

**OREGON PUBLIC UTILITY COMMISSION
INTEROFFICE CORRESPONDENCE**

DATE: June 28, 2022

TO: File through Marc Hellman and Bruce Hellebuyck

FROM: Russ Beitzel

SUBJECT: AVION WATER COMPANY, INC.: (Docket No. UW 181/ADV 22-02) Files tariff in compliance with Order No. 20-488.

I have reviewed this filing and recommend that an acknowledgement letter be sent. With this filing, Avion Water Company, Inc. (Avion) files tariffs in compliance with Order No. 20-488 in Docket No. UW 181.

Issue

Whether the filed tariff should be allowed to become effective for service rendered on and after August 1, 2022.

Applicable Rule or Law

Pursuant to ORS 757.205(1)-(2) and OAR 860-036-2000, a rate-regulated water utility must file schedules showing all rates, tolls, and charges for any service performed by it within the state and all rules and regulations that in any manner affect its rates. The requirements for tariff and advice letter contents are described in OAR 860-036-2010.

With Order No. 20-488, issued December 28, 2020, the Commission adopted the stipulation entered into between Avion and Staff in Docket No. UW 181. With that order, the Commission also directed Avion to file tariffs consistent with the order with an effective date during August 2021 and each subsequent August until the tax benefits of the appropriate assets are fully realized or until the Commission authorizes different ratemaking treatment in a future proceeding.

Analysis

In compliance with Order No. 20-488, on June 13, 2022, Avion submitted tariffs reflecting 4.d. and 4.i. to the stipulation entered into between Staff and Avion in Docket No. UW 181. I have reviewed the filed tariff and replacement sheets and find that this filing complies with Order No. 20-488.

With this tariff filing, Avion will provide credits to all active customers over the two billing months of August and September reflecting the tax benefit associated with depreciating the CIAC assets (plus interest).

Assuming no change in asset life or Commission ratemaking treatment, the credit will be approximately \$54,000 (including interest) yearly for the next twenty years with lesser amounts for two subsequent years (reflecting the end of useful life for the assets). To calculate the credit per customer – the total credit is divided by all active customers at the time of the rebate, spread over two billing cycles.

Conclusion

This filing complies with applicable laws and Commission orders and should be allowed to become effective for service rendered on and after August 1, 2022.