

ENTERED: MAR 20 2017

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UW 167

In the Matter of

ORDER

ANGLER'S COVE SHADY COVE  
HEIGHTS WATER COMPANY,

Request for a General Rate Revision.

DISPOSITION: STIPULATION ADOPTED

**I. INTRODUCTION**

On November 2, 2016, Angler's Cove Shady Cove Heights Water Company (Angler's Cove) filed an application for a general rate revision. The amount of the rate increase requested was \$2,340 (9.13 percent) over test year revenues of \$24,633, resulting in an annual revenue requirement of \$26,963. The company proposed to increase its base rate by \$5 per month, with no increase to its commodity charge.

Angler's Cove is a mutual benefit, domestic nonprofit corporation located in Shady Cove, Oregon. The company provides domestic residential water service to 39 members. It has no commercial or irrigation customers.

Angler's Cove has been providing water service since 2002. The company became rate regulated in 2007. Its only previous rate case was completed in 2008. In that case we approved a 12.9 percent decrease in the annual revenue requirement.

A public comment hearing and prehearing conference were held on December 5, 2016, in Shady Cove, Oregon, with past and current home owner association officials in attendance. No other customers appeared. No persons petitioned to intervene.

Following settlement discussions, Angler's Cove and Commission Staff reached settlement of all issues. On February 17, 2017, the parties filed a stipulation setting out the terms of their settlement. Also on February 17, 2017, Staff filed testimony in support of the stipulation. A copy of the stipulation is attached to this decision as Appendix A.

**II. STIPULATION AND SUPPORTING TESTIMONY**

In their stipulation, the parties recommend that we adopt the company's proposed annual revenue requirement of \$26,963 (including a zero percent rate of return) – an increase of \$2,340 (9.13 percent). They note that the amount of the increase is less than the amount required to cover the company's cost of service. Staff and Angler's Cove discussed

options for addressing the revenue shortfall (including re-noticing and refiling the application) but the company declined all options.

The parties agree that the rate increase will take effect April 1, 2017.

In its testimony, Staff states that Angler's Cove is seeking the increase due to increases in Pacific Power rates, an increase in contract labor costs for plant operations, the addition of a new account billing system, and the addition of new customer meters. The decision was made at the Homeowner Association Annual Meeting to limit the increase to \$5 per month per customer and to request that the base rate be increased accordingly.

Staff summarizes its review of the company's test year revenues and expenses. After correcting Angler's Cove's accounting for certain categories of expenses<sup>1</sup>, Staff found that all of the contracts and expenses reviewed were prudent and reflected the reasonable cost of service.

Staff reviewed the company's installation and relocation of meters and found that the costs were prudently incurred.

Angler's Cove has no debt. The company is financed with 100 percent equity. Staff cites our policy to set the return on equity for nonprofit utilities at zero as the basis for the zero percent rate of return proposed in the stipulation.

Other means of raising capital should be allowed for nonprofit water systems to generate reserve funds to prepare for the cost of major repairs and provide for capital expenditures. This need is addressed by the creation of a System Benefit Fund. In the earlier rate case we approved such a fund for Angler's Cove. According to Staff, Angler's Cove has used its fund for major repairs, emergencies, and capital expenditures to ensure safe and reliable service to customers. Staff recommends that Angler's Cove's fund financing be maintained at its current level of \$2,080 annually.

Staff notes that a number of housekeeping edits were made to the company's tariffs that are incorporated in the proposed tariffs attached to the stipulation.

Staff notes that the parties agreed to effectuate the rate increase by increasing the monthly base rate from \$30 to \$35. According to Staff, the resulting rate design assigns 60.75 percent of the revenue requirement recovery to the base rate and 39.25 percent to the commodity rates<sup>2</sup> – very close to Staff's preferred split of 60 percent to the base rate and 40 percent to the commodity rate.

According to Staff, the stipulated revenue requirement leaves the company with a negative 6.72 percent rate of return. Staff was not able to address this issue in this case, given that the allowable amount of the rate increase is limited by the terms of the company's application and its notice to its customers. Angler's Cove was not willing to

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<sup>1</sup> Corp of Engineers Contracts, Depreciation Expense, Contracted Labor, System Benefit Fund, and Miscellaneous Revenues.

<sup>2</sup> The company has a two tier increasing block commodity rate design.

take any measures to cure its revenue deficiency. Staff notes that the company does have its System Benefit Fund with reserve funds set aside to assist as necessary.

### III. DISCUSSION

We adopt the stipulation.

The terms of the stipulation reflect Staff's thorough review of Angler's Cove's filing. An order granting 100 percent of the requested increase is not common but entirely appropriate where Staff finds that the company has proposed a revenue requirement that does not fully recover its cost of service. A negative rate of return is not an ideal situation for the utility or its customers, but as noted by Staff, in this case safe and reliable service is not jeopardized where the company has a system benefit fund to assist with financing major repairs, in the case of emergencies, and to pay for capital expenditures.

### IV. ORDER

IT IS ORDERED that

1. The stipulation between Angler's Cove Shady Cove Heights Water Company and the Staff of the Public Utility Commission of Oregon, attached as Appendix A, is adopted.
2. Angler's Cove Shady Cove Heights Water Company is authorized to file its tariffs in accord with the stipulation and this order, with rates effective on April 1, 2017.
3. Advice No. 16-01 is permanently suspended.

MAR 20 2017

Made, entered, and effective \_\_\_\_\_.

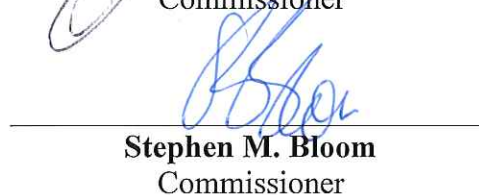


**Lisa D. Hardie**  
Chair





**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 167

In the Matter of ANGLER'S COVE SHADY	)	
COVE HEIGHTS WATER COMPANY	)	STIPULATION
Application for a General Rate	)	
Increase	)	

Angler's Cove Shady Cove Heights Water Company (Angler's Cove or Company) appearing by and through its President and Treasurer, Edward Kessler, the Public Utility Commission Staff (Staff) appearing by and through its attorney, Kaylie Klein, Assistant Attorney General, hereafter collectively referred to as the Parties, enter into this Stipulation resolving all issues in the case. There are no Intervenors in this case.

1.

The Parties support and recommend that the Commission adopt an annual revenue requirement of \$26,963 with a zero percent rate of return, which represents a 9.13 percent increase over the \$24,660 2015 test year revenue.

2.

Staff noted that the Company's requested revenue requirement of \$26,963 is less than the amount of revenue required to cover the Company's cost of service. The Company is aware of this shortfall and has discussed with Staff the options available at this point, including re-noticing and refiling, but has declined all options

1 at this time. The stipulated revenue requirement is included with this Stipulation as  
2 Attachment A.

## 3. 3

4 The Parties agree to and support the stipulated rates, fees, rules, and  
5 regulations contained in Attachment B to this Stipulation, Angler's Cove tariff sheets  
6 designated as PUC Oregon No. 2, Original Sheet Nos. 1 through 21. The attached  
7 tariff sheets have been updated to reflect the applicable water rules given that the  
8 Commission recently adopted new water division rules in Order No. 17-017 that have  
9 affected the rules numbering scheme.

## 4. 10

11 The Parties agree to and support that rates shall be effective for service  
12 rendered on and after April 1, 2017.

## 5. 13

14 By entering into this Stipulation, no Party shall be deemed to have approved,  
15 accepted, or consented to the facts, principles, methods, or theories employed by any  
16 other Party in arriving at the agreed revenue requirements, rate spreads, rate designs,  
17 or other terms of the Stipulation.

## 6. 18

19 The Parties have negotiated this agreement in good faith and recommend that  
20 the Commission adopt this Stipulation in its entirety. The Parties have negotiated this  
21 Stipulation as an integrated document. Accordingly, if the Commission rejects all or  
22 any material portion of this Stipulation, each Party

1 reserves the right, upon written notice to the Commission and all Parties to this  
2 proceeding within 15 days of the date of the Commission's order, to withdraw from the  
3 Stipulation and request an opportunity for the presentation of additional evidence and  
4 argument.

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7.

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 6<sup>th</sup> day of February 2017.

Respectfully submitted,

ELLEN ROSENBLUM  
Attorney General

  
\_\_\_\_\_  
Kaylie Klein #143614  
Assistant Attorney General  
Of Attorney for PUC Staff

Department of Justice  
1162 Court Street NE  
Salem, OR 97301-4096  
(503) 378-6322

7.

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 1 day of February 2017.

A handwritten signature in black ink, appearing to read 'Ed Kessler', is written over a horizontal line.

Edward Kessler  
President and Treasurer  
Angler's Cove Shady Cove Heights  
Water Company



# ORDER NO. 17 096

FOR SETTLEMENT PURPOSES ONLY

Stipulation Attachment A

Company Name Angler's Cove
Docket # UW 167
Test Year: 2015

Company Proposed Increase:	10.14%
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Staff Proposed Increase:	9.13%
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Revenue Requirement		A	B	C	D	E	F	G	H
		Company	Company	Company A+B=C	Staff	Staff C+D+E	Staff	Staff D+F=G	Total C+G=H
Acct No.	REVENUES	Balance per Application	Proposed Company Adjustments	Proposed Company Totals	Staff Adjustments	Adjusted Results	Revenue-Sensitive Adjustments	Total PUC Adjustments	PUC Proposed Results
480	Unmetered Water Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
481.1	Residential Water Sales	\$ 24,623	\$ 2,340	\$ 26,963	\$ -	\$ 26,963	\$ -	\$ -	\$ 26,963
481.2	Commercial Water Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
482	Fire Protection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
484	Water Sales to Public Authorities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
485	Irrigation -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
486	Sales for Resale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
487	Golf Course	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
488	Special Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
471	Miscellaneous Revenues	\$ 84	\$ 166	\$ 250	\$ (250)	\$ -	\$ -	\$ (250)	\$ -
472	Cell Tower/Rent from Utl. Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
475	Cross Connection Control Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
0	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL REVENUE	\$ 24,707	\$ 2,506	\$ 27,213	\$ (250)	\$ 26,963	\$ -	\$ (250)	\$ 26,963
	OPERATING EXPENSES								
601	Salaries and Wages - Employees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
603	Salaries and Wages - Officers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
604	Employee Pension & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
610	Purchased Water	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
611	Telephone/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
616	Purchased Power	\$ 2,924	\$ 100	\$ 3,024	\$ -	\$ 3,024	\$ -	\$ -	\$ 3,024
618	Fuel for Power Production	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
617	Other Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
618	Chemical / Treatment Expense	\$ 1,226	\$ -	\$ 1,226	\$ -	\$ 1,226	\$ -	\$ -	\$ 1,226
619	Office Supplies	\$ 238	\$ (150)	\$ 88	\$ -	\$ 88	\$ -	\$ -	\$ 88
619.1	Postage	\$ 59	\$ (49)	\$ 10	\$ -	\$ 10	\$ -	\$ -	\$ 10
620	O&M Materials/Supplies	\$ 531	\$ -	\$ 531	\$ -	\$ 531	\$ -	\$ -	\$ 531
621	Repairs to Water Plant	\$ 2,231	\$ (731)	\$ 1,500	\$ -	\$ 1,500	\$ -	\$ -	\$ 1,500
631	Contract Svcs - Engineering	\$ 12,000	\$ 900	\$ 12,900	\$ (12,900)	\$ -	\$ -	\$ (12,900)	\$ -
632	Contract Svcs - Accounting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
633	Contract Svcs - Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
634	Contract Svcs - Management Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
635	Contract Svcs - Testing	\$ 1,083	\$ -	\$ 1,083	\$ -	\$ 1,083	\$ -	\$ -	\$ 1,083
636	Contract Svcs - Labor	\$ -	\$ -	\$ -	\$ 12,900	\$ 12,900	\$ -	\$ 12,900	\$ 12,900
637	Contract Svcs - Billing/Collection	\$ 815	\$ 685	\$ 1,500	\$ -	\$ 1,500	\$ -	\$ -	\$ 1,500
638	Contract Svcs - Meter Reading	\$ 660	\$ -	\$ 660	\$ -	\$ 660	\$ -	\$ -	\$ 660
639	Contract Svcs - Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
641	Rental of Building/Real Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
642	Rental of Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
643	Small Tools	\$ 183	\$ -	\$ 183	\$ -	\$ 183	\$ -	\$ -	\$ 183
648	Computer/Electronic Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
650	Transportation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
656	Vehicle Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
657	General Liability Insurance	\$ 2,111	\$ 123	\$ 2,234	\$ -	\$ 2,234	\$ -	\$ -	\$ 2,234
658	Workers' Comp Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
659	Insurance - Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
666	Amortiz. of Rate Case	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Gross Revenue Fee (PUC)	\$ 67	\$ 83	\$ 150	\$ -	\$ -	\$ (58)	\$ (58)	\$ 92
670	Bad Debt Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
671	Cross Connection Control Program	\$ 30	\$ -	\$ 30	\$ -	\$ 30	\$ -	\$ -	\$ 30
673	Training and Certification	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
674	Consumer Confidence Report	\$ -	\$ 2	\$ 2	\$ -	\$ 2	\$ -	\$ -	\$ 2
676	Miscellaneous Expense	\$ 625	\$ (215)	\$ 410	\$ -	\$ 410	\$ -	\$ -	\$ 410
OE1	System Benefit Fund Account	\$ 2,080	\$ -	\$ 2,080	\$ -	\$ 2,080	\$ -	\$ -	\$ 2,080
OE2	Other Expense 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OE3	Other Expense 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OE4	Other Expense 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OE5	Other Expense 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL OPERATING EXPENSE	\$ 26,863	\$ 748	\$ 27,611	\$ -	\$ 27,461	\$ (58)	\$ (58)	\$ 27,553
	OTHER REVENUE DEDUCTIONS								
	Depreciation Expense	\$ 2,452	\$ -	\$ 2,452	\$ (247)	\$ 2,205	\$ -	\$ (247)	\$ 2,205
406	Amort of Plant Acquisition Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
407	Amortization Expense	\$ -	\$ -	\$ -	\$ 594	\$ 594	\$ -	\$ 594	\$ 594
408.11	Property Tax	\$ 401	\$ 12	\$ 413	\$ -	\$ 413	\$ -	\$ -	\$ 413
408.12	Payroll Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
408.13	Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
409.1	Federal Income Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
409.11	Oregon Income Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
409.13	Extraordinary Items Income Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL REVENUE DEDUCTIONS	\$ 29,716	\$ 760	\$ 30,476	\$ 347	\$ 30,873	\$ (58)	\$ 289	\$ 30,765
	NET OPERATING INCOME	\$ (5,009)	\$ 1,746	\$ (3,263)	\$ (597)	\$ (3,710)	\$ 50	\$ (539)	\$ (3,802)
	UTILITY RATE BASE								
	Utility Plant Invested by Company	\$ 79,101	\$ -	\$ 79,101	\$ -	\$ 79,101	\$ -	\$ -	\$ 79,101
271	+ Contributions in Aid of Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	- Excess Capacity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Equals: Total Utility Plant	\$ 79,101	\$ -	\$ 79,101	\$ -	\$ 79,101	\$ -	\$ -	\$ 79,101
	- Accum. Depreciation-Invested Plant	\$ 24,707	\$ -	\$ 24,707	\$ 143	\$ 24,850	\$ -	\$ 143	\$ 24,850
	- Accum. Depreciation-CIAC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
271	- Contributions in Aid of Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
281	- Accumulated Deferred Income Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
272	+ Accum. Amortization of CIAC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Equals: Net Invested Utility Plant	\$ 54,394	\$ -	\$ 54,394	\$ (143)	\$ 54,251	\$ -	\$ (143)	\$ 54,251
	Plus: (working capital)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
151	Materials and Supplies Inventory	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
WkCash	Working Cash (Total Op Exp /12)	\$ 54,394	\$ -	\$ 54,394	\$ 2,163	\$ 56,547	\$ -	\$ 2,153	\$ 56,547
	TOTAL RATE BASE	\$ 54,394	\$ -	\$ 54,394	\$ 2,163	\$ 56,547	\$ -	\$ 2,153	\$ 56,547
	Rate of Return	-9.21%		-6.00%		-6.56%			-6.72%

PUC Oregon No. 2  
ANGLERS COVE SHADY COVE HEIGHTS WATER COMPANY

Original Sheet No. 1

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

**NAMING RATES FOR**

**ANGLERS COVE SHADY COVE HEIGHTS WATER  
COMPANY**

**PO BOX 412  
SHADY COVE, OREGON 97539**

**541-878-2498**

Serving water in the vicinity of

Shady Cove, Oregon

Issue Date / Filing Date		Effective for Service on or after	4-1-2017
Issued By Utility	Anglers Cove Shady Cove Heights Water Company		

Advice No. 16-1

PUC Oregon No. 2  
ANGLERS COVE SHADY COVE HEIGHTS WATER COMPANY

Original Sheet No. 2

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Issue Date / Filing Date		Effective for Service on or after	4-1-2017
Issued By Utility	Anglers Cove Shady Cove Heights Water Company		

Advice No. 16-1

PUC Oregon No. 2  
ANGLERS COVE SHADY COVE HEIGHTS WATER COMPANY

Original Sheet No. 3

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

**Available:** To customers of the Utility at Shady Cove, Oregon, and vicinity.

**Applicable:** To residential premises.

**Base Rate**

SERVICE/METER SIZE	MONTHLY BASE RATE	USAGE ALLOWANCE
5/8 inch or 3/4 inch	35.00	0
1 inch	35.00	0

**Commodity Usage Rate**

	COMMODITY RATE	NO. OF UNITS	UNIT	USAGE
Tier 1	\$.0050	1	gallon	From 0 to 4,500 gallons
Tier 2	\$.0119	1	gallon	Above 4,500 gallons

**Special Provisions:**

1. These rates are based on continuous service. Discontinuation of service may not be employed to avoid monthly charges for service. See Rule No. 26, 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		Effective for Service on or after	4-1-2017
Issued By Utility	Anglers Cove Shady Cove Heights Water Company		

Advice No. 16-1

PUC Oregon No. 2  
 ANGLERS COVE SHADY COVE HEIGHTS WATER COMPANY

Original Sheet No. 4

**SCHEDULE NO. 2****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
Nonstandard ¾ inch service	At cost
Larger than ¾-inch	At cost
Irrigation hookup (if provided on separate system)	At cost

Meter Test (Rule No. 19/20)

First test within 12-month period	N/C
Second test within 12-month period	\$40

Pressure Test (Rule No. 40)

First test within 12-month period	N/C
Second test within 12-month period	\$40

Late-Payment Charge (Rule No. 21)

Pursuant to OAR 860-036-1400  
 (as of 1/1/17 – 1.9%) but no less than \$5

Deposit for Service (Rule No. 5)

Pursuant to OAR 860-036-1220  
 (as of 1/1/17 – 0.7%)

Returned-Check Charge (Rule No. 22)

\$25

Trouble-Call Charge (Rule No. 36)

During normal office hours	\$40
After normal office hours on special request	\$60

Disconnection/Reconnect Charge (Rule Nos. 29)

During normal office hours	\$30
After normal office hours on special request	\$45

Unauthorized Restoration of Service (Rule No. 30)

Reconnection charge plus costs

Damage/Tampering Charge (Rule No. 34)

at cost

Disconnect Site-Visit Charge (Rule No. 29)

\$30

Issue Date / Filing Date		Effective for Service on or after	4-1-2017
Issued By Utility	Anglers Cove Shady Cove Heights Water Company		

Advice No. 16-1

PUC Oregon No. 2  
ANGLERS COVE SHADY COVE HEIGHTS WATER COMPANY

Original Sheet No. 5

## 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: Angler's Cove Shady Cove Heights 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 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.

Issue Date / Filing Date		Effective for Service on or after	4-1-2017
Issued By Utility	Anglers Cove Shady Cove Heights Water Company		

Advice No. 16-1

PUC Oregon No. 2  
ANGLERS COVE SHADY COVE HEIGHTS WATER COMPANY

Original Sheet No. 6

### APPLICATION FOR SERVICE

**Rule 3: Customer/Applicant Information (OAR 860-036-1100)**

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 or statement of rules;
- F. Rights and Responsibilities Summary for Oregon Utility Consumers;
- G. Notices in foreign languages, if applicable;
- H. The Utility's business address, telephone number, and emergency telephone number;
- I. Notices approved by the Commission.

**Rule 4: Application for Service (OAR 860-036-1200)**

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 860-036-1210.

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.

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**Rule 5: Establishment of Credit, Surety Agreements, Deposits, Interest, and Refunds of Deposits (OAR 860-036-1210, 1220, 1230, 1240, 1250, and 1260)**

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 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 860-036-1220)

A water utility must inform any residential applicant or customer who is required to pay a deposit of the opportunity to provide a written surety agreement in lieu of paying the deposit. A surety agreement obligates another qualifying residential customer of the same water utility to pay an amount up to the required deposit if the secured account is later disconnected and a balance remains owing following the due date for the closing charges. To qualify as a surety, the other residential customer must have had 12 months of continuous service with the water utility without a late payment. (OAR 860-036-1230)

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, or 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 860-036-1250 and 1260):

- ☐ 1. Issuing the customer a refund check, or  
☒ 2. Crediting the customer's account; however, a customer is entitled to a refund upon request pursuant to OAR 860-036-1260

**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.

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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 860-036-1300)

The service connection is that portion of the water system between the Utility's main line and the customer's property line, including 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 may pay for and install the service connection and meter and, generally all materials and labor are included in rate base; or
- B. The Utility may purchase and install the service connection and charge the customer the cost of the service connection less the cost of the meter. Generally, the cost of the meter is included in rate base; or
- C. The customer may pay for the meter and contribute or gift the meter to the Utility. Contributions of this type are generally excluded from rate base; or
- D. In special cases and upon approval by the Commission, a customer may purchase and install the service connection (including meter, meter box, parts, and all excavation and plumbing) and contribute or gift the entire service connection to the Utility. Contributions of this type are generally excluded from rate base.

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 860-036-1310)

A main line extension is defined as the extension of a water utility's main line necessary to provide service to a customer when the property does not currently have main line frontage.

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A water utility may charge a reasonable non-discriminatory main line extension charge if the charge and policy are stated in the water utility's tariff or statement of rates.

A water utility must have a main line extension policy that lists all applicable charges; and describes the advance and refund provisions, including a description of the mechanisms for collecting and rebating the amount charged equitably among the customers who paid for the cost of the line, and provides the time period during which the advance and rebate provisions apply.

Rule 11: 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 12: 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.

Rule 13: Utility Access to Private Property (OAR 860-036-1370 and 1500)

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 14: Restriction on Entering a Customer Residence (OAR 860-036-1330)

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

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## REFUSAL OF SERVICE

### Rule 15: Refusal of Service Due to Customer Accounts (OAR 860-036-1270)

A water utility may refuse to provide service if:

- A. The applicant has amounts owing under a tariff or statement of rates; or
- B. The applicant for residential service has a roommate with amounts owing under a tariff or statement of rates, and the applicant lived with the roommate at the time the amounts owing were incurred.

Exception: If the applicant for residential service was a former residential customer with amounts owing and was involuntarily disconnected for non-payment and applies for service within 20 calendar days of the disconnection, the water utility must provide service upon receipt of one-half of the amount owed with the remainder due within 30 calendar days. If the former customer fails to pay the remaining amounts within 30 calendar days, the utility may disconnect service after issuing a 7-calendar day disconnection notice in accordance with OAR 860-036-1510(4).

If service is disconnected, the utility may refuse to restore service until it receives full payment of all amounts owing, including reconnection charges allowed under OAR 860-036-1580. 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.

### Rule 16: Refusal of Service Due to Utility Facilities (OAR 860-036-1270)

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.

For refusal of service under this rule, the Utility shall provide a written letter of refusal to the applicant within seven calendar days, 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.

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The details will include, but not be limited to:

- A. Provide the information required by OAR 860-036-1100(2);
- B. Explain the specific reasons for refusing water service;
- C. Inform the applicant of the right to request details upon which the water utility's decision was based; and
- D. Inform the applicant of the right to dispute the refusal by contacting the Consumer Services Section at the contact information provided in OAR 860-001-0020(2).

**Rule 17: Refusal of Service Due to Customer Facilities (OAR 860-036-1270)**

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 18: Utility Meters (OAR 860-036-1350)**

The 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.

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 860-036-1360)

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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 860-036-1350)

Rule 19: Meter Testing (OAR 860-036-1350)

The meter shall be tested prior to or within 30 days of installation to determine it is accurate to register not more than two percent error. No meter shall be allowed to remain in service if it registers an error in excess of two 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. Meter identification number and location;
- B. Reason for making the test;
- C. Method of testing;
- D. Meter readings; and
- E. Test results

Rule 20: Customer-Requested Meter Test (OAR 860-036-1360)

A customer may request that the Utility test the service meter once every 12 months at no cost. Such test shall be made within seven calendar days of the receipt of the request unless the customer fails to provide the water utility reasonable access to the meter. The customer has the right to be present during the test, which is to be scheduled at a mutually agreeable time. Within seven calendar days of performing the requested meter test, 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
- F. Test results.

If a customer requests a meter test more often than once in any 12-month period, and the test results indicate that the meter is registering within the two percent performance standard, the customer may be assessed a reasonable charge for the test if the charge is included in the Miscellaneous Service Charges Schedule. If the meter registers outside the two percent performance standard, the water utility may not charge the customer for the meter test.

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**BILLING****Rule 21: Billing Information and Late-Payment Charge (OAR 860-036 1100(2), 1400 and 1430)**

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. A water utility must provide its customers with timely billings every month or as indicated in its tariffs or statement of rates.

**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.

**All bills become delinquent if not paid within 15 days of the date the Utility mailed or delivered the bill.**

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 29, prior to or after the Utility assesses the late payment charge.

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Rule 22: 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 that is not honored, for any reason, by a bank or other financial institution.

Rule 23: 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 24: Adjustment of Bills (860-036-1440)

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

Rule 25: Transfer Billings (860-036-1450)

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.

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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. A water utility may not transfer a balance owing on a non-residential account to a residential account.

### **DISCONNECTION OF WATER SERVICE**

**Rule 26: Voluntary Discontinuance (OAR 860-036-1560)**

A customer requesting disconnection of service must provide the water utility with at least seven calendar days' advance notice. The customer is responsible for all service provided for seven calendar days following the request for disconnection or until service is disconnected, whichever comes first; or if the customer identified a specific date for disconnection in excess of seven calendar days, the customer is responsible for service rendered up to and including the requested date of disconnection.

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.

Nothing in this rule prevents a water utility from temporarily interrupting service to protect the health and safety of its customers or to maintain the integrity of its system.

**Rule 27: Emergency Disconnection**

The Utility may terminate service in emergencies when life or property is endangered without following the procedures set forth in OAR 860-036-1560. Immediately thereafter, the Utility will notify the 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 28: Disconnection of Water Service Charge for Cause (OAR 860-036-1500)**

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

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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 860-036-1420;
- 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 860-036-1540) The Utility shall not disconnect residential service due to the failure to pay or meet obligations associated with nonresidential service.

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 7-business day written notice before the water service may be disconnected.

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Rule 29: Disconnection, Reconnection and Field Visit Charge (OAR 860-036-1580)Disconnection Charge

When service was disconnected pursuant to (OAR 860-036-1520), the water utility may charge the disconnect fee stated in its tariff.

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. The water utility may charge the reconnection fee stated in its tariff.

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 filed in its tariffs.

A field visit charge may not be assessed to a customer for delivery of any disconnect notice when the Utility has a viable address(es) 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.

Rule 30: 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 Utility should turn it on, the water service line may be disconnected without notice. Service shall not be reconnected until all arrearages; all cost-of-service disconnection and reconnection, charges listed on the Miscellaneous Service Charges Schedule are paid in full.

Rule 31: 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 Service Charges Schedule must be paid in full before any service is restored. An advance deposit for restoration of service may be required.

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**Rule 32: Interruption of Service (OAR 860-036-1630)**

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.

**Rule 33: Water Usage Restrictions (OAR 860-036-1670)**

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 probable date of termination of such restriction;
- D. A statement that the customer's water service is subject to disconnection on or after a specific date;
- E. A warning that failure to immediately comply with the restrictions may result in disconnection of service; and
- F. A statement that the customer may dispute disconnection by contacting the Consumer Services Section.

**Rule 34: 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 35: Adequacy of Water Service (OAR 860-036-1600)**

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 prepare work and maintenance records, and retain those records consistent with the Commission's Guide for the Preservation of Records for Public Water Utilities available at <http://www.puc.state.or.us/Pages/General-Information-for-Water-Utilities.aspx>.

A water utility is prohibited from intentionally diminishing the quality of service below the level that can reasonably be provided by its facilities.

Rule 36: 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 37: Water Purity (OAR 860-036-1610)

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.

Rule 38: Water Pressure (OAR 860-036-1650)

A water utility must maintain adequate water pressure. In general, water pressure measuring between 45 and 80 pounds per square inch in the water mains is adequate for the purpose of this rule. However, adequate pressure may vary depending on each individual water system.

A water utility may temporarily reduce or increase water pressure for fire flows, noticed repairs and maintenance, scheduled or emergency flushing, and unscheduled or emergency repairs and outages.

Rule 39: Pressure Surveys (OAR 860-036-1650)

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 40: Customer-Requested Pressure Test (OAR 860-036-1660)

Upon customer request, the Utility will perform a water pressure test within seven working days of the request. The first pressure test in any 12- month period shall be at no charge. If the customer requests an additional pressure test within any 12-month period at the same premises, the water utility may assess the customer a reasonable charge, unless the pressure is not adequate

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 41: Maps/Records (OAR 860-036-1690)

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. The water utility must retain the maps and records consistent with the Commission's Guide for the Preservation of Records for Public Water Utilities.

Rule 42: Utility Line Location (One Call Program)

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 43: Cross Connection/Backflow Prevention Program (OAR 860-036-1680)

All customers must comply with the water utility's Cross Connection Control Program to protect the water system from contamination. A customer's failure to comply is grounds for disconnection under OAR 860-036-1500.

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

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