

Robert Gamble
18160 Cottonwood Rd PMB 443
Sunriver, OR 97707-9317

May 11, 2021

Commission Consumer Services Section
201 High Street SE, Suite 100,
Salem, OR 97301

Dear Sirs and Madames,

Sunriver Water, LLC water utility (SRW) has applied to expand their service territory to add the Caldera Springs Annexation to the Sunriver Water service area (Retrieved from <https://edocs.puc.state.or.us/efdocs/HAA/haa124432.pdf>). I wish to protest the expansion of service territory because of the following information and questions.

The “Permit to Appropriate Public Waters” granted to Sunriver Water dated June 19,2007, included six wells.

The current Exclusive Service Territory Application submitted by Tim Smith, General Manager, Sunriver Water identifies four wells.

Previously, Sunriver Water and the sewage/wastewater utility, Sunriver Environmental, were owned by Sunriver Resort, LLC. When Sunriver Resort sold the water and sewage utilities to Northwest Natural Water Company, LLC, the Sunriver Resort excluded two of six wells from the sale of the utility and retained them for Sunriver Resort. One of the wells retained by Sunriver Resort, Well #12, was used to irrigate the Crosswater golf course at Sunriver Resort and to provide irrigation water to Caldera Springs Owners Association (CSOA).

In the Direct Testimony of Thomas O’Shea, Managing Director of Sunriver Resort and Senior Vice President of Sunriver Resort Limited Partnership (SRLP) before the Public Utility Commission of Oregon (PUC) in January 2019, Mr. O’Shea stated, “Well #12 and its associated water rights are currently used to irrigate the Crosswater golf course, which is owned and operated by SRLP.” (page 5 lines 20-21). He later stated that Well #12 is also used to provide irrigation water to Caldera Springs Owners Association (page 6 lines 3-4)

Mr. O'Shea appears to contradict himself when he testifies on page 6 lines 12-14, "the water rights associated with Well #12 are restricted to use for irrigation of the land that is the golf course. SRW would not be permitted to utilize that water to serve other customers or for other purposes." (Retrieved from <https://edocs.puc.state.or.us/efdocs/HTB/up384htb143833.pdf>).

At the hearing hosted by Public Utility Commission of Oregon (PUC) at the Sunriver Great Hall on February 07, 2019, there was concern expressed by the general manager of Sunriver Owners Association (SROA) noting the exclusion of the two wells and concern if the remaining wells would be adequate for the existing community's needs (Retrieved from <https://www.oregon.gov/puc/news-events/Documents/PR-201901.pdf>).

- If the water rights to Well #12 were "restricted to use for irrigation of the land that is the golf course" as Mr. O'Shea testified, then why was Sunriver Resort also using that well to provide irrigation water to Caldera Springs Owners Association (CSOA)?
- Why would a company, Sunriver Water or NW Natural Water, agree to transfer assets to a large customer and user of those assets at no cost? Wouldn't Sunriver Resort have been a major customer and source of revenue for Sunriver Water if Well #12 had been retained by Sunriver Water? What advantage was it to Sunriver Water customers or NW Natural Water shareholders to give Sunriver Water assets to Sunriver Resort?

Sunriver Resort is the developer of Caldera Springs. Now that Sunriver Water is operating with two fewer wells, Sunriver Resort wants to add extra demand on the remaining resources by expanding their Caldera Springs Real Estate, LLC development to include the Caldera Springs Annex. The Annex would add "up to 340 new residential homesites as well as 75 rental cabins each with two separate rentals units to provide 150 overnight lodging units." (Retrieved from (<https://calderasprings.com/expansion/>))

The permit to appropriate public waters was issued in 2007 to Sunriver Water, LLC, not Sunriver Resort, LLC.

- Is Sunriver Resort appropriating public waters without a permit by using either of those two wells?
- Would not Sunriver Resort need to apply for a "Permit to Appropriate Public Waters" for the two wells that were excluded from the sale of Sunriver Water to NW Natural Water?
- Could Sunriver Resort not use its two retained wells, if permitted, to continue to provide water service to their Caldera Springs residential development?

Regarding sewage treatment, there is no indication in the application of how sewage from the Caldera Springs Annexation would be processed or treated. With water service follows sewage and waste water. None of the existing or planned wells, reservoirs, booster stations or sewage treatment facilities that would service the Caldera Springs Annex are located in the Caldera Springs development (Retrieved from page 22 of <https://edocs.puc.state.or.us/efdocs/HAA/haa124432.pdf>). They would all exist in the Sunriver Owners Association (SROA) area of development. Currently, Sunriver Water sewage treatment appears to be operating at or near capacity and not able to handle increased demands (Retrieved from <https://www.sunriverwater.com/treatment-plant-upgrade.html>).

In the Direct Testimony of Justin Palfreyman, NW Natural Water of Oregon, LLC before the Public Utility Commission of Oregon in January 2019, Mr. Palfreyman stated that “SRW’s customers will not be subject to a rate increase as a result of the acquisition” (Retrieved from <https://edocs.puc.state.or.us/efdocs/HTB/up384htb16128.pdf>). In fact, sewage rates were increased after the acquisition.

- Where would additional sewage from the Caldera Springs Annexation be treated?

Currently, south Deschutes County is experiencing Extreme Drought or Exceptional Drought (Retrieved from <https://www.drought.gov/states/Oregon/county/Deschutes>). The long term drought indicator for the 97707 zip code forecasts continued Exceptional Drought (Retrieved from <https://www.drought.gov/location/97707>).

- Why are the authorities and relevant parties not encouraging water conservation rather than promoting increased demands on water resources during an exceptional long-term drought?

My protest is based on the above questions and information that is available to me.

Very respectfully,



Robert Gamble