

1 **BEFORE THE PUBLIC UTILITY COMMISSION**
2 **OF OREGON**

3 UW 117

4 In the Matter of
5 PETE'S MOUNTAIN WATER CO., INC.

REPLY TO OPPOSITION FILED BY KENNETH
E. ROBERTS TO MOTION FOR EXTENSION OF
6 TIME AND TO REOPEN THE RECORD

7 This Memorandum is submitted in response to the objections that Kenneth E. Roberts filed to the
8 Motion for Extension of Time the to Reopen the Record.

9 The Commission's December 4, 2006, Order contemplated that further action would be taken. If
10 that had not been the case, there was no reason to hold the application in abeyance for an additional
11 three months—the Commission would simply have issued its final order at that time based on the record
12 before it.

13 Because of the Commission's newly announced interpretation requiring Affiliated Interest ("AI")
14 applications in a situation such as this, there would be no way to get any of Mr. and Ms. Webber's labor
15 costs included within the rate computation until proper AI applications were filed and acted upon, and
16 until the final amount of the allowable compensation somehow became a part of this proceeding through
17 a reopening of the record. A new rate based on cost factors *excluding* wages and salaries would be
18 meaningless and clearly inappropriate.

19 PMWC would have no choice but to promptly file a new rate application. This would result in
20 several additional months' delay. It would require a large amount of additional Staff time and PMWC
21 time and expense if we were to start over with a new application. Ultimately the additional accounting
22 and legal fees would probably be passed along to the ratepayers as an expense component of the final
23 rate schedule. In the meantime, PMWC would continue to hemorrhage financially because its old rate
24 would remain in place through the high-water-use summer months and probably into 2008.

CERTIFICATE OF SERVICE

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

STATE OF OREGON

County of Marion; ss.

I certify that I served the foregoing document on the following parties or attorneys by electronic mail addressed as follows on February 27, 2007:

Jason W. Jones, PUC Staff attorney – Jason.w.jones@doj.state.or.us

Kenneth E. Roberts, intervenor – robek@fosterpdx.com

Jo Becker, intervenor – jojobkr@aol.com

David and Kay Pollack, intervenors - dapollack@aol.com;

and by United States mail deposited in the Post Office at Woodburn, Oregon on February 27, 2007:

Jason W. Jones
Assistant Attorney General
Regulated Utility & Business Section
1162 Court St NE
Salem Or 97301-4096

Kenneth E. Roberts
2700 SW Schaeffer Rd
West Linn OR 97068

David and Kay Pollack
2120 SW Schaeffer Rd
West Linn Or 97068

Jo Becker
23661 SW Stafford Hill Dr
West Linn Or 97068

/s/
JAMES A. COX, OSB # 57019
Attorney for Applicant