

1 **BEFORE THE PUBLIC UTILITY COMMISSION**
2 **OF OREGON**

3 WJ 8

4 In the Matter of
5 **CROOKED RIVER RANCH WATER**
6 **COMPANY**
7 An Investigation Pursuant to ORS 756.515 to
8 Determine Jurisdiction.
9

STAFF’S MOTION IN OPPOSITION TO
CROOKED RIVER RANCH WATER
COMPANY’S SECOND PETITION FOR
EXTENSION OF DATE TO COMPLY WITH
RULES AND ORDER

10 Background

11 On January 12, 2007, the Crooked River Ranch Water Company (“CRRWC”) filed a
12 petition with the Public Utility Commission of Oregon (“Commission”), seeking an extension of
13 time to comply with the terms of Order No. 06-642. That Order, issued on November 20, 2006,
14 asserted jurisdiction over CRRWC and directed it to file tariffs within 60 days. CRRWC sought
15 additional time to file those tariffs, citing difficulties compiling the necessary information.
16 Commission Staff did not oppose CRRWC’s request for additional time. On January 19, 2007, in
17 Order No. 07-022, CRRWC was granted an extension of 60 days.

18 On March 6, 2007, CRRWC’s filed a Second Petition for Extension of Date to Comply
19 with Rules and Orders (“Second Petition”). In support of its request, CRRWC argued that in order
20 to facilitate compliance that there was a meeting on February 28, 2007, with Commission Staff; its
21 accountant’s time is limited due to tax filing season; CRRWC’s President is out of town; and the
22 General Manager is dealing with legal issues unrelated to the Commission. For reasons set forth in
23 more detail below, Commission Staff opposes yet another extension of time in this matter.

24 ///

25 ///

26 ///

1 Discussion

2 While Commission Staff did not oppose CRRWC's first request for an extension, CRRWC
3 has not offered good cause for yet another extension. Furthermore, the additional delay is harmful
4 to the company's customers, including those who petitioned for regulation. In support of
5 Commission Staff's Opposition of the Second Petition, it offers the following information:

6 1) On April 28, 2006, a Notice of Intent to Assert Financial and Service Regulatory
7 Authority was sent to CRRWC.

8 2) On May 16, 2006, an Informational Meeting was held in the Crooked River Ranch area.

9 3) On or about April 5, 2006, Commission Staff sent CRRWC an annual package that
10 included rules, contracts, references, frequently asked questions and other information.

11 4) On November 20, 2006, Order 06-642 was issued requiring CRRWC to file appropriate
12 tariffs within 60 days.

13 5) On November 27, 2006, Staff sent a copy of the rate application to CRRWC.

14 6) At its request and not opposed by Commission Staff, CRRWC was granted an extension
15 of 60 days in Order No. 07-022.

16 7) CRRWC's accountant is Wes Price. Mr. Price belongs to the Certified Public
17 Accounting Firm of Harrigan, Price, Fronk & Co LLP, which has extensive experience filing water
18 rate case applications. Clients of Harrigan, Price, Fronk, & Co. LLP include, or have previously
19 included, Avion Water Co. and Roats Water Co. Avion Water Co. is the largest investor-owned
20 water utility in Oregon and Roats Water Co. is the fourth largest investor-owned water utility.
21 Commission Staff has attempted, without success, to contact the firm in order to offer technical
22 assistance on the application.

23 8) CRRWC's customers have repeatedly voiced concerns regarding CRRWC. Customers
24 have contacted Commission Staff regarding a surcharge for a capital project. Because of the
25 significant amount of the surcharge, \$8.00, it is important for Commission Staff to begin its
26 analysis of the Company's rate application.

25 ///

26 ///

1 9) The Commission has received approximately 16 “non-petition” complaint calls from
2 CRRWC customers.

3 10) The February 28, 2007 meeting between Staff and CRRWC’s General Manager was
4 not a “work-session” regarding the filing of the application. In fact, on a separate occasion
5 CRRWC indicated that Staff’s assistance on the rate application was not necessary because of the
6 knowledge and experience of CRRWC’s accounting firm.

7 As illustrated in the above information, CRRWC has had more than adequate time to
8 prepare its rate application. In addition, CRRWC has the technical expertise necessary to file its
9 application. Furthermore, more delay may only further harm customers.

10 The Second Petition does not demonstrate good cause for an additional delay. While
11 CRRWC asserts that information exchanged at the meeting between the CRRWC and the
12 Commission will allow CRRWC to comply with the jurisdictional order, the meeting was not, as
13 outlined in section 10 above, related to the filing of the application. CRRWC offers no information
14 that the meeting was necessary for filing or preparing its application.

15 Likewise, the approaching tax season is not good cause for an additional extension.
16 Ironically, if CRRWC had not already requested and been granted delays, tax season would not be
17 upon them. Nonetheless, CRRWC has a legal obligation to file its rate application and simply
18 asserting that an accountant is busy with tax returns is not good cause, especially when balanced
19 against the potential harm to customers.

20 The Second Petition also states that the CRRWC President is out of town. However, the
21 Second Petition does not allege that the President is out of town unexpectedly, nor does it
22 demonstrate why the travel patterns of the President are relevant to the timeliness of its application.
23 Finally, the Second Petition does not demonstrate that the General Manager’s unrelated legal issues
24 are good cause for an extension. Indeed, there is no suggestion as to how long the unrelated legal
25 issues may last. Regardless, the legal issues of a General Manager are not good cause for an
26 additional extended delay, especially under the present circumstances where CRRWC has had
27 plenty of time to comply and another delay has the potential to harm customers.

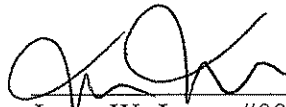
1 Conclusion

2 For the foregoing reasons, Staff respectfully urges that the Second Petition be denied.
3 Alternatively, Staff requests that, if an extension is granted, it be short and not exceed 30 days.

4
5 DATED this 15th day of March 2007.

6 Respectfully submitted,

7 HARDY MYERS
8 Attorney General

9 

10 Jason W. Jones, #00059
11 Assistant Attorney General
12 Of Attorneys for the Public Utility Commission
13 of Oregon
14
15
16
17
18
19
20
21
22
23
24
25
26

1 **CERTIFICATE OF SERVICE**

2
3 I certify that on March 15, 2007, I served the foregoing upon all parties of record in this
4 proceeding by delivering a copy by electronic mail and by mailing a copy by postage prepaid
5 first class mail or by hand delivery/shuttle mail to the parties accepting paper service.

6
7 **GLENN SITES & REEDER LLP**

8 DAVID C GLENN
9 ATTORNEY
205 SE 5TH ST
MADRAS OR 97741-1632
gsr-dcg@crestviewcable.com

10 **PUBLIC UTILITY COMMISSION OF OREGON**

11 MICHAEL DOUGHERTY
550 CAPITOL ST NE - STE 215
12 SALEM OR 97301
michael.dougherty@state.or.us

13 MARC HELLMAN
14 ADMINISTRATOR
PO BOX 2148
SALEM OR 97308-2148
marc.hellman@state.or.us

15 

16 _____
17 Neoma Lane
18 Legal Secretary
19 Department of Justice
20 Regulated Utility & Business Section
21
22
23
24
25
26

1 **BEFORE THE PUBLIC UTILITY COMMISSION**
2 **OF OREGON**

3 WJ 8

4 In the Matter of

5 CROOKED RIVER RANCH WATER
6 COMPANY

7 An Investigation Pursuant to ORS 756.515 to
8 Determine Jurisdiction.

STAFF'S MOTION IN OPPOSITION TO
CROOKED RIVER RANCH WATER
COMPANY'S SECOND PETITION FOR
EXTENSION OF DATE TO COMPLY WITH
RULES AND ORDER

9
10 Background

11 On January 12, 2007, the Crooked River Ranch Water Company ("CRRWC") filed a
12 petition with the Public Utility Commission of Oregon ("Commission"), seeking an extension of
13 time to comply with the terms of Order No. 06-642. That Order, issued on November 20, 2006,
14 asserted jurisdiction over CRRWC and directed it to file tariffs within 60 days. CRRWC sought
15 additional time to file those tariffs, citing difficulties compiling the necessary information.
16 Commission Staff did not oppose CRRWC's request for additional time. On January 19, 2007, in
17 Order No. 07-022, CRRWC was granted an extension of 60 days.

18 On March 6, 2007, CRRWC's filed a Second Petition for Extension of Date to Comply
19 with Rules and Orders ("Second Petition"). In support of its request, CRRWC argued that in order
20 to facilitate compliance that there was a meeting on February 28, 2007, with Commission Staff; its
21 accountant's time is limited due to tax filing season; CRRWC's President is out of town; and the
22 General Manager is dealing with legal issues unrelated to the Commission. For reasons set forth in
23 more detail below, Commission Staff opposes yet another extension of time in this matter.

24 ///

25 ///

26 ///

Page 1 - STAFF'S MOTION IN OPPOSITION TO CROOKED RIVER RANCH WATER
COMPANY'S SECOND PETITION FOR EXTENSION OF DATE TO COMPLY WITH
RULES AND ORDER

GENT2262

1 Discussion

2 While Commission Staff did not oppose CRRWC's first request for an extension, CRRWC
3 has not offered good cause for yet another extension. Furthermore, the additional delay is harmful
4 to the company's customers, including those who petitioned for regulation. In support of
5 Commission Staff's Opposition of the Second Petition, it offers the following information:

6 1) On April 28, 2006, a Notice of Intent to Assert Financial and Service Regulatory
7 Authority was sent to CRRWC.

8 2) On May 16, 2006, an Informational Meeting was held in the Crooked River Ranch area.
9

10 3) On or about April 5, 2006, Commission Staff sent CRRWC an annual package that
11 included rules, contracts, references, frequently asked questions and other information.

12 4) On November 20, 2006, Order 06-642 was issued requiring CRRWC to file appropriate
13 tariffs within 60 days.

14 5) On November 27, 2006, Staff sent a copy of the rate application to CRRWC.

15 6) At its request and not opposed by Commission Staff, CRRWC was granted an extension
16 of 60 days in Order No. 07-022.

17 7) CRRWC's accountant is Wes Price. Mr. Price belongs to the Certified Public
18 Accounting Firm of Harrigan, Price, Fronk & Co LLP, which has extensive experience filing water
19 rate case applications. Clients of Harrigan, Price, Fronk, & Co. LLP include, or have previously
20 included, Avion Water Co. and Roats Water Co. Avion Water Co. is the largest investor-owned
21 water utility in Oregon and Roats Water Co. is the fourth largest investor-owned water utility.
Commission Staff has attempted, without success, to contact the firm in order to offer technical
assistance on the application.

22 8) CRRWC's customers have repeatedly voiced concerns regarding CRRWC. Customers
23 have contacted Commission Staff regarding a surcharge for a capital project. Because of the
24 significant amount of the surcharge, \$8.00, it is important for Commission Staff to begin its
analysis of the Company's rate application.

25 ///

26 ///

1 9) The Commission has received approximately 16 “non-petition” complaint calls from
2 CRRWC customers.

3 10) The February 28, 2007 meeting between Staff and CRRWC’s General Manager was
4 not a “work-session” regarding the filing of the application. In fact, on a separate occasion
5 CRRWC indicated that Staff’s assistance on the rate application was not necessary because of the
6 knowledge and experience of CRRWC’s accounting firm.

7 As illustrated in the above information, CRRWC has had more than adequate time to
8 prepare its rate application. In addition, CRRWC has the technical expertise necessary to file its
9 application. Furthermore, more delay may only further harm customers.

10 The Second Petition does not demonstrate good cause for an additional delay. While
11 CRRWC asserts that information exchanged at the meeting between the CRRWC and the
12 Commission will allow CRRWC to comply with the jurisdictional order, the meeting was not, as
13 outlined in section 10 above, related to the filing of the application. CRRWC offers no information
14 that the meeting was necessary for filing or preparing its application.

15 Likewise, the approaching tax season is not good cause for an additional extension.
16 Ironically, if CRRWC had not already requested and been granted delays, tax season would not be
17 upon them. Nonetheless, CRRWC has a legal obligation to file its rate application and simply
18 asserting that an accountant is busy with tax returns is not good cause, especially when balanced
19 against the potential harm to customers.

20 The Second Petition also states that the CRRWC President is out of town. However, the
21 Second Petition does not allege that the President is out of town unexpectedly, nor does it
22 demonstrate why the travel patterns of the President are relevant to the timeliness of its application.
23 Finally, the Second Petition does not demonstrate that the General Manager’s unrelated legal issues
24 are good cause for an extension. Indeed, there is no suggestion as to how long the unrelated legal
25 issues may last. Regardless, the legal issues of a General Manager are not good cause for an
26 additional extended delay, especially under the present circumstances where CRRWC has had
27 plenty of time to comply and another delay has the potential to harm customers.

1 Conclusion

2 For the foregoing reasons, Staff respectfully urges that the Second Petition be denied.
3 Alternatively, Staff requests that, if an extension is granted, it be short and not exceed 30 days.

4
5 DATED this 15th day of March 2007.

6 Respectfully submitted,

7 HARDY MYERS
8 Attorney General

9 /s/Jason W. Jones _____
10 Jason W. Jones, #00059
11 Assistant Attorney General
12 Of Attorneys for the Public Utility Commission
13 of Oregon

14
15
16
17
18
19
20
21
22
23
24
25
26