the base rate than Staff had proposed. According to Staff, the parties reviewed the company's revenue requirement expenses and agree that the base rate is sufficient to meet Crooked River's expenses during the low usage winter months.

With regard to the rate impact and in light of the rate design changes, the monthly bills will decrease a small percentage for customers who use less than 300 cubic feet. Customers who use more than 300 cubic feet will have their monthly bills increase by a greater percentage the more water they use.

#### IV. RESOLUTION

Given Crooked River's contentious history, the Commission anticipated that its first general rate case after the company's change in management would be subject to careful scrutiny from customers and Staff. Staff's extensive testimony confirms that many issues were raised and resolved in reaching the stipulation.

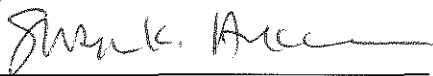
Staff's proposals are explained and supported in detail. Staff also explains the terms of the stipulation that differ from Staff's proposals. The record is fully developed. We approve the stipulation in its entirety.

**V. ORDER**

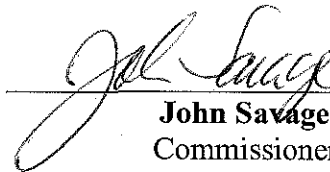
IT IS ORDERED that:

1. Advice No. 12-1 is permanently suspended;
2. The stipulation between Crooked River Ranch Water Company, the Public Utility Commission of Oregon Staff, Steven Cook, and Barbara Oakley, attached as Appendix A is adopted.
3. Crooked River Ranch Water Company is authorized to file its tariffs in accord with the stipulation, with an effective date of December 21, 2012.

Made, entered, and effective NOV 07 2012



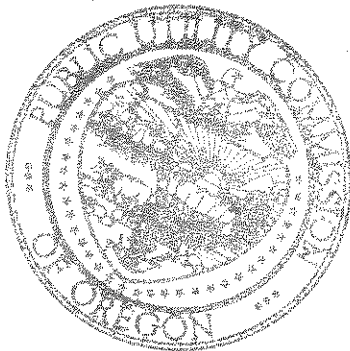
**Susan K. Ackerman**  
Chair



**John Savage**  
Commissioner



**Stephen M. Bloom**  
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.

## BEFORE THE PUBLIC UTILITY COMMISSION

## OF OREGON

UW 149

In the Matter of )  
Crooked River Ranch Water Company ) STIPULATION  
Application for General Rate Increase )

Crooked River Ranch Water Company's (CRRWC or Company) appearing by and through its attorney Tommy Brooks; the Public Utility Commission of Oregon Staff (Staff) appearing by and through its attorney, Jason W. Jones, Assistant Attorney General; and Intervenor Steven Cook and Barbara Oakley (Intervenor), hereafter collectively referred to as the Parties, enter into this Stipulation in resolution of all issues in the case.

## 1.

The Parties support entering into evidence, without requiring any Party to lay a foundation for its admission, this Stipulation and Attachments A (revenue requirement) and B (tariffs) to this Stipulation and Staff's written testimony and exhibits marked as Staff/100, Willis/1-37 and Staff/101, Willis/1-12.

## 2.

The Parties support and recommend the Commission adopt a one percent increase over adjusted test year revenues. The increase results in a total revenue requirement of \$577,793, total revenue deductions of \$577,793, and a net operating income of \$0. Additionally, the Parties support and recommend

1 the Commission adopt a zero percent return on rate base of \$541,052. The  
2 stipulated revenue requirement is included as Attachment A to this Stipulation.

3 3.

4 The Parties agree to and support the stipulated rates, fees, rules and  
5 regulations contained in Attachment B to this Stipulation, CRRWC's tariff sheets  
6 designated as PUC Oregon No. 2, Original Sheets Nos. 1 through 26.

7 4.

8 The Parties agree to and support a Metered Customer base rate and a two-  
9 tiered commodity rate shown in Attachment B to this Stipulation, designated as  
10 PUC Oregon No. 2, Schedule No. 1, Original Sheet No. 3, for metered customers.  
11 The metered customers will be charged a \$23.00 monthly base rate and a first tier  
12 rate of \$0.83 per each 100 cubic feet (cf) of water use up to 6,000 cf per month.  
13 The second tier rate is \$0.93 for each 100 cf of water used above 6,000 cf per  
14 month.

15 5.

16 The Parties agree to and support a Temporary Community Events  
17 commodity rate shown in Attachment B to this Stipulation, designated as PUC  
18 Oregon No. 2, Schedule No. 2, Original Sheet No. 4. Temporary Service for  
19 Community Events will be charged a monthly commodity rate of \$0.93 per each  
20 100 cubic feet of water usage with no base rate.

6.

The Parties agree to and support a Water Haulers commodity rate shown in Attachment B to this Stipulation, designated as PUC Oregon No. 2, Schedule No. 3, Original Sheet No. 5. Water Haulers will be charged a monthly commodity rate of \$0.93 per each 100 cubic feet of water use with no base rate.

7.

The Parties agree to and support a Double Check Valve Assembly (DCVA) Installation Program (Program) tariff to achieve compliance with the Oregon Health Authority, Drinking Water Section's Cross Connection Control Program requirements. The Program is offered to all customers that currently do not have a DCVA installed. Customers agreeing to the CRRWC Program will abide by the provisions set forth in Schedule No. 4, tariff sheets designated PUC Oregon No. 2, Original Sheets Nos. 6 and 7. Customers that opt out of the Program must install a DCVA as required.

8.

The Parties also agree to and support a DCVA Maintenance, Repair, and Testing Services (Services) tariff. CRRWC's Services are to be offered to customers that opt out of CRRWC's DCVA Installation Program and customers that own their own DCVAs. The Services charge will apply to customers unless they notify CRRWC that they will "opt out" of CRRWC's Services. Customers agreeing to CRRWC Services will abide by the provisions set forth in Schedule No. 5, tariff sheets designated PUC Oregon No. 2, Original Sheets Nos. 8 and 9.



1 9.

2 The Parties agree to and support CRRWC's Miscellaneous Services  
3 Charges according to Schedule No. 6 as set forth in the tariff sheet designated  
4 PUC Oregon No. 2, Original Sheet No. 10.

5 10.

6 CRRWC agrees to remove its proposed Power Cost Adjustment tariff,  
7 consistent with Staff's recommendation and the support of the other Parties.

8 11.

9 The Parties agree to and support that CRRWC will combine its Assessment  
10 Fund into its Contingency Fund within 30 days of the date of the Commission order  
11 in this docket, to form a single reserve fund for improvements, repairs, and  
12 emergencies. The Parties also agree to and support that \$43,240 of the combined  
13 Contingency Fund may be used as working cash.

14 12.

15 The Parties agree to and support the following conditions:

16 C1. CRRWC will file a rate case with the Commission on or before January 5, 2016.

17 C2. CRRWC will file a two-part annual report to the Commission. First, CRRWC  
18 will provide a listing of all reserve account expenditures in line item format; and  
19 secondly, CRRWC will provide to the Commission annually, a report indicating the  
20 working cash component used by CRRWC for each month of the preceding year,  
21 broken out separately from the Contingency Fund expenditure listing referred to  
22 above. Both reports are to be attached to and filed with CRRWC's annual report.

1 C3. Within 30 days of the date of the order approving the Stipulation, CRRWC will  
2 transfer its Assessment Fund balance into the Contingency Fund, creating one  
3 reserve account to be used for repairs, improvements, replacements, and  
4 emergencies.

5 13.

6 The Parties agree to and support the rates being effective for service  
7 rendered on and after December 21, 2012.

8 14.

9 By entering into this Stipulation, no Party shall be deemed to have  
10 approved, accepted, or consented to the facts, principles, methods, or theories  
11 employed by any other Party in arriving to this Stipulation.

12 15.

13 The Parties have negotiated this agreement in good faith and recommend  
14 that the Commission adopt this Stipulation in its entirety. The Parties have  
15 negotiated this Stipulation as an integrated document. Accordingly, if the  
16 Commission rejects all or any material portion of this Stipulation, each Party  
17 reserves the right, upon written notice to the Commission and all Parties to this  
18 proceeding within 15 days of the date of the Commission's order, to withdraw from  
19 the Stipulation and request an opportunity for the presentation of additional  
20 evidence and argument.

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16.

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The Parties understand that this Stipulation is not binding on the

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Commission in ruling on this application and does not foreclose the Commission

4

from addressing other issues.

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DATED this 27<sup>th</sup> day of September 2012.

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Respectfully submitted,  
ELLEN F. ROSENBLUM  
Attorney General

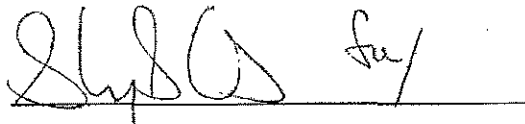
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Jason W. Jones, # 00059  
Assistant Attorney General  
Attorney for PUC Staff

17

18

16.

The Parties understand that this Stipulation is not binding on the Commission in ruling on this application and does not foreclose the Commission from addressing other issues.

DATED this 19 day of September 2012.

A handwritten signature in cursive script, appearing to read "Dennis Kirk", is written over a horizontal line.

Dennis Kirk  
President  
Crooked River Ranch Water Company

16.

The Parties understand that this Stipulation is not binding on the Commission in ruling on this application and does not foreclose the Commission from addressing other issues.

DATED this 17<sup>th</sup> day of September 2012.

A handwritten signature in black ink, appearing to read "Frank Day", is written over a horizontal line.

Frank Day  
Manager  
Crooked River Ranch Water Company.

1 16.

2 The Parties understand that this Stipulation is not binding on the  
3 Commission in ruling on this application and does not foreclose the Commission  
4 from addressing other issues.

5  
6  
7 DATED this 24<sup>th</sup> day of September 2012.

8  
9  
10   
11

12 Tommy Brooks  
13 Attorney  
14 Crooked River Ranch Water Company  
15

16.

The Parties understand that this Stipulation is not binding on the Commission in ruling on this application and does not foreclose the Commission from addressing other issues.

DATED this 18<sup>th</sup> day of September 2012.

A handwritten signature in cursive script, appearing to read "S Cook", is written over a horizontal line.

Steven Cook  
Customer of Crooked River Ranch Water Company  
Intervener

16.

The Parties understand that this Stipulation is not binding on the Commission in ruling on this application and does not foreclose the Commission from addressing other issues.

DATED this 22<sup>nd</sup> day of September 2012.



Barbara Oakley  
Customer of Crooked River Ranch Water Company  
Intervener



Crooked River Ranch Water Company  
DOCKET NO. UW 149  
Test Year: 2011

ORDER NO.

12 428 ATTACHMENT A  
Staff

			A	B	C	D	E	F	G
	Acct. No.		Balance Per Application Test Year 2011	Proposed Company Adjustments	Adjusted Results (A+B+C)	Proposed Staff Adjustments	Adjusted Results (A+D+E)	Staff Proposed Rev Changes	Proposed Results (C+F+G)
1	461.1	Residential Water Sales	560,426	74,942	635,368	(1,645)	633,723	5,444	573,224
2		Reimbursements	(1,845)	0	(1,845)	0	0	0	0
3		Cell Tower Income	9,810	(1,641)	8,169	(5,243)	4,668	0	4,568
4		Labor	185	41	226	(185)	0	0	0
5	471	Misc. Revenues	2,393	137	2,530	(2,530)	0	0	0
6		Connections	10,245	(3,549)	6,696	0	0	0	0
7		TOTAL REVENUE	590,324	62,493	652,819	(17,977)	572,348	5,445	577,793
8					652,819	(17,977)	572,348		577,792
9		OPERATING EXPENSES							
10	601	Salaries and Wages - Employees	557,590	60,725	618,315	62,280	680,595		680,595
11		Utilities (Garbage)	0	0	0	1,034	1,034		1,034
12	604	Employee Pension & Benefits	(3,384)	3,384	0	9,778	6,394		6,394
13		Debt Service Exp	0	0	0	11,446	11,446		11,446
14	611	Telephone/Communications	13,799	(6,599)	7,200	(9,470)	9,329		9,329
15	615	Purchased Power	67,317	6,791	74,108	3,801	77,909		77,909
16		Contingency Fund	0	6,000	6,000	20,000	20,000		20,000
17	619	Office Supplies	5,601	287	5,888	14,223	19,824		19,824
18	619.1	Postage	7,267	243	7,510	447	7,957		7,957
19	620	O&M Materials/Supplies	3,877	26,223	30,100	10,146	40,246		40,246
20	621	Repairs to Water Plant	5,717	283	6,000	15,263	21,263		21,263
21	631	Contract Svcs - Engineering	22	5,971	6,000	6,108	6,137		6,137
22	632	Contract Svcs - Accounting	5,000	0	5,000	(828)	4,172		4,372
23	633	Contract Svcs - Legal	15,961	(1,596)	14,365	(143,951)	12,990		12,000
24	634	Contract Svcs - Management Fees	40,258	1,242	41,500	1,242	42,000		42,000
25	635	Contract Svcs - Testing	8,336	5,464	13,800	(4,375)	9,425		9,561
26	636	Contract Svcs - Labor	18,759	10,759	29,518	(18,759)	0		0
27		Contract Svcs - Janitorial	5,098	1,052	6,150	1,989	7,057		7,057
28	638	Contract Svcs - Meter Reading	19,324	4,879	24,203	5,241	24,562		24,562
29	639	Contract Svcs - Other	3,742	(34,742)	(31,000)	(34,742)	0		0
30		Contract - Labor Professional	18,336	6,996	25,332	(12,362)	3,994		3,094
31	642	Rental of Equipment	102	2,838	2,940	2,736	2,838		2,838
32	643	Small Tools	3,839	0	3,839	(720)	2,919		2,919
33	648	Computer/Electronic Expenses	17,907	(3,423)	14,484	(4,835)	13,072		13,072
34	650	Transportation	18,137	(3,287)	14,850	(4,424)	8,713		8,713
35	656	Vehicle Insurance	4,918	1,922	6,840	(991)	3,927		3,927
36	657	General Liability Insurance	2,490	(3,270)	(780)	(1,731)	3,699		3,699
37	658	Workers' Comp Insurance	(194)	1,654	1,500	1,627	1,473		1,473
38	659	Insurance - Other	1,568	(18)	1,550	(34)	1,532		1,532
39	660	Public Relations/Advertising	1,438	(285)	1,200	(96)	342		342
40	666	Amortz. of Rate Case	0	0	0	3,464	3,464		3,464
41	667	Gross Revenue Fee (PUC)	0	1,444	1,444	1,431	1,431	14	1,444
42		DCVA Program Expense Account	0	6,400	6,400	22,981	22,981		22,981
43		DCVA Installation/Capital Expenditure	0	70,000	70,000	0	0		0
44		Water Survey	0	39	39	(611)	(572)		(572)
45		Locates	192	0	192	(64)	128		128
46	673	Training and Certification	99	591	690	1,260	1,559		1,559
47	674	Consumer Confidence Report	0	200	200	359	359		359
48	675	General Expense	7,072	1,327	8,400	(3,347)	4,053		4,030
49		TOTAL OPERATING EXPENSE	633,686	28,607	662,293	(44,773)	518,883	14	518,877
50					592,173	(44,773)	518,883		518,877
51		OTHER REVENUE DEDUCTIONS							
52	403	Depreciation Expense	0	42,467	42,467	40,841	40,841		40,841
53	407	Amortization Expense	0	0	0	0	0		0
54	408.1	Property Tax	542	58	600	0	600		600
55	408.1	Payroll Tax	10,424	6,126	16,550	6,688	17,112		17,112
56	408	Cell Tower Property Tax	442	0	442	(421)	21		421
57	409.1	Oregon Income Tax	0	0	0	0	0	0	0
58	409.10	Federal Income Tax	0	0	0	0	0	0	0
59		TOTAL REVENUE DEDUCTIONS	575,444	77,188	652,632	2,335	677,779	14	577,793
60		NET OPERATING INCOME	18,880	(14,695)	4,185	(20,312)	(5,432)	6,432	0
61									
62	101	Utility Plant in Service	0	0	0	1,051,266	1,051,266		1,051,266
63		Less:							
64	108.1	Depreciation Reserve	0	0	0	553,393	553,393		553,393
65	271	Contributions in Aid of Const	0	0	0	0	0		0
66	272	Amortization of CIAC	0	0	0	0	0		0
67	281	Accumulated Deferred Income Tax	0	0	0	0	0		0
68		Net Utility Plant	0	0	0	497,873	497,873	0	497,873
69		Plus: (working capital)	0	0	0	497,873	497,873		497,873
70	151	Materials and Supplies Inventory	0	0	0	0	0		0
71		Working Cash (Total Op Exp /12)	46,970	2,378	49,348	(3,731)	43,239	(11)	43,249
72		TOTAL RATE BASE	46,970	2,378	49,348	494,081	541,051	(11)	541,052
73		Rate of Return	31.68%	0.38%	0.38%	0.38%	0.38%		

APPENDIX

APPENDIX A

**Containing Rules and Regulations  
Governing Water Utility Service**

**NAMING RATES FOR**

**Crooked River Ranch Water Company  
PO Box 2319  
13845 SW Commercial Loop  
Terrebonne, OR 97760**

**(541) 923-1041**

**Serving water in the vicinity of  
Crooked River Ranch, Oregon**

Issue Date / Filing Date	Sept. 13, 2012	Effective for Service on or after	December 21, 2012
Issued By Utility	Crooked River Ranch Water Company		

Advice No. \_\_\_\_\_  
(FOR PUC USE ONLY)

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Issue Date / Filing Date	Sept. 13, 2012	Effective for Service on or after	December 21, 2012
Issued By Utility	Crooked River Ranch Water Company		

Advice No. \_\_\_\_\_  
 (FOR PUC USE ONLY)

**SCHEDULE NO. 1****RESIDENTIAL/COMMERCIAL METERED RATES**

**Available:** To customers of the Utility at Crooked River Ranch, Oregon, and vicinity.

**Applicable:** To residential and commercial premises.

**Base Rate**

SERVICE METER SIZE	MONTHLY BASE RATE	USAGE ALLOWANCE	MEASURING UNIT
All sizes	\$23.00	none	100 cubic feet

**Commodity (Or Variable) Usage Rate**

	RATE	UNITS	LIMITS
Tier 1	\$.83	Per each 100 cubic feet	Up to 6,000 cubic feet per month
Tier 2	\$.93	Per each 100 cubic feet	6,001 cubic feet and above per month

1. These rates are based on continuous service. Discontinuation of service may not be employed to avoid monthly charges for service. See Rule No. 27, Voluntary Discontinuance.
2. Water used during the construction of buildings, etc., shall be metered. Charges shall be made at the rates specified in this schedule. When setting of a meter is impracticable, the amount of water used shall be estimated, and the charges shall be made at specified rates for the amounts so estimated.

Issue Date / Filing Date	Sept. 13, 2012	Effective for Service on or after	December 21, 2012
Issued By Utility	Crooked River Ranch Water Company		

Advice No. \_\_\_\_\_  
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**SCHEDULE NO. 2****RATES FOR TEMPORARY WATER SERVICE FOR  
COMMUNITY SPONSORED EVENTS**

**Purpose:** To provide temporary water service to community sponsored events.

**Available:** To temporary community sponsored events where Crooked River Ranch Water service is available. The location of the community sponsored event must have an established service connection.

**Applicable:** To all temporary community sponsored events.

**TEMPORARY COMMUNITY EVENT WATER SERVICE  
MONTHLY RATE**

\$0.93 per 100 cubic feet
---------------------------

**Special Provisions:**

1. Meters will be provided by Crooked River Ranch Water Company.

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**SCHEDULE NO. 3****RATES FOR WATER HAULERS**

**Available:** To water haulers in Jefferson County where the Utility's facility and excess capacity exist. Determination of adequacy of facilities and capacity is the sole discretion of Crooked River Ranch Water Company. Each commercial water truck must be equipped with a suitable hydrant meter, suitable backflow prevention devices, and a fire hydrant wrench.

**Applicable:** To all water haulers

**WATER HAULERS MONTHLY RATE**

\$0.93 per 100 cubic feet
---------------------------

**Special Provisions:**

1. Truck meters must be presented at Crooked River Ranch Water Company office between the 21<sup>st</sup> and the 25<sup>th</sup> of each month. Bills for service are due in accordance with this tariff.
2. Commercial water haulers detected not using meters or proper equipment may be denied service for one month for the first offense. Upon Commission approval, CRRWC may deny service based upon evidence of a second offense.

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**SCHEDULE NO. 4****DCVA INSTALLATION PROGRAM**

**Purpose:** Crooked River Ranch Water Company (CRRWC) desires to offer a double check valve assembly (DCVA) purchase and installation program to CRRWC's customers.

**Available:** This program is available to customers of Crooked River Ranch Water Company, in Crooked River Ranch, Oregon, and vicinity.

**Applicable:** To residential and commercial/industrial premises with 1" or smaller customer service lines.

**Requirements:**

Oregon Administrative Rules Chapter 333, Division 061, administered by the Oregon Health Authority, Drinking Water Section (DWS) requires CRRWC to implement a Cross Connection Control Program. CRRWC is required to identify and notify all customers whose water facilities represent a potential health hazard to CRRWC's water supply. It is up to CRRWC to determine what a potential health threat is. CRRWC's policy is to require a DCVA for all customer lines. CRRWC will notify customers of the required DCVA in a systematic manner over the next 10 year. CRRWC is offering a DCVA Installation Program.

**Enrollment:**

1. CRRWC will notify customers when their DCVAs are required. CRRWC will AUTOMATICALLY ENROLL the customers in its DCVA Installation Program UNLESS the customer signs the "OPT OUT" form provided in the notice and returns the form to CRRWC within 30 days of receipt of the notification.
2. For customers who are automatically enrolled in the Program, CRRWC will schedule and install an approved DCVA at the meter box and bill the customer for the service at cost. Time payment arrangements are available by calling CRRWC.

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3. Upon enrollment, the customer agrees to contribute ownership of the DCVA to CRRWC.
4. CRRWC will assume ownership of the DCVA and the accompanying responsibilities for the maintenance, repair, replacement if necessary, and all required testing. The customer will not be billed for these services.
5. Customers who are ENROLLED in the Program will receive a 10-day advance notice of the time and date the DCVA will be installed in their meter boxes.
6. Customers who OPT-OUT of the Program by signing the opt-out form and returning the form to CRRWC within 30 days of receipt of the notice are required to make their own arrangements to have an approved DCVA installed on the customer water line within 60 days of the date of CRRWC's notice requiring a DCVA.

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**SCHEDULE NO. 5****DCVA MAINTENANCE, REPAIR, AND TESTING SERVICE**  
**For Customer-Owned DCVAs**

**Purpose:** Crooked River Ranch Water Company (CRRWC) desires to offer a DCVA maintenance, repair, and testing service.

**Available:** This program is available ONLY to customers that own their own DCVAs.

**Applicable:** To residential and commercial/industrial premises with 1" or smaller DCVAs.

**Program Description:**

Under this program, CRRWC will provide maintenance, repair, and required annual testing of customer-owned DCVAs:

1. Annual Testing – CRRWC will perform the required annual testing of the DCVA by a state certified tester pursuant to Oregon Administrative Rules 333-061-0070 through OAR 333-061-0072.
2. Maintenance and Repair Service – CRRWC will provide maintenance and repairs on customer-owned DCVAs.

**Fees:**

1. Cost for this service is \$2.76 per month or \$33.12 per year. CRRWC will bill the customer either monthly or yearly at the customer choice.

**Provisions:**

1. The customer is under no obligation to use CRRWC's DCVA Maintenance, Repair and Testing Service.
2. CRRWC will provide each customer owning their own DCVAs with notification of CRRWC's DCVA Maintenance, Repair, and Testing Service being offered. The notification shall include

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- (1) an agreement for service that allows the customer to indicate which payment arrangement is desired, and (2) an OPT-OUT written refusal of the Utility's service.
3. Customers that own their own DCVA will AUTOMATICALLY BE ENROLLED in CRRWC's DCVA Maintenance, Repair, and Testing Service, UNLESS the customer signs the OPT-OUT form provided by CRRWC and returns the signed form within 30 days of receiving CRRWC's DCVA Maintenance, Repair, and Testing Service offer.
  4. Customers that opt-out of CRRWC's DCVA Maintenance, Repair and Testing Service will be responsible for all maintenance, repair, and required testing of their DCVAs, and must annually notify CRRWC of the certified backflow test contractor engaged to do the testing and the date the backflow test is scheduled.
  5. CRRWC reserves the right to propose before the PUC any change in the amount charged for CRRWC's DCVA Maintenance, Repair, and Testing Service.
  6. Customers will be given the choice of accepting or rejecting a new agreement in advance of any rate increase to this program.
  7. CRRWC will separately itemize the DCVA Maintenance, Repair, and Testing Service fee on the customer bills.

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**SCHEDULE NO. 6****MISCELLANEOUS SERVICE CHARGES**

This schedule lists the miscellaneous charges included in the utility's Rules and Regulations; refer to the appropriate rules for an explanation of charges and conditions under which they apply.

**Connection Charge for New Service** (Rule Nos. 8 & 9)

Standard ¾-inch service	At cost, including meter
Nonstandard ¾ inch service	At cost, including meter
Larger than ¾ inch	At cost, including meter
Irrigation hookup (if provided on separate system)	At cost, including meter

**Meter Test** (Rule No. 21)

First test within 12-month period	N/C
Second test within 12-month period	\$25

**Pressure Test** (Rule No. 41)

First test within 12-month period	N/C
Second test within 12-month period	\$25

**Late-Payment Charge** (Rule No. 22)

Pursuant to OAR 860-036-0130  
(as of 1/1/12 – 1.7%)

**Interest Rate on Deposit for Service** (Rule No. 5)

Pursuant to OAR 860-036-0040(2)  
(as of 1/1/12 – 0.1%)

**Returned Payment Charge** (Rule No. 23)

\$27

**Trouble-Call Charge** (Rule No. 37)

During normal office hours	\$25
After normal office hours on special request	\$50

**Disconnection/Reconnect Charge** (Rule Nos. 27, 29 & 30)

During normal office hours	\$25
After normal office hours on special request	\$40

**Unauthorized Restoration of Service** (Rule No. 31)

Reconnection charge plus costs

**Damage/Tampering Charge** (Rule No. 35)

At cost

**Disconnect Field-Visit Charge** (Rule No. 30)

\$25

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## RULES AND REGULATIONS

### Rule 1: Jurisdiction of the Commission

The Rules and Regulations contained herein shall be subject to the rules and regulations of the Public Utility Commission of Oregon.

### Rule 2: Definitions

A. "Utility" shall mean Crooked River Ranch Water Company.

B. "Applicant" shall mean any person, business, or organization that applies for service or reapplies for service at a new or existing location after service has been discontinued, except as noted in the definition of "Customer."

C. "Commission" shall mean the Public Utility Commission of Oregon.

D. "Customer" shall mean any person, business, or organization who has applied for, been accepted to receive, or is currently receiving service. A customer who voluntarily discontinues service at the same or different premises within 20 (twenty) days after discontinuance retains customer status.

E. "Residential customer premises" shall mean any dwelling and its land including, but not limited to, a house, apartment, condominium, townhouse, cottage, cabin, mobile home, or trailer house.

F. "Commercial customer premises" shall mean any premises at which a customer carries on any major activity of gaining a livelihood or performing a public service. Such activity may be of a business, industrial, professional, or public nature.

G. "Main" shall mean the pipe laid in the street, alley, or other right-of-way for the distribution of water to customers. It shall not include service lines.

H. "Service connection" shall mean the pipe, stops, fittings, meter, and meter box laid from the main to the property line of the premises served.

I. "Customer line" shall mean the pipe, stops, and fittings leading from the property line to the premises served.

J. "Point of Delivery" is the property line or the outlet swivel/union of the meter defining where the service connection stops and the customer line starts.

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## APPLICATION FOR SERVICE

### Rule 3: Customer/Applicant Information (OAR 860-036-0015)

The Utility shall provide or be able to provide customers or applicants with the following information:

- A. Instructions on how to read meters, either in writing or by explanation;
- B. Application and contract forms;
- C. Utility rules and regulations;
- D. Commission rules and regulations;
- E. Approved tariffs;
- F. Rights and Responsibilities Summary for Oregon Utility Consumers;
- G. Notices in foreign languages, if available;
- H. The Utility's business address, telephone number, and emergency telephone number;
- I. Notices approved by the Commission.

### Rule 4: Application for Service (OAR 860-036-0035)

Application for water service must be made for each individual service. The application shall identify the applicant, the premises to be served, the billing address if different, the type of use to which the water is to be put, and an agreement to conform to the Rules and Regulations of the Utility as a condition for receiving such service. The applicant shall, at this time, pay any scheduled fees or deposits. An application is a request for service and shall not be accepted until the applicant establishes credit as set forth in OAR 860-036-0040.

An application for service must be made where:

- A. An applicant, who has not previously been served by the Utility, requests service; or
- B. Service has been involuntarily discontinued in accordance with the Utility and Commission rules, and service is requested; or
- C. Service has been voluntarily discontinued and a request to restore service has not been made within 20 days; or
- D. There is a change in the type of use to which the water is put, or the number of premises served.

### Rule 5: Establishment of Credit and Deposits (OAR 860-036-0040, 0045, 0050, and 0055)

In accordance with the Commission's rules for credit establishment and deposits, an applicant for new service or a customer seeking continued service may be required to make a deposit to secure payment of bills for service. The deposit shall not exceed one-sixth (1/6) the amount of reasonable estimated billings

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for one year's use of service at the premises during the prior year or upon the type and size of the customer's equipment that will use the service. (OAR 860-036-0040 and 0045)

The Utility shall pay interest on deposits at the rate established by the Commission. After the customer has paid its water service bills for 12 consecutive months without having had service discontinued for nonpayment, and did not have more than two occasions in which a shut-off notice was issued, and the customer is not then delinquent in the payment of bills, the Utility shall promptly and automatically refund the deposit plus accrued interest by (check one) (OAR 860-036-0050 and 0055):

- ☐ 1. Issuing the customer a refund check, or  
☒ 2. Crediting the customer's account.  
 (The customer is entitled to a refund check upon request.)

**Rule 6: Customer Service Line**

The customer shall own and maintain the customer service line and promptly repair all breaks and leaks. For non-metered service, the customer service line begins at the property line or utility-owned shut off valve. For metered service, the customer service line begins on the customer's side of the meter or utility-owned shut off valve. The Utility shall not be responsible for any damage or poor service due to inadequacy of the customer line or any portion of the customer's plumbing. All leaks in the customer line, faucets, and all other parts of the plumbing owned or controlled by the customer shall be promptly repaired so as not to waste water.

**Rule 7: Separate Control of Service**

All premises supplied with water will be served through service lines so placed as to enable the Utility to control the supply to each individual premise using a valve placed within and near the line of the street, the Utility right-of-way, or at the meter.

**Rule 8: Service Connections (OAR 860-036-0060)**

The service connection is that portion of the water system between the Utility's main line and the customer's service line at the customer's property line. The service connection includes all material and installation (hot tap, pipes, fittings, meter, etc.) necessary to provide water service to the customer. The Utility shall own, operate, maintain, and replace the service connection when necessary and promptly repair all breaks and leaks. The customer shall not be responsible for any damage or poor service due to inadequacy of the Utility's service lines or any portion of the Utility's plumbing.

- A. The Utility shall install the service connection and charge the customer for the cost of the service connection, including the meter. The customer shall pay for the meter and service connection and contribute the utility plant to the Utility. The contributed plant will be excluded from rate base.

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Rule 9: Service Connection Charge

An applicant requesting permanent water service to a premise not previously supplied with permanent service by the Utility may be required to pay the cost of the service connection, including or excluding the meter as provided in Rule No. 8 and the Utility's Miscellaneous Service Charges in this tariff.

Rule 10: Main Line Extension Policy (OAR 860-036-0065)

The Utility shall specify the size, character, and location of pipes and appurtenances in any main line extension. Main line extensions shall normally be along streets, roads, highways, or other satisfactory rights-of-way. All construction work shall conform to all applicable rules, regulations, codes, and industry standards. Each main line extension shall normally extend along applicant's property line to the point the applicant's service line would be at a 90-degree angle to the street or main line.

Rule 11: Main Line Advances and Refunds Policy

Each new customer requesting a main line extension shall advance the Utility the cost-based amount necessary to extend the main line to provide service.

**For a period of 5 years after construction of the requested main line extension**, the Utility shall also collect from any additional applicants who connect to the main line extension an amount per foot equal to the new applicant's proportionate share of the main line extension cost for that portion used. The Utility will then refund the share differential amount to those customers who previously shared the cost of said main line extension. Refunds shall not exceed the amount originally advanced.

No part of the distribution system installed prior to the request for a main line extension shall be used to calculate any customer advance or refund.

Rule 12: Types of Use

Water service may be supplied for residential, commercial, irrigation, temporary construction, special contracts, fire prevention, and other uses. The Utility shall file separate rate schedules for each type of use and basis of supply.

Rule 13: Multiple Residences/Commercial Users

An apartment building, mobile home park, motel, trailer camp, duplex, townhouse, or any property consisting of more than one residential/commercial unit, if served through one service line, shall be considered to be equivalent to the number of dwelling units when determining the customer count.

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**Rule 14: Utility Access to Private Property (OAR 860-036-0120(3)(b) and OAR 860-036-0205(3))**

Customers shall provide access during reasonable hours to utility-owned service lines that may extend onto the premises of the customer for the purposes of reading meters, maintenance, inspections, or removal of Utility property at the time service is to be discontinued. Where the customer does not cooperate in providing reasonable access to the meter or to the premises, as required by law or to determine if a health or safety hazard exists, it is grounds for disconnection.

**Rule 15: Restriction on Entering a Customer Residence (OAR 860-036-0085)**

No water utility employee shall enter the residence of its customers without proper authorization except in an emergency when life or property is endangered.

**REFUSAL OF SERVICE****Rule 16: Refusal of Service Due to Customer Accounts (OAR 860-036-0080(1-3))**

The Utility may refuse to serve an applicant until receipt of full payment of overdue amounts, or other obligations related to a prior account of the applicant with the Utility, when the following circumstances exist:

- A. The applicant seeks commercial service and has amounts owing from a prior account with the utility; or
- B. The applicant seeks residential service and has amounts owing from a prior residential account with the utility and the account was terminated for theft of service; or
- C. The applicant seeks residential service and the applicant:
  - 1. Has a roommate that has a past due bill with the utility; and
  - 2. Lived with the roommate at the time the past due bill was incurred; or
- D. The applicant failed to comply with the payment terms set forth in section (2)(c) of this rule; or
- E. The applicant's prior account was terminated more than 20 days before the applicant applied for service.

Except for residential customers or applicants who were disconnected for theft of service, a water utility shall provide service to a residential applicant upon receipt of payment equal to at least one-half of any overdue amount. The balance of the amount owed to the utility shall be paid within 30 days of the date service is initiated.

Service shall not be refused for matters not related to water service. Residential service shall not be refused due to obligations connected with nonresidential service.

If service is refused under this rule, the Utility shall inform the applicant or customer of the reasons for the refusal and of the Commission's dispute resolution process.

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**Rule 17: Refusal of Service Due to Utility Facilities (OAR 860-036-0080(7))**

The Utility shall not accept an application for service or materially change service to a customer if the Utility does not have adequate facilities or water resources to render the service applied for, or if the desired service is of a character that is likely to unfavorably affect reasonable service to other customers.

- A. The applicant's facilities do not comply with the codes, rules, or regulations of the appropriate governing authorities or the best practices governing safe and adequate water service, or with the reasonable rules and regulations of the water utility;
- B. The water utility does not have adequate facilities, resources, or capacity to provide the requested service without impairing service to other customers; or
- C. The water utility is prohibited by law from providing the service.

For refusal of service under this rule, the Utility shall provide a written letter of refusal to the applicant informing applicant that the details upon which the Utility's decision was based may be requested. A copy of such notice will be sent to the Commission. The details will include, but not be limited to:

- A. Current capacity and load measured in gallons or cubic feet per minute;
- B. Current capacity and load measured in pounds per square inch;
- C. Cost to the Utility for additional capacity in order to provide the additional service; and
- D. Information regarding the appeal process of the Utility's refusal to provide service is available through the Commission's dispute resolution process pursuant to OAR 860-036-0025.

**Rule 18: Refusal of Service Due to Customer Facilities (OAR 860-036-0080(4-6))**

The Utility shall refuse service to an applicant or customer whose facilities do not comply with applicable plumbing codes or, if in the best judgment of the Utility, are of such a character that safe and satisfactory service cannot be given.

If service is refused under this rule, the Utility will provide written notification to the customer within 10 working days stating the reason(s) for refusal and providing information regarding the Commission's complaint process. A copy of the notification will also be sent to the Commission.

**METERS****Rule 19: Utility Meters (OAR 860-036-0105)**

The water utility shall own, maintain, and operate all meters. Meters placed in service shall be adequate in size and design for the type of service, set at convenient locations, accessible to the Utility, subject to the utility's control, and placed in a meter box or vault between the street curb and property line. Each meter box or vault shall be provided with a suitable cover.

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Where additional meters are furnished by the Utility or relocated for the convenience of the customer, a reasonable charge may be made in accordance with a schedule approved by the Commission.

The water utility shall have the right to set meters or other devices for the detection and prevention of fraud or waste without notice to the customer.

Each customer shall provide the Utility with regular access to the meter on the customer's property. Failure to permit access at reasonable times and after reasonable notice by the Utility requesting access is grounds for disconnection. (OAR 860-036-0120) Should damage result to the meter from molesting, tampering, or willful neglect on the part of the customer, the utility shall repair or replace the meter and may bill the customer for the reasonable cost. (OAR 860-036-0105(7)). Broken meters shall be repaired or replaced within 30 days of discovery.

**Rule 20: Meter Testing (OAR 860-036-0110)**

The meter shall be tested prior to or within 30 (thirty) days of installation to determine it is accurate to register not more than a 2 percent error. No meter shall be allowed to remain in service if it registers an error in excess of 2 percent (fast or slow) under normal operating conditions. The Utility shall maintain a record of all meter tests and results. Meter test result records shall include:

- A. Information necessary to identify the meter;
- B. Reason for making the test;
- C. Date of test;
- D. Method of testing;
- E. Meter readings;
- F. Test results; and
- G. Any other information required to permit convenient checking of methods employed.

**Rule 21: Customer-Requested Meter Test (OAR 860-036-0115)**

A customer may request that the Utility test the service meter. Such test shall be made within 20 working days of the receipt of the request. The customer or the customer's representative has the right to be present during the test, which is to be scheduled at a mutually agreeable time. A written report shall be provided to the customer stating:

- A. Customer's name;
- B. Date of the customer's request;
- C. Address at which the meter has been installed;
- D. Meter identification number;
- E. Date of actual test; and

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## F. Test results.

The first meter test in a twelve-month period is at no cost to the customer. If a customer requests a meter test more often than once in any 12-month period, the fee listed on the Miscellaneous Service Charges Schedule may be required to recover the cost of the test. If the meter is found to register more than 2 percent fast or slow under conditions of normal operation, the Utility shall refund the fee to the customer.

**BILLING****Rule 22: Billing Information & Late-Payment Charge (OAR 860-036-0120, OAR 860-036-0125 & OAR 860-036-0130)**

All bills, including closing bills, are due and payable at the Utility office within 15 days when rendered by deposit in the mail or other reasonable means of delivery, unless otherwise specified on the bill. The date of presentation is the date on which the Utility mails the bill.

As near as practical, meters shall be read (check one) ☒ monthly intervals, ☐ bimonthly ☐ quarterly, ☐ semi-annually or ☐ annually on the corresponding day of each meter reading or billing period.

The bill shall be rendered immediately thereafter. (OAR 860-036-0120(3) requires water utilities to bill at monthly intervals. However, a Utility may request, upon application, special authority from the Commission to bill at intervals other than monthly.)

The Utility will keep at least 10 years of all billings records (flat or metered rates) and three years of meter readings. The Utility shall make a reasonable effort to prepare opening and closing bills from actual meter readings. When there is good reason for doing so, estimated bills may be submitted. Any estimated billings shall be clearly designated as such. When requested, the Utility shall demonstrate to the Commission the reason for the estimated billing.

All water service bills shall show:

- A. Beginning and ending meter readings for the billing period;
- B. Beginning and ending dates of the period of service to which the bill applies;
- C. For all metered bills, beginning and ending meter readings for the period for which the bill is rendered;
- D. Number of units of service supplied stated in gallons or cubic feet;
- E. Schedule number under which the bill was computed;
- F. Delinquent date of the bill;
- G. Total amount due; and
- H. Any other information necessary for the computation of the bill.

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All bills become delinquent if not paid within 30 days of the date the Utility mailed or delivered the bill. (OAR 860-036-0125 requires a minimum of 15 days.)

A late-payment charge may be assessed against any account that has an unpaid balance when the next bill is being prepared. The charge will be computed on the delinquent balance owing at the time of preparing the subsequent month's bill at the late-payment rate specified in the Miscellaneous Service Charges Schedule. The late-payment rate is determined annually by the Commission, and the Utility will be notified of the rate.

If an account is permitted to become delinquent, the Utility may disconnect water service by giving proper notice to the customer as provided in Rules 28/29, prior to or after the Utility assesses the late payment charge.

Rule 23: Returned Payment Charge

The Returned Payment Charge listed on the Miscellaneous Service Charges Schedule shall be billed for each occasion a customer submits any type of noncash payment (check, debit, electronic, etc.) that is not honored, for any reason, by a bank or other financial institution.

Rule 24: Prorating of Bills

Initial and final bills will be prorated according to the number of days service was rendered and on the basis of a 31-day month. For metered services, a reasonable effort will be made to read the meter upon opening and closing a customer's account. Consumption will be charged at scheduled rates. Any minimum monthly charge will be prorated.

Rule 25: Adjustment of Bills (860-036-0135)

When an underbilling or overbilling occurs, the Utility shall provide written notice to the customer detailing the circumstances, period of time, and the amount of the adjustment. If it can be shown that the error was due to an identifiable cause, the date of which can be fixed, the overcharge or undercharge shall be computed back to such date. If no date can be fixed, the Utility shall refund the overcharge or rebill the undercharge for no more than six months' usage. In no event shall an overbilling or underbilling be for more than three years' usage. No billing adjustment shall be required if a meter registers less than 2 percent error under conditions of normal operation.

When a customer is required to repay an underbilling, the customer shall be entitled to enter into a time-payment agreement without regard to whether the customer already participates in such an agreement. If the customer and the Utility cannot agree upon payment terms, the Commission shall establish terms and conditions to govern the repayment obligation. The Utility shall provide written notice advising the

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customer of the opportunity to enter into a time-payment agreement and of the Commission's complaint process.

**Rule 26: Transfer Billings (860-036-0140)**

If a water utility identifies a balance a customer owes from the customer's prior account for Oregon service, the water utility shall have the option to transfer the amount to the customer's current account. The water utility will give the customer prior notice of the transfer, including:

- A. The amount due under the prior account; and
- B. The period when the balance was incurred; and
- C. The service address under which the bill was incurred.

The utility has the option to send a separate notice to the customer giving the same information, but collecting the amount for the prior account separately from the customer's current account. If the customer has an amount remaining on an existing time-payment agreement, the customer may enter into a new time-payment agreement to include the transfer.

This rule also applies to customers who change service locations, and who applied for the new service within 20 days of closing the prior account (thereby retaining customer status).

## DISCONNECTION OF WATER SERVICE

**Rule 27: Voluntary Discontinuance (OAR 860-036-0210)**

Except for emergencies, customers who (for any reason) wish to have service discontinued shall provide the Utility at least five business-days' advance notice of the request to discontinue service. The customer is responsible to identify the date of disconnection and for all services rendered until the water utility receives the customer's notice and the service is discontinued on the requested date.

Rates are based on continuous service. Disconnect and reconnect transactions do not relieve a customer from the obligation to pay the base rate or minimum charge that accumulates during the period of time the service is voluntarily disconnected for up to 12 months. Should the customer wish to recommence service within 12 months at the same premise, the customer will be required to pay the accumulated minimum monthly charge or base rate as if service had been continuous. The reconnection charge listed on the Miscellaneous Service Charges Schedule will be applicable at the time of reconnection.

**Rule 28: Emergency Disconnection (OAR 860-036-0215)**

The Utility may terminate service in emergencies when life or property is endangered without following the procedures set forth in OAR 860-036-0245. Immediately thereafter, the water utility will notify the

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customer and the Commission. When the emergency termination was through no fault of the customer, the utility shall not charge the customer for disconnection or restoration of service.

**Rule 29: Disconnection of Water Service Charge for Cause (OAR 860-036-0205 and 0245)**

When a customer fails to comply with the Utility's rules and regulations, or permits a bill or charge for regulated services to become delinquent (except for nonpayment of a time-payment agreement), the Utility shall give at least five business days' written notice before water service may be shut off. The notice shall state:

- A. The reason(s) for the proposed disconnection;
- B. The earliest date for disconnection;
- C. The amount to be paid to avoid disconnection;
- D. An explanation of the time-payment provision of OAR 860-036-0125;
- E. Information regarding the Commission's dispute resolution process; and
- F. The Commission's Consumer Services toll-free number, 1-800-522-2404.

Prior to disconnection on the day that the Utility intends to disconnect service, the Utility must make a good-faith effort to physically contact the customer to be disconnected or an adult at the customer's premise to be disconnected to advise the customer or adult of the proposed disconnection. If contact is not made, the Utility shall leave a notice in a conspicuous place at the customer's premise informing the customer that service has been or is about to be disconnected. The Utility shall document its efforts to contact the customer or an adult at the premises and make that documentation available to the customer upon request.

Service shall not be shut off for non-emergencies on a Friday or the day of a state- or Utility-recognized holiday or the day prior to such holiday. (OAR 860-036-0220) The Utility shall not disconnect residential service due to the failure to pay or meet obligations associated with nonresidential service. (OAR 860-036-0225)

Residential customers who are notified of pending disconnection may choose between two Time Payment Agreement options. The Utility will offer such customers a choice of a levelized-payment plan and an equal-pay arrearage plan. A Utility and customer may mutually agree to an alternate payment arrangement provided it be in writing and signed by all parties.

**Disconnection for Failure to Comply With a Time Payment Agreement**

A time-payment agreement disconnection occurs when a customer fails to comply with the terms of a written time-payment agreement between the customer and the Utility, or the Utility permits a time-payment agreement charge to become delinquent. The Utility shall give the customer a 15-day written notice and a 5-business day written notice before the water service may be disconnected.

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**Rule 30: Disconnection and Reconnection of Water Service and Field Visit Charge****Disconnection Charge**

When service was disconnected pursuant to OAR 860-036-0245 or OAR 860-036-0250, the water utility may charge the disconnect fee stated in its tariff. If a customer requests water be turned off temporarily by the water company the customer will be subject to Rule 27 of this tariff and subject to the Disconnection Charge in Schedule 6, Miscellaneous Fees.

**Reconnection Charge**

Service must be reconnected after the customer or applicant has requested reconnection, paid all applicable charges, provided necessary credit information, and satisfied all requirements for service. When service was disconnected pursuant to OAR 860-036-0245 or OAR 860-036-0250, the water utility may charge the reconnection fee stated in its tariff. If a customer requests water be turned on, the customer will be subject to the Reconnection Charge in Schedule 6, Miscellaneous Fees, unless exempted by the Commission or Commission rules.

**Field Visit Charge**

A water utility may assess a field visit charge whenever the water utility visits a residential service address intending to reconnect or disconnect service, but due to customer action, the water utility is unable to complete the reconnection or disconnection at the time of the visit. The field visit charge must be either filed in its tariffs or included in its statement of rates, whichever is applicable.

A field visit charge may not be assessed to a customer for delivery of any disconnect notice when the Utility has a viable address for the customer. If a Utility delivers a disconnect notice, it is responsible to document its efforts to send the disconnect charge by mail and demonstrate to the Commission the reasonableness of delivering any disconnect notice to the customer's residence.

**Rule 31: Unauthorized Restoration of Service**

After the water has been disconnected or shut off at the curb stop or at the meter, if any person not authorized by the water utility should turn it on, the water service may be disconnected without notice. Service shall not be reconnected until all arrearages, and disconnection and reconnection charges are paid in full.

**Rule 32: Unauthorized Use**

No person shall be allowed to make connection to the Utility mains, or to make any alteration to service connections, or to turn a curb stop off or on to any premises without written permission of the Utility. Meter tampering, diverting service, or any other unauthorized use of service will automatically cause a disconnection of the water service and may result in meter removal. All applicable fees, costs of disconnection and reconnection, past-due billings, and service charges listed on the Miscellaneous

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Service Charges Schedule must be paid in full before any service is restored. An advance deposit for restoration of service may be required.

**Rule 33: Interruption of Service (OAR 860-036-0075)**

The Utility shall have the right to shut off the water supply temporarily for repairs and other necessary purposes. The Utility shall use all reasonable and practicable measures to notify affected customers in advance of such discontinuance of service except in the case of emergency repairs. The Utility shall not be liable for any inconvenience suffered by the customer or damage to the customer's property arising from such discontinuance of service.

The Utility shall keep a record of all service interruptions affecting its whole system or a major section thereof, including the time and date of interruption, duration, and cause or purpose of interruption.

**Rule 34: Water Supply/Usage Restrictions (OAR 860-036-0325)**

The Utility shall exercise due diligence to furnish a continuous and adequate supply of water to its customers. If water restrictions are necessary to equitably apportion its available water supply among its customers with due regard to public health and safety, the Utility shall provide written notification to its customers and the Commission including:

- A. Reason for the restriction;
- B. Nature and extent of the restriction;
- C. Effective date of the restriction; and
- D. Probable date of termination of such restriction.

**Rule 35: Damages/Tampering**

Should damage result to any of the Utility's property from molesting or willful neglect by the customer to a meter or meter box located in the customer's building, the Utility will repair or replace such equipment and will bill the customer for the costs incurred.

## SERVICE QUALITY

**Rule 36: System Maintenance (OAR 860-036-0305)**

The Utility shall have and maintain its entire plant, distribution system, and hydrants in such condition that it will furnish safe, adequate, and reasonable continuous service. The Utility shall inspect its facilities in such manner and with such frequency as may be necessary to ensure a reasonably complete knowledge of its condition and adequacy at all times.

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The Utility shall keep such records of all routine maintenance as considered necessary for the proper maintenance of its system, including regular flushing schedules, exercising of valves, and valve inspections.

**Rule 37: Trouble Call**

The trouble-call charge listed on the Miscellaneous Service Charges Schedule may be billed whenever a customer requests that the Utility visit the customer's premises to remedy a service problem and the problem is due to the customer's facilities.

**Rule 38: Water Purity (OAR 860-036-0310)**

The Utility shall deliver water for domestic purposes free from bodily injurious physical elements and disease-producing bacteria and shall cause such tests to be made and precautions taken as will ensure the constant purity of its supply. The Utility shall keep a record of all water quality tests, results, monitoring, and reports.

The Utility shall deliver domestic water that is reasonably free from elements that cause physical damage to customer property such as pipes, valves, appliances, and personal property. A water supply that causes such damage will be remedied until the conditions are such as to not reasonably justify the necessary investment.

**Rule 39: Water Pressure (OAR 860-036-0315)**

Each water utility shall maintain pressure at a minimum of 20 pounds per square inch (psi) for health reasons to each customer at all times. The 20 psi standard is not presumed to be adequate service and do not restrict the authority of the Commission to require improvements where water pressure or flow is inadequate.

In general, 40 psi of water pressure in the water mains is usually adequate for the purposes of this rule. However, adequate pressure may vary depending on each individual water system and customers' circumstances. In the case of a dispute, the Commission will determine the appropriate water pressure for the water utility.

**Rule 40: Pressure Surveys (OAR 860-036-0320)**

The Utility shall have a permanently placed pressure gauge located on a main that is representative of the system's pressure. A portable gauge in good working condition shall be available for checking pressure conditions in any part of the distribution area.

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**Rule 41: Customer-Requested Pressure Test (OAR 860-036-0320)**

Upon customer request, the Utility will perform a water pressure test within 20 working days of the request. The first pressure test in any 12-month period shall be at no charge. If the customer requests more than one pressure test within any 12-month period, a deposit to recover the reasonable cost of the additional test may be required of the customer. The deposit shall be returned if the pressure test indicates less than 20 psi. The customer or designated representative has the right to be present at the pressure test, and said test shall be conducted at a mutually agreeable time.

For metered service, the pressure will be tested at a point adjacent to the meter on the customer's service line.

For non-metered service, the pressure will be tested at the customer's service line or hose bibb or other reasonable point likely to best reflect the actual service pressure.

**Rule 42: Maps/Records (OAR 860-036-0335)**

The Utility shall keep on file current maps and records of the entire plant showing size, location, character, and date of installation of major plant items, including shut-off valves.

**Rule 43: Utility Line Location (One Call Program) (OAR 860-036-0345)**

The Utility and its customers will comply with the requirements of OAR 952-001-0010 through and including OAR 952-001-0090 (One Call Program) regarding identification and notification of underground facilities.

**Rule 44: Cross Connection/Backflow Prevention Program/CRRWC DCVA Installation Program**

The Utility will comply with the rules and regulations for the Cross Connection/Backflow Prevention Program, as provided for in ORS Chapter 333 and the Utility's approved Backflow Prevention Program.

CRRWC will offer a DCVA Installation Program (Program) to customers. Customers will automatically be enrolled in the Program unless the customer signs and returns an opt-out form within 30 days of the customer receiving the Program offer. Details of the Program are found in PUC No. 2, Original Sheets Nos. 6 and 7, Schedule No. 4.

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Rule 45: CRRWC DCVA Maintenance, Repair, and Testing Services

CRRWC will offer customers that own their own DCVAs a DCVA Maintenance, Repair and Testing Service (Service). Customers will automatically be enrolled in this Service unless the customer signs and returns an opt-out form within 30 days of the customer receiving the Service offer. Details of the Program are found in PUC No. 2, Original Sheets Nos. 8 and 9, Schedule No. 5.

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