

August 29, 2007

UPS OVERNIGHT

Administrative Law Judge, Samuel J. Petrillo
Administrative Hearings Division
Oregon Public Utility Commission
550 Capitol Street NE, Suite 215
Salem, OR 97301-2551

Re: Docket WJ 9: Rice Hill Water District

Dear ALJ Petrillo:

This letter provides you with an update on the status of informal discussions among the parties in this docket.

On June 26, 2007, The Rice Hill Owners Association, Inc. ("RHOA") informed you of a change in the timeline agreed to by the parties at an informal meeting on June 5, 2007. The June 26 letter stated that the parties planned to meet or participate in a telephone conference the week of July 3, 2007, or July 9, 2007, to discuss new issues that RHOA had recently become aware of and to decide on a timeline going forward.

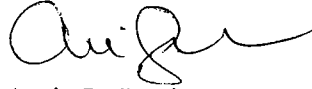
The parties were unable to meet in July. RHOA discussed with PUC staff and Mr. Webb's attorney a revised meeting timeline. The parties have agreed to meet informally on Wednesday, September 26, 2007, to discuss changes to facts that have occurred since the parties last met on June 5, 2007, and to create a plan for resolving the petition pending before the PUC. In addition, PUC staff spoke with a representative of the Rice Hill West Homeowners Association ("Association") to invite the Association's participation in the meeting on September 26 and in the proceedings going forward. The Association plans to participate on September 26 via telephone.

The parties will inform you of the outcome of the September 26 meeting immediately after the meeting. The parties will also inform you of any changes to the September 26 meeting date.

Mr. Samuel J. Petrillo
June 26, 2007
Page 2

Please contact me if you have any questions about this letter.

Best regards,

A handwritten signature in black ink, appearing to read 'Amie L. Jamieson', with a long horizontal flourish extending to the right.

Amie L. Jamieson

cc: Romeni Bechtold, President, Rice Hill West Homeowners Association

CERTIFICATE OF SERVICE

I certify that on August 29, 2007, I served the foregoing upon all parties of record in this proceeding by delivering a copy by electronic mail and by mailing a copy by postage prepaid first class mail:

Jason W. Jones
Assistant Attorney General
Department of Justice
Regulated Utility & Business Section
1162 Court St. NE
Salem, OR 97301-4096
jason.w.jones@state.or.us

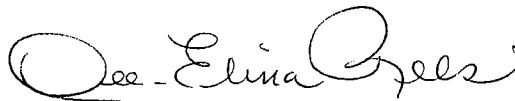
Michael J. Martinis
Attorney at Law
110 Madrona Ave. SE
Salem, OR 97302
martinis@opusnet.com

Kristin Seabrook
Attorney at Law
Pilot Travel Centers LLC
5508 Lonas Rd
Knoxville, TN 37909
kristen.seabrook@pilottravelcenters.com

John A. Hudson
Attorney at Law
Northbank Professional Offices
66 Club Rd., Ste 200
Eugene, OR 97401-2459
jahudson@jahudson.com

Dated this 29th day of August, 2007.

ATER WYNNE LLP



Dee-Elina Rees, Legal Secretary