

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1745

In the Matter of

MT. SHADOWS HOME OWNERS
ASSOCIATION,

Petition for an Order Excluding an
Association from Exclusive Service
Territory of a Water Company.

PREHEARING CONFERENCE
MEMORANDUM

On September 24, 2015, the Public Utility Commission of Oregon held a prehearing conference in this docket. Dennis Chaney appeared on behalf of Mt. Shadows Home Owners Association; Sia Rezvani appeared on behalf of Mountain Shadows Utilities, LLC; Jim Parr appeared on his own behalf; and Jason Jones appeared on behalf of the Commission Staff.

During the conference, Mr. Jones advised the parties that Staff is soon to circulate data requests, with responses due in ten working days. Staff then would be able to make a recommendation to the Commission within one week after receiving the responses. Accordingly, I scheduled a second prehearing conference for October 22, 2015, to receive Staff's report and to plan further proceedings. Also at the prehearing conference, I expect to have the utility provide an update with regard to its planned reservoir replacement.

At my request, Mr. Rezvani provided the Commission with e-mail addresses for customers of the utility who are not members of the homeowners' association. Those persons will be treated as interested persons and served notice of the second prehearing conference as well as this memorandum.

At the prehearing conference, Mr. Chaney indicated that the homeowners association wishes to proceed with its petition regardless of the measures the utility might take to upgrade its plant. Given the circumstances here, with six customers of the utility who are not members of the association who might face loss of water service if the petition were granted, it will be difficult to make the finding that granting the petition "is not detrimental to the public interest" unless those customers are satisfied with their future utility service. At the next prehearing conference I will ask Mr. Chaney to address that problem.¹

Dated this 24th day of September, 2015, at Salem, Oregon.



Patrick Power
Administrative Law Judge

¹ As I noted at the prehearing conference, the underlying statute (ORS 758.320(2)) applies to homeowners associations, cooperatives, or districts. If the homeowners association were to organize itself as a cooperative or a district it might be able to include the six "orphan" customers going forward.