

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UW 166

In the Matter of

ROATS WATER SYSTEM, INC.,

Request for a General Rate Revision.

RULING

DISPOSITION: SETTLING PARTIES DIRECTED TO SUPPLEMENT RECORD

On January 30, 2017, Avion Water Company, Inc. submitted an advice filing that describes a wheeling arrangement with Roats Water System, Inc. In Advice No. 17-01, Avion is seeking new charges to serve the Nottingham subdivision, which is part of Avion's purchase of Juniper Utility. Avion explains that the subdivision "has a system which delivers bulk water through a second party, Roats Water Company."¹ Avion indicates that to serve the Nottingham subdivision it will pay a wheeling fee to Roats of \$30 per customer per month.

The revenue associated with the Avion wheeling fee does not appear to be included in the revenues shown on page 1 of Staff Exhibit 102 supporting the stipulations submitted in this docket. Accordingly, Staff and Roats are directed to supplement the record to indicate whether the wheeling fee revenues are included in the revenue requirement. If the wheeling revenues were not included, the parties shall provide their proposed treatment of the revenues in this case with supporting testimony to explain that proposed treatment. If they propose to include the revenues, they shall file recalculated rates that show their proposed rate treatment of these revenues.

Dated this 1st day of February, 2017, at Salem, Oregon.




Patrick Power
Administrative Law Judge

¹ Avion Letter Re: Advice Filing 17-1 (docket ADV 505) (Jan 30, 2017).


AVION WATER CO INC.

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To: Filing Center

From: Jason Wick, PE
President
Avion Water Company, Inc.

Re: Advice Filing 17-01

Avion is requesting the addition of Schedule No. 13 to our current tariff to accommodate the new charges required to serve the Nottingham subdivision. The subdivision is part of the purchase of Juniper Utility and has a system which delivers bulk water through a second party, Roats Water Company. Unlike Avion's other systems this system does not have discrete services for each customer. Additionally the customers do not own a water right nor is the water right adjudicated to their individual properties. These properties mean that Avion is delivering a bulk amount of water to the end of a mainline at which point the customer's representative takes over responsibility for its distribution.

The cost breakdown is as follows:

Roats Wheeling fee= \$30 per customer per month.

Est Time per month = 14hrs x \$44 = \$616/180 customers = \$3.42 per customer

Water Right = \$6938.41/ 12 months = \$578.20/ 180 customers = \$3.21 per month per customer
(Based on actual cost provided by Arnold Irrigation District for 2017).

Thank You,

/s/

Jason Wick, PE