



# Regulation of Water Utility Rates and Service



# Public Utility Commission

- Regulates Rates
- Regulates Service
- Establishes Rates through Rate Cases

THE REGULATORY OBLIGATION OF  
THE PUC IS TO BALANCE  
THE INTERESTS OF  
BOTH CUSTOMERS AND THE UTILITY.

# Suspension of Tariffs

## PUC Response to Filed Tariffs:

- ❖ Commission Can Approve
  - ❖ Commission Can Deny or
  - ❖ Commission Can Suspend Effective Date of Tariffs
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- The Commission may direct a 6 to 9 month suspension to allow time to investigate the utility's proposed rates

# Flowchart - Water Rate Case

## ➤ 1. UTILITY FILING

Utility files application, direct testimony, and tariffs to PUC

## ➤ 2. NOTIFICATION

Utility notifies customers within 15 days of filing, by an article in the newspaper or direct customer mailing

## ➤ 3. TARIFF SUSPENSION

Commission orders tariffs suspended to allow time to review the utility's proposal

## ➤ 4. PUBLIC COMMENT HEARING

Town Hall forum to ask questions, share information, voice concerns/opinions

## ➤ 5. PREHEARING CONFERENCE

Adopt schedule, Receive petitions to intervene, Identify issues, Identify Parties, Create service list

## ➤ 6. DISCOVERY

Data Requests/Data Responses

## ➤ 7. SETTLEMENT CONFERENCE

Staff presents its recommended case to utility and interveners who attempt to reach agreement on as many issues as possible

## ➤ 8. WRITTEN TESTIMONY

Staff and intervenors responding to utility's direct testimony

## ➤ 9. REPLY AND REBUTTAL TESTIMONY

Utility and all party responses as Necessary

## ➤ 10. EVIDENTIARY HEARING

Enter pre-filed testimony into record. Cross-examination of witnesses. Identify issues to be briefed. ALJ briefing instructions.

## ➤ 11. WRITTEN BRIEFS

Briefs are submitted as scheduled

## ➤ 12. COMMISSION DECISION

Commission issues order on requested rates

# PUBLIC COMMENT HEARING

## Information Exchange

### Ratemaking Process

- PUC Website: [www.oregon.gov/puc](http://www.oregon.gov/puc)

### Customers May Voice Concerns/Comments

- **In Person** at the Public Comment Hearing
- **Telephone** Staff or Consumer Services 1-800-522-2404
- **Mail to:** PUC, PO Box 1088,  
Salem OR 97308-1088
- **Fax:** 503-378-5743
- **E-file** Comments to: [puc.filingcenter@puc.oregon.gov](mailto:puc.filingcenter@puc.oregon.gov)

# Consumer Services

**Public Utility Commission  
Consumer Services Division**

**P.O. Box 1088**

**Salem OR 97308-1088**

**FAX: 503-373-7752**

**1-800-522-2404**

**[puc.filingcenter@puc.oregon.gov](mailto:puc.filingcenter@puc.oregon.gov)**

# Prehearing Conference

## Purpose:

- 1) Petition to intervene
- 2) Identify parties
- 3) Create a service list
- 4) Identify issues
- 5) Adopt schedule

# Administrative Law Judge (ALJ)

- Presides over proceeding in a fair and impartial way
- Adopts schedule for the case
- May grant petitions to intervene
- Resolves procedural issues among the parties
- Conducts the hearing, administering oath to witnesses, and may ask questions at the hearing of any Party
- May certify a question to the Commission
- Other duties delegated under OAR 860-001-0090



# Staff – Party to the Case

- Represented by Assistant Attorney General from the Department of Justice
- Reviews the application, gathers information about the case
- Presents Staff's recommendation at Settlement, negotiates settlement on behalf of Staff
- Files written testimony in support of Staff's position or files written testimony in support of a stipulation (if settlement is reached)

# Utility – Party to the Case

- Files direct testimony (application for new rates)
- May choose to be represented by counsel but it is not required
- Responds to data requests from Staff and Intervenors
- Has burden of demonstrating rate request is justified

# Intervenor – Party to the Case

- Usually a customer or customers' representative
- May choose to be represented by counsel; not required
- Receives copies of testimony, exhibits, and other documents
- May file written testimony prior to the Evidentiary Hearing
- May cross-examine witnesses at Evidentiary Hearing
- May not present legal argument unless you are an attorney. See OAR 860-001-0310.

# Non-Party Status

## Interested Person/Public

- May request to receive copies of ALJ rulings and orders
- Notify PUC at (503) 378-6678 or [puc.hearings@puc.oregon.gov](mailto:puc.hearings@puc.oregon.gov), reference the UW Docket number to request to receive notices. This docket is UW 190.
- May not participate in settlement discussions or the Evidentiary Hearing, but may attend and observe the public proceedings.

# How to Participate

CUSTOMER/PUBLIC	PARTY TO THE CASE
<b>Request to Receive Notices</b>	<b>Apply for Intervenor Status</b>
Comments/Opinions/Questions	Comments/Opinions/Questions
by Mail	by Mail
by Telephone	by Telephone
by E-mail	by E-mail
by Fax	by Fax
Receive Notices	Receives Notices
	Participate in Settlement Conf
	May Submit Testimony
	Participate in Evidentiary Hearing

# Public Utility Commission

The Commission is charged with ensuring safe and adequate water service at fair and reasonable rates. The Commission is a consumer protection and advocacy body; responsible for protecting the customers of any public utility from unjust and unreasonable prices and practices.

The Commission is responsible for balancing the interests of the utility and the consumer in establishing fair and reasonable rates. Rates set by the Commission allows the utility to maintain its credit and attract capital. The utility should be allowed to earn sufficient revenues for reasons of debt service and capital for reinvestment.

## **PUC STATUTORY AUTHORITY**

- ORS 756.070 – 125 INVESTIGATORY POWERS
- ORS 756.160 – 200 ENFORCEMENT & REMEDIES
- ORS 757.005 DEFINES A PUBLIC UTILITY
- ORS 757.020 DUTY TO SERVE
- ORS 757.061 REGULATION OF WATER UTILITIES