

UW 166, Roats Water System Stipulations by PUC staff and Roats Water System

December 6, 2016

Testimony by James Pease, Intervener, Woodside Ranch

I previously stated no position, but I am changing to a position of objection to two stipulations.

1. Do you agree with the stipulation on water rates?

I do not agree with the PUC staff /Roats proposed commodity rate. The \$.95/ 100 is too high. We in Woodside Ranch are forced by Roats' regulated monopoly to pay potable water rates for lawn irrigation. Woodside Ranch is at high risk for wildfires, due to our location next to Deschutes National Forest. To create defensible space, we must water lawns around our homes. At current rates of \$.76/100, many of us pay \$80 – \$120 per month for water in the 6 summer months. I would prefer a slight increase in proposed base water rate to \$35 and a lower commodity rate, of \$.87/100.

2. Do you agree that the Juniper acquisition is prudent?

I am not convinced that the Juniper acquisition is to the benefit of existing customers, as PUC staff has concluded. We in Woodside Ranch are concerned about the potential liabilities of the Juniper System infrastructure, about which both the City of Bend and Roats' own consultant at a PUC conference have expressed concerns.

I do not agree that rates for existing customers would be significantly higher without Juniper as PUC staff has concluded. As a regulated monopoly, Roats Water System should be run as essentially a non-profit, with reasonable staff salaries but no company profit.

Roats started this process with exorbitant, unfounded proposed rate increases. Staff has compromised with the company, but in my opinion, any rate increase needs to be solidly based on facts, not on a compromise.

3. What other issue do you wish to comment on? When Roats filed for the current Request for a General Rate Increase, no direct notice was given to customers. A public notice was published in the local newspaper, which met the legal requirement. However, most customers did not become aware of the large proposed rate increases until late in the process. I propose a stipulation that Roats notify customers directly in their bill or other mailing before their next general rate filing.

I support an effective date of April 1, 2017 to give customers reasonable notice.

I do not ask for a hearing, as I am leaving the state on December 15th for two months.

