

October 2, 2007

***UPS OVERNIGHT***

Administrative Law Judge, Samuel J. Petrillo  
Administrative Hearings Division  
Oregon Public Utility Commission  
550 Capitol Street NE, Suite 215  
Salem, OR 97301-2551

**Re: Docket WJ 9: Rice Hill Water District**

Dear ALJ Petrillo:

This letter provides you with an update on the status of informal discussions among the parties in this docket.

On September 26, 2007, The Rice Hill Owners Association, Inc. ("RHOA") met with the other parties to this docket, Oregon Public Utility Commission ("PUC") staff, and the Rice Hill West Homeowners Association ("Association") to attempt to resolve the petition pending before the PUC in this docket. The parties, PUC staff, and the Association agreed that the negotiation of a wholesale water supply agreement between RHOA and the Association may be in the best interests of the parties and could resolve the pending petition. To that end, RHOA and the Association will attempt to negotiate a wholesale water supply agreement pursuant to which RHOA would supply the Association with water. PUC staff has offered to assist in the negotiations as needed. If RHOA and the Association are unable to reach an agreement, the parties will continue with formal proceedings before the PUC to resolve the petition.

RHOA and the Association estimate that by November 30, 2007, they will either have substantially finalized an agreement or will have concluded they are unable to reach an agreement. Therefore, RHOA will provide the PUC with an update on the status of negotiations between RHOA and the Association on or before December 7, 2007.

Please contact me if you have any questions regarding this letter.

Best regards,



Amie L. Jamieson

cc: Romeni Bechtold, President, Rice Hill West Homeowners Association

353657/1/ALJ/103778-0001

**CERTIFICATE OF SERVICE**

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2 I certify that on October 2, 2007, I served the foregoing upon all parties of record in this  
3 proceeding by delivering a copy by electronic mail and by mailing a copy by postage prepaid  
4 first class mail:

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5 Assistant Attorney General  
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16 Dated this 2<sup>nd</sup> day of October, 2007.

17 ATER WYNNE LLP

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19 \_\_\_\_\_  
20 Dee-Elina Rees, Legal Assistant