

Regulation of Water Utility Rates and Service

UW 193 Avion Water Company



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.

Key People*

Megan Decker – Chair of the Commission

Letha Tawney – Commissioner

Mark Thompson – Commissioner

Traci Kirkpatrick – Administrative Law Judge

Jill Goatcher – Oregon Department of Justice, Representing Commission Staff

Scott Shearer - Principal Commission Staff

Eric Nelsen – NW Natural, Representing Avion Water Company

Rick Bailey – Avion Water Company

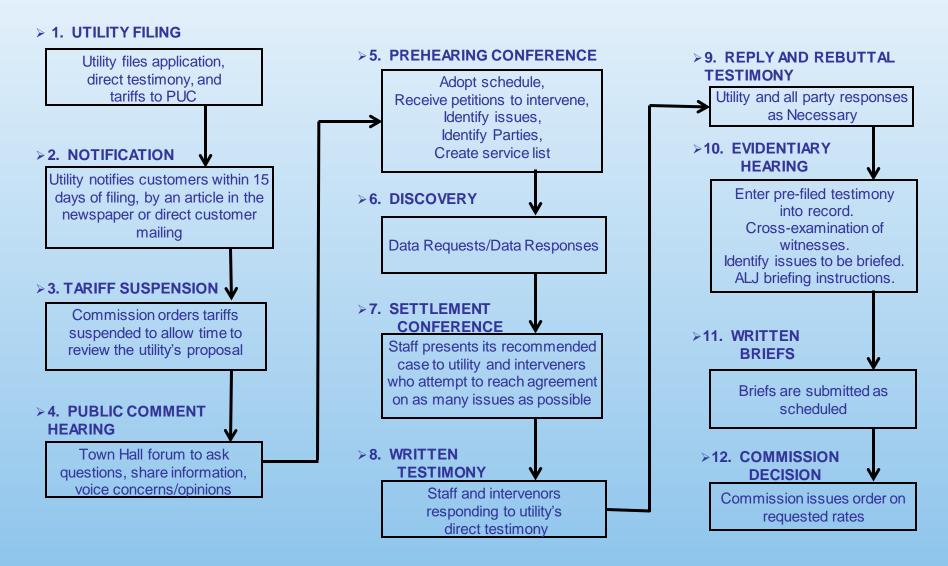
Jason Wick - Avion Water Company

Suspension of Tariffs

PUC Response to Filed Tariffs:

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

Flowchart - Water Rate Case



PUBLIC COMMENT HEARING Information Exchange

Ratemaking Process

• PUC Website: www.oregon.gov/puc

Customers May Voice Concerns/Comments

- In Person at the Public Comment Hearing
- Telephone Staff or Consumer Services at 1-800-522-2404
- Mail to: PUC, PO Box 1088, Salem OR 97308-1088
- Fax: 503-378-5743 or 503-373-7752
- Email: 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 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
 Reference Docket No. UW 193 in the request to receive notices.
- May not participate in settlement discussions or the Evidentiary Hearing, but may attend and observe the public proceedings.

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

| 0 | ORS 756.070 – 125 | INVESTIGATORY POWERS |
|---|-------------------|------------------------------|
| 0 | ORS 756.160 – 200 | ENFORCEMENT & REMEDIES |
| 0 | ORS 757.005 | DEFINES A PUBLIC UTILITY |
| 0 | ORS 757.020 | DUTY TO SERVE |
| 0 | ORS 757 061 | REGULATION OF WATER LITTLITU |