

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

4 UW 182

5 In the Matter of

6 OREGON WATER UTILITIES – CLINE
7 BUTTE, INC.

8 Request for a General Rate Revision

9 STAFF’S ERRATA MOTION TO ADMIT
10 STIPULATION, TESTIMONY AND EXHIBITS

11 Staff of the Public Utility Commission of Oregon (Staff) respectfully requests that the
12 attached Stipulation be admitted to the UW 182 record and requests a Commission decision
13 adopting the Stipulation. *See* OAR 860-001-0350(7)(b). Staff also moves for admission of
14 Staff/100 (Staff Testimony in Support of Stipulation), Staff/101 (witness qualification
15 statement), Staff/102 (summary tables), and Staff/103 (DR responses) into record in support of
16 the Stipulation.

17 This motion is supported by the declaration of Staff witness Russ Beitzel that attests to
18 the truthfulness of his testimony. The declaration is attached to this motion.

19 DATED this 16th day of March 2021.

20 Respectfully submitted,

21 ELLEN ROSENBLUM
22 Attorney General

23 */s/ Jill Goatcher*

24 _____
25 Jill Goatcher, OSB # 202294
26 Assistant Attorney General
Of Attorneys for Staff of the Public Utility
Commission of Oregon

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DECLARATION OF
RUSS BEITZEL

8 I, Russ Beitzel, declare under penalty of perjury under the laws of the State of Oregon:

- 9 1. My name is Russ Beitzel. I am a Senior Utility Analyst employed in the
10 Telecommunications and Water Division of the Public Utility Commission of Oregon.
11 2. On behalf of Staff, I drafted testimony and exhibits in support of the stipulation for use in
12 this docket, as follows: Staff/100 (Staff Testimony in Support of Stipulation), Staff/101
13 (witness qualification statement), Staff/102 (summary tables), and Staff/103 (DR
14 responses).
15 3. To the best of my knowledge, my testimony and my witness qualification statement are
16 true and accurate.

17 I hereby declare that the above statements are true to the best of my knowledge and belief,
18 and I understand it is made for use as evidence before the Public Utility Commission of
19 Oregon and is subject to penalty for perjury.
20

21 SIGNED this 24th day of February, 2021 at Salem, Oregon.
22

23
24 Signed: /s/ Russell E. Beitzel III
25 Russ Beitzel
26

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

3 UW 182

4 In the Matter of

5 OREGON WATER UTILITIES – CLINE
6 BUTTE, INC.

7 Request for a General Rate Revision

STIPULATION

8 This Stipulation is among Oregon Water Utilities – Cline Butte, Inc. (CB or the
9 Company), intervenors Mike DeWolf and Bill Wordley both representing Ridge at Eagle Crest
10 Owner’s Association (RECOA), and the Public Utility Commission of Oregon Staff (Staff)
11 (hereafter, collectively referred to as the Stipulating Parties). At the time this Stipulation was
12 filed there were no other parties to this proceeding.

13 **I. INTRODUCTION**

14 On September 30, 2020 CB filed a request for a General Rate Revision. In its application,
15 CB sought to increase its adjusted test period revenues from \$1,109,430 to \$1,205,136, an
16 increase of 8.63 percent. On December 28, 2020 CB filed an errata related to Test Year annual
17 revenues. With this change, CB sought to increase its adjusted test period revenues from
18 \$1,092,763 to \$1,205,136, an increase of 10.28 percent.

19 The Stipulating Parties reviewed the Company’s filing and responses to data requests
20 from Staff and intervenors and held two settlement conferences to discuss and address the issues
21 in this case. As a result of those discussions, the Stipulating Parties have reached agreement on
22 all issues as set forth in this Stipulation. The Stipulating Parties respectfully request that the
23 Commission issue an order adopting this Stipulation.

24 **II. TERMS OF THE STIPULATION**

25 1. Revenue Requirement. The Stipulating Parties agree to recommend and support a
26 total revenue requirement of \$1,190,522, as shown in Attachment A, to be collected in rates as

1 set forth in Attachment B to this Stipulation. This revenue requirement includes an agreed-upon
2 7.04 percent rate of return on a total rate base of \$4,452,730, and represents an 8.95 percent
3 increase over 2019 errata adjusted test period revenues. The stipulated revenue requirement and
4 adjustments are included as Attachment A to this Stipulation.

5 2. Rate Effective Date. The Stipulating Parties agree to and support rates being
6 effective for service rendered on and after May 1, 2021 or three business days after the date the
7 Commission issues an order adopting this Stipulation, whichever is later.

8 3. Rate Base and Accumulated Depreciation. The Stipulating Parties agree that
9 stipulated rates in this case reflect rate base additions from the Company's last rate case through
10 2019 and accumulated depreciation through December 31, 2019 associated with these rate base
11 assets. The Stipulating Parties further agree that CB's capital additions are used and useful and
12 prudent as of the rate-effective date in this case.

13 4. Schedule Changes. The Stipulating Parties agreed to combine current Tariff
14 Schedule Nos. 1&2 for Residential and Commercial/Industrial customers, respectively, into a
15 single Tariff Schedule for Residential/Commercial/Industrial Metered Rates (RCIMR).
16 Additionally, as noted below, CB will add a new Schedule related to a Commodity Power Cost
17 Adjustment (CPCA). The Stipulating Parties agreed to CB's proposal to add tariff rates for all
18 meter sizes for all customer classes, using American Water Works Association (AWWA) meter
19 equivalency, to allow for new customers that require those meter sizes to receive service without
20 the need for a new tariff filing.

21 5. AWWA Factors. The Stipulating Parties agreed to use all but one of the standard
22 AWWA factors to calculate the new Schedule No. 1, RCIMR, base rates in this case. The
23 Stipulating Parties agree to work toward meter equivalency as appropriate in the Company's
24 future rate cases.

25

26

1 6. Commodity Power Cost Adjustment. The Stipulating Parties agreed to include
2 CB's proposed CPCA, which is the proposed Schedule 6 in the Application, with the following
3 changes:

4 a. The CPCA will be limited to a \$0.03 increase to the Commodity rate per customer
5 class per incidence of rate increase from the power supplier;

6 b. The CPCA will be collected through an equal increase to the commodity rates (i.e., the
7 cents per ccf charge) paid by all customers; and

8 c. CB will pass back the full amount of any decrease in power cost from the power
9 supplier.

10 7. Accumulated Deferred Income Taxes and Excess Deferred Income Taxes. Staff
11 and CB agree to, prior to the next rate case, work toward developing the appropriate treatment of
12 Accumulated Deferred Income Tax (ADIT) and Excess Deferred Income Tax (EDIT) in future
13 rate cases.

14 8. The Stipulating Parties agree that this Stipulation is in the public interest and, in
15 the unique circumstances present in this case, will result in rates that are fair, reasonable, and
16 will meet the standard set forth in ORS 756.040.

17 9. The Stipulating Parties have negotiated this Stipulation in good faith and
18 recommend that the Commission adopt the Stipulation in its entirety.

19 10. The Stipulating Parties agree that the Stipulation represents a compromise in the
20 positions of the Stipulating Parties. By entering into this Stipulation, no Stipulating Party shall
21 be deemed to have approved, accepted, or consented to the facts, principles, methods, or theories
22 employed by any other Stipulating Party in arriving at the terms of this Stipulation.

23 11. The Stipulating Parties agree that without the written consent of all Stipulating
24 Parties, evidence of conduct or statements, including but not limited to term sheets or other
25 documents created solely for use in settlement conferences in this docket, and conduct or
26 statements made at settlement conferences, are confidential and not admissible in this or any

1 subsequent proceeding, unless independently discoverable or offered for other purposes allowed
2 under ORS 40.190.

3 12. The Stipulating Parties support entering into evidence, without requiring any
4 Stipulating party to lay a foundation for its admission, this Stipulation, Staff's written testimony
5 in support of the Stipulation (Exhibit Staff/100), and additional supporting exhibits (Exhibits
6 Staff/101, Staff/102, and Staff/103).

7 13. The Stipulating Parties understand that this Stipulation addresses only CB's
8 request for a general rate increase in this instance, is not binding on the Commission in deciding
9 CB's application for a general rate increase, and does not foreclose the Commission from
10 addressing any other issues or foreclose a Stipulating Party from raising other issues in a
11 different proceeding.

12 14. The Stipulating Parties have negotiated this Stipulation as an integrated
13 document. Accordingly, if the Commission rejects all or any material portion of this Stipulation,
14 or adds any material condition to any final order that is not consistent with this Stipulation, each
15 Stipulating Party reserves the right, upon written notice to the Commission and all parties to this
16 proceeding within 15 days of the date of the Commission's final order, to withdraw from the
17 Stipulation and to present additional evidence and argument on the record. However, prior to
18 withdrawal, any Stipulating Party who wishes to withdraw must engage in good faith negotiation
19 with the other Stipulating Parties. No Stipulating Party withdrawing from this Stipulation shall
20 be bound to any position, commitment, or condition of this Stipulation. Nothing in this
21 paragraph provides any Stipulating Party the right to withdraw from this Stipulation as a result of
22 the Commission's resolution of issues that this Stipulation does not resolve.


23 15. The Stipulating Parties agree to support Commission approval of the Stipulation,
24 throughout this proceeding and any subsequent appeal, and to provide witnesses to sponsor
25 testimony. If any other party to this proceeding challenges this Stipulation or if any other
26 interested person objects to this Stipulation in comments, the Stipulating Parties agree to

1 cooperate in responding to bench requests, preparing supplemental testimony, and participating
2 in cross-examination and to put on such a case as they deem appropriate to respond fully to the
3 issues presented, which may include addressing issues incorporated in the settlements embodied
4 in this Stipulation.

5 16. This Stipulation may be executed in any number of counterparts, each of which
6 will be an original for all purposes, but all of which taken together will constitute one and the
7 same agreement.

8

9 DATED: February 24, 2021 /s/Jill Goatcher
10 Jill D Goatcher OSB # 202294
11 Assistant Attorney General
12 Of Attorneys for Staff of the Public Utility
Commission of Oregon

13 DATED: February 26, 2021 
14 Irion Sanger OSB # 003750
15 Of Attorney for Oregon Water Utilities –
Cline Butte, Inc.

16 DATED: _____
17 _____
18 Mike DeWolf
Of RECOA

19
20 DATED: _____
21 _____
22 Bill Wordley
Of RECOA

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11 Assistant Attorney General
12 Of Attorneys for Staff of the Public Utility
Commission of Oregon

13 DATED: _____ Irion Sanger OSB # 003750
14 Of Attorney for Oregon Water Utilities –
15 Cline Butte, Inc.

16 DATED: 2/25/2021 Michael DeWolf
17 Mike DeWolf
18 Of RECOA

19
20 DATED: _____ Bill Wordley
21 Of RECOA

22

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Commission of Oregon

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13 DATED: _____
14 Irion Sanger OSB # 003750
15 Of Attorney for Oregon Water Utilities –
Cline Butte, Inc.

14

15

16

17 DATED: _____
18 Mike DeWolf
Of RECOA

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20 DATED: 2/25/2021 William E. Wordley
21 Bill Wordley
Of RECOA

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				Company Proposed Increase			Stipulated Increase
Revenue Requirement				10.28%			8.95%
REVENUES		Adjusted Test Year	Company Adjustments	Company Proposed Totals	Stipulated Adjustments to Company Totals	Stipulated Totals	
460	Unmetered	-		\$ -		\$ -	
461.1	Residential (+Commercial)	743,726	82,254	\$ 825,980	3,751.30	\$ 829,731	
461.2	Commercial	28,478	3,150	\$ 31,628	(31,628.00)	\$ -	
462	Fire Protection Sales	-		\$ -		\$ -	
465	Irrigation Water Sales	109,988	12,164	\$ 122,152	9,216.79	\$ 131,369	
466	Water Sales for Resale	-		\$ -		\$ -	
467	Golf Course	132,059	14,605	\$ 146,664	4,059.55	\$ 150,724	
468	Special Contract	1,800	200	\$ 2,000	(13.75)	\$ 1,986	
471	Miscellaneous Services	644		\$ 644	-	\$ 644	
475	Cross Connection Control	58,155		\$ 58,155	-	\$ 58,155	
474	Other	17,913		\$ 17,913	-	\$ 17,913	
		-		\$ -		\$ -	
	Total Revenue	\$ 1,092,763	\$ 112,373	\$ 1,205,136	\$ (14,614)	\$ 1,190,522	
Acct .	OPERATING EXPENSES						
601	Salaries and Wages - Employees	177,730		\$ 177,730	\$ -	\$ 177,730	
601.1	Capitalized Overhead	(156,784)		\$ (156,784)	\$ 130,125	\$ (26,660)	
603	Salaries and Wages - Officers	-		\$ -	\$ -	\$ -	
604	Employee Pension & Benefits	50,631		\$ 50,631	\$ (50,631)	\$ -	
610	Purchased Water	-		\$ -	\$ -	\$ -	
611	Telephone/Communications	4,011		\$ 4,011	\$ -	\$ 4,011	
615	Purchased Power	148,209		\$ 148,209	\$ -	\$ 148,209	
616	Fuel for Power Production	-		\$ -	\$ -	\$ -	
617	Other Utilities	978		\$ 978	\$ -	\$ 978	
618	Chemical / Treatment Expense	-		\$ -	\$ -	\$ -	
619	Office Supplies	7,578		\$ 7,578	\$ (7,578)	\$ -	
619.1	Postage	8,511		\$ 8,511	\$ (8,511)	\$ -	
620	O&M Materials/Supplies	2,308		\$ 2,308	\$ -	\$ 2,308	
621	Repairs to Water Plant	10,167		\$ 10,167	\$ -	\$ 10,167	
631	Contract Svcs - Engineering	-		\$ -	\$ -	\$ -	
632	Contract Svcs - Accounting	5,016		\$ 5,016	\$ -	\$ 5,016	
633	Contract Svcs - Legal	1,268		\$ 1,268	\$ -	\$ 1,268	
634	Contract Svcs - Management Fees	125,300		\$ 125,300	\$ -	\$ 125,300	
635	Contract Svcs - Testing	6,606		\$ 6,606	\$ 1,500	\$ 8,106	
636	Contract Svcs - Labor	-		\$ -	\$ -	\$ -	
637	Contract Svcs - Billing/Collection	-		\$ -	\$ -	\$ -	
638	Contract Svcs - Meter Reading	-		\$ -	\$ -	\$ -	
639	Contract Svcs - Other	5,397		\$ 5,397	\$ -	\$ 5,397	
641	Rental of Building/Real Property	228		\$ 228	\$ -	\$ 228	
642	Rental of Equipment	-		\$ -	\$ -	\$ -	
643	Small Tools	113		\$ 113	\$ -	\$ 113	
648	Computer/Electronic Expenses	4,109		\$ 4,109	\$ (4,109)	\$ -	
650	Transportation	13,576		\$ 13,576	\$ -	\$ 13,576	
656	Vehicle Insurance	3,592		\$ 3,592	\$ -	\$ 3,592	
657	General Liability Insurance	2,691		\$ 2,691	\$ -	\$ 2,691	
658	Workers' Comp Insurance	113		\$ 113	\$ (113)	\$ -	
659	Insurance - Other	11,133		\$ 11,133	\$ -	\$ 11,133	
666	Amortz. of Rate Case	5,000		\$ 5,000	\$ (3,333)	\$ 1,667	
667	Gross Revenue Fee (PUC)	3,825	393	\$ 4,218	\$ (51)	\$ 4,167	
670	Bad Debt Expense	3,892	400	\$ 4,292	\$ -	\$ 4,292	
671	Cross Connection Control Program	-		\$ -	\$ -	\$ -	
673	Training and Certification	4,998		\$ 4,998	\$ -	\$ 4,998	
674	Consumer Confidence Report	-		\$ -	\$ -	\$ -	
675	Miscellaneous Expense	14,725		\$ 14,725	\$ (4,138)	\$ 10,587	
660	Advertising	42		\$ 42	\$ (42)	\$ -	
OE2	Other Expense 2	-		\$ -	\$ (7,296)	\$ (7,296)	
OE3	Other Expense 3	-		\$ -	\$ -	\$ -	
OE4	Other Expense 4	-		\$ -	\$ -	\$ -	
OE5	Other Expense 5	-		\$ -	\$ -	\$ -	
	TOTAL OPERATING EXPENSE	\$ 464,963	\$ 793	\$ 465,756	\$ 45,822	\$ 511,578	

		Adjusted Test Year	Company Adjustments	Company Proposed Totals	Stipulated Adjustments to Company Totals	Stipulated Totals
	REVENUES					
	OTHER REVENUE DEDUCTIONS					
403	Depreciation Expense	215,453		\$ 215,453	\$ 35,002	\$ 250,455
406	Amort of Plant Acquisition Adjustment	-		\$ -	\$ -	\$ -
407	Amortization Expense	-		\$ -	\$ -	\$ -
408.11	Property Tax	21,210		\$ 21,210	\$ -	\$ 21,210
408.12	Payroll Tax	18,888		\$ 18,888	\$ -	\$ 18,888
408.13	Other	-		\$ -	\$ -	\$ -
409.10	Federal Income Tax	78,172	(2,235)	\$ 75,937	\$ (19,714)	\$ 56,223
409.11	Oregon Income Tax	22,350	(3,496)	\$ 18,854	\$ 64	\$ 18,919
409.13	Extraordinary Items Income Tax	-		\$ -	\$ -	\$ -
	TOTAL REVENUE DEDUCTIONS	\$ 821,036	\$ (4,938)	\$ 816,098	\$ 61,174	\$ 877,272
	Net Operating Income	\$ 271,727	\$ 117,311	\$ 389,038	\$ (75,788)	\$ 313,250
	UTILITY RATE BASE					
101	Utility Plant in Service	9,142,824		\$ 9,142,824	\$ (0)	\$ 9,142,824
105	Construction Work in Progress	-		\$ -	\$ -	\$ -
108	- Accumulated Depreciation of Plant	3,461,864		\$ 3,461,864	\$ (41,256)	\$ 3,420,608
271	- Contributions in Aid of Construction	892,189		\$ 892,189	\$ (0)	\$ 892,189
272	+ Accumulated Amortization of CIAC	99,306		\$ 99,306	\$ 6,659	\$ 105,965
281	- Accumulated Deferred Income Tax	(406,008)		\$ (406,008)	\$ 936,245	\$ 530,237
	- Excess Capacity	-		\$ -	\$ -	\$ -
	= NET RATE BASE INVESTMENT	\$ 5,294,085	\$ -	\$ 5,294,085	\$ (888,331)	\$ 4,405,754
	Plus: (working capital)					
151	Materials and Supplies Inventory	4,344		\$ 4,344	\$ -	\$ 4,344
	Working Cash (Total Op Exp /12)	38,747	66	\$ 38,813	\$ 3,818	\$ 42,631
	TOTAL RATE BASE	\$ 5,337,176	\$ 66	\$ 5,337,242	\$ (884,512)	\$ 4,452,730
	Rate of Return	5.09%		7.29%		7.04%

**Containing Rules and Regulations
Governing Water Utility Service**

NAMING RATES FOR

OREGON WATER UTILITIES – CLINE BUTTE, INC.
1230 GOLDEN PHEASANT DRIVE
REDMOND, OR 97756

(541) 504-2305

Serving water in the vicinity of
Eagle Crest Resort, Redmond, Oregon

Issue Date / Filing Date	Sept 30, 2020	Effective for Service on or after	May 1, 2021
Issued By Utility	Oregon Water Utilities – Cline Butte, Inc.		
Signature			
Name & title	Craig Gott, President		

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Issue Date / Filing Date	Sept 30, 2020	Effective for Service on or after	May 1, 2021
Issued By Utility	Oregon Water Utilities – Cline Butte, Inc.		
Signature			
Name & title	Craig Gott, President		

SCHEDULE NO. 1

RESIDENTIAL / COMMERCIAL / INDUSTRIAL METERED RATES

Available: To customers of the Utility at Eagle Crest, Redmond, Oregon, and vicinity.

Applicable: To residential, commercial, & industrial customers and premises.

Monthly Base Rate

SERVICE METER SIZE	MONTHLY BASE RATE	USAGE ALLOWANCE
5/8 inch or 3/4 inch	\$31.80	None
1 inch	\$53.01	None
1½ inches	\$84.81	None
2 inches	\$169.62	None
3 inches	\$318.00	None
4 inches	\$530.00	None
6 inches	\$1,060.00	None
8 inches	\$1,696.00	None
10 inches	\$2,438.00	None
12 inches	\$4,558.00	None

Commodity Usage Rate

COMMODITY RATE	NO. OF UNITS	MEASURING UNIT
\$1.06	Per Unit	1 unit = 100 cf

Special Provisions:

1. These rates are based on continuous service. Discontinuation of service may not be employed to avoid monthly charges for service. See Rule No. 26, Voluntary Discontinuance.
2. Water used during the construction of buildings, etc., shall be metered. Charges shall be made at the rates specified in this schedule. When setting of a meter is impracticable, the amount of water used shall be estimated, and the charges shall be made at specified rates for the amounts so estimated.

Issue Date / Filing Date	Sept 30, 2020	Effective for Service on or after	May 1, 2021
Issued By Utility	Oregon Water Utilities – Cline Butte, Inc.		
Signature			
Name & title	Craig Gott, President		

SCHEDULE NO. 2
IRRIGATION (NON-GOLF) METERED RATES

Available: To customers of the Utility at Eagle Crest, Redmond, Oregon, and vicinity.

Applicable: To irrigation customers and premises.

Monthly Base Rate

SERVICE METER SIZE	MONTHLY BASE RATE	USAGE ALLOWANCE
5/8 inch or 3/4 inch	\$13.77	None
1 inch	\$27.54	None
1½ inches	\$49.58	None
2 inches	\$88.14	None
3 inches	\$137.70	None
4 inches	\$220.36	None
6 inches	\$440.71	None
8 inches	\$734.40	None
10 inches	\$1,055.70	None
12 inches	\$1,973.70	None

Commodity Usage Rate

COMMODITY RATE	NO. OF UNITS	MEASURING UNIT
\$0.65	Per Unit	1 unit = 100 cf

Special Provisions:

1. These rates are based on continuous service. Discontinuation of service may not be employed to avoid monthly charges for service. See Rule No. 26, Voluntary Discontinuance.
2. Water used during the construction of buildings, etc. shall be metered. Charges shall be made at the rates specified in this schedule. When setting of a meter is impracticable, the amount of water used shall be estimated, and the charges shall be made at specified rates for the amounts so estimated.

Issue Date / Filing Date	Sept 30, 2020	Effective for Service on or after	May 1, 2021
Issued By Utility	Oregon Water Utilities – Cline Butte, Inc.		
Signature			
Name & title	Craig Gott, President		

SCHEDULE NO. 3
GOLF COURSE METERED RATES

Available: To customers of the Utility at Eagle Crest, Redmond, Oregon, and vicinity.

Applicable: To golf course customers and premises.

Monthly Base Rate

SERVICE METER SIZE	MONTHLY BASE RATE	USAGE ALLOWANCE
5/8 inch or 3/4 inch	\$74.95	None
1 inch	\$124.92	None
1½ inches	\$249.83	None
2 inches	\$399.73	None
3 inches	\$749.50	None
4 inches	\$1,249.18	None
6 inches	\$2,498.37	None
8 inches	\$3,997.39	None
10 inches	\$5,746.17	None
12 inches	\$8,111.98	None

Commodity Usage Rate

COMMODITY RATE	NO. OF UNITS	MEASURING UNIT
\$0.30	Per Unit	1 unit = 100 cf

Special Provisions:

1. These rates are based on continuous service. Discontinuation of service may not be employed to avoid monthly charges for service. See Rule No. 26, Voluntary Discontinuance.
2. Water used during the construction of buildings, etc., shall be metered. Charges shall be made at the rates specified in this schedule. When setting of a meter is impracticable, the amount of water used shall be estimated, and the charges shall be made at specified rates for the amounts so estimated.

Issue Date / Filing Date	Sept 30, 2020	Effective for Service on or after	May 1, 2021
Issued By Utility	Oregon Water Utilities – Cline Butte, Inc.		
Signature			
Name & title	Craig Gott, President		

SCHEDULE NO. 4
ECMA SPECIAL CONTRACT FOR IRRIGATION AND
STANDBY FIRE AND DOMESTIC SERVICE

Available: To the Eagle Crest Master Association Property at Eagle Crest, Redmond, Oregon.

Applicable: To customers of Eagle Crest Master Association at Eagle Crest, Redmond, Oregon.

Monthly Base Rate

SERVICE METER SIZE	MONTHLY BASE RATE	USAGE ALLOWANCE
N/A	\$165.52	None

Commodity Usage Rate

COMMODITY RATE	NO. OF UNITS	MEASURING UNIT
\$0.60	Per Unit	1 unit = 100 cf

Special Provisions:

1. These rates are based on continuous service. Discontinuation of service may not be employed to avoid monthly charges for service. See Rule No. 26, Voluntary Discontinuance.
2. Water used during the construction of buildings, etc., shall be metered. Charges shall be made at the rates specified in this schedule. When setting of a meter is impracticable, the amount of water used shall be estimated, and the charges shall be made at specified rates for the amounts so estimated.

Issue Date / Filing Date	Sept 30, 2020	Effective for Service on or after	May 1, 2021
Issued By Utility	Oregon Water Utilities – Cline Butte, Inc.		
Signature			
Name & title	Craig Gott, President		

SCHEDULE NO. 5
COMMODITY POWER COST ADJUSTMENT

Schedule No. 5 is an “Automatic Adjustment Clause” as defined in ORS 757.210. It is subject to review by the Commission at least once every two years.

PURPOSE: To define procedures for periodic revision in rates due to changes in the Utility’s purchased commodity power cost, to describe how a rate change for purchased commodity power cost is calculated, and to identify any other requirements.

APPLICABLE: The commodity power cost adjustment applies to the following schedules contained in the Utility’s tariffs: Schedules 1, 2, 3, and 4.

COMMODITY POWER COST ADJUSTMENT

Changes under the applicable schedules are subject to increases or decreases that may be made without prior hearing to reflect the changes in the Utility’s purchased power costs resulting from adjustments in the rate of the Utility’s power suppliers. Such adjustments may be shown in Schedules 1, 2, 3, and 4, or may be incorporated directly in the applicable rate schedules. The Utility may file purchased power cost adjustments periodically to be effective upon the date its power suppliers implement rate changes. If the Utility chooses to file for power cost increases, it is limited to a \$.03 Commodity increase per customer class per incident of a power supplier rate increase. The Utility is also obligated to file for the full amount of a decrease in power costs.

DESCRIPTION OF POWER COST ADJUSTMENT CALCULATION

Current power rate per 100 cf of water, multiplied by the power provider’s percentage increase, multiplied by the power provider’s allocation percentage, equals the power cost adjustment per 100 cf. For example, if Central Electric Cooperative, Inc. (“CEC”) provides 100 percent of the Utility’s electric power for domestic water and the current rate is \$0.2607 per 100 cf, a 15 percent increase by CEC would result in the following power cost adjustment:

$\$0.2607 * 15\% * 100\% = \0.039 increase per 100 cf (rounded to three decimal places), but will be limited to \$.03 per 100 cf.

OTHER REQUIREMENTS

The Utility shall, whenever possible, utilize its pumping operations at off-peak times in order to promote energy conservation. The Utility will adopt a time-of-day usage of electric power from power suppliers if such an option is offered.

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SCHEDULE NO. 6

MISCELLANEOUS SERVICE CHARGES

This schedule lists the miscellaneous charges included in the Utility’s Rules and Regulations; refer to the appropriate Rules for an explanation of charges and conditions under which they apply.

Connection Charge for New Service (Rule Nos. 8 & 9)

Standard ¾-inch service	At cost
Nonstandard ¾-inch service	At cost
Irrigation hookup (if provided on separate system)	At cost

Meter Test (Rule Nos. 19 & 20)

First test within 12-month period	N/C
Second test within 12-month period	<u>\$25</u>

Pressure Test (Rule No. 39)

First test within 12-month period	N/C
Second test within 12-month period	<u>\$25</u>

Late-Payment Charge (Rule No. 21)

Pursuant to OAR 860-036-1400

Deposit for Service (Rule No. 5)

Pursuant to OAR 860-036-1220

Returned-Check Charge (Rule No. 22)

\$15 each occurrence

Trouble-Call Charge (Rule No. 35)

During normal office hours	<u>\$25</u> per hour
After normal office hours on special request	<u>\$50</u> per hour

Disconnection/Reconnect Charge (Rule Nos. 28 & 29)

During normal office hours	<u>\$25</u>
After normal office hours on special request	<u>\$50</u>

Unauthorized Restoration of Service (Rule No. 30)

Disconnection/Reconnection charge plus costs

Damage/Tampering Charge (Rule No. 28)

At cost

Disconnect Site-Visit Charge (Rule No. 29)

\$15

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SCHEDULE NO. 7

CROSS CONNECTION CONTROL PROGRAM Backflow Prevention Device Services and Fees

PURPOSE: The Utility offers its customers backflow prevention device/double check valve assembly (DCVA) testing, maintenance, and repair services.

AVAILABLE: To customers of the Utility in Eagle Crest, Redmond, Oregon and vicinity.

APPLICABLE: To residential, commercial/industrial, and irrigation premises with backflow prevention devices installed at the meter.

PROGRAM DESCRIPTION

Service plans include:

1. Testing of newly installed devices prior to hook up to the Company's water system.
2. The required annual backflow prevention device testing by a state certified tester pursuant to Oregon Administrative Rules 333-061-0070 through OAR 333-061-0072.
3. Maintenance and repairs on the customer-owned backflow prevention device.

The Company offers the following plans and payment options for services provided by the Company:

1. Testing of new devices.
2. Required annual device testing.
3. Payment is due upon completion of services rendered.

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SCHEDULE NO. 7 (CONTINUED)

CROSS CONNECTION CONTROL PROGRAM
Backflow Prevention Device Services and Fees

BILLING RATES

At the time of testing, customers will be billed (itemized separately on customer water bill):

Double Check Devices

New device 1" and under	\$45
New device over 1"	\$60
New device over 2"	\$85
Commercial property	Additional \$20 per device
Existing device 1" and under	\$30
Existing device over 1"	\$45
Existing device over 2"	\$85
Commercial property	Additional \$10 per device
Additional device(s)* tested during same site visit	Discount <\$10>

*Excludes RPs

Reduced Pressure Backflow Preventer Device (RP)

1" and under	\$45
Over 1"	\$60

Miscellaneous

Confined space entry	\$100
Labor for maintenance and repair of device (1 hr min)	\$50 per hour
Parts	At cost

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SCHEDULE NO. 7 (CONTINUED)

**CROSS CONNECTION CONTROL PROGRAM
Backflow Prevention Device Services and Fees**

OPT OUT CUSTOMERS WHO FAIL TO PROVIDE DCVA TEST RESULTS

OPT OUT customers who fail to provide the Utility with annual DCVA test results by the customer's annual deadline will be disconnected from water service pursuant to OAR 860-036-1680.

SPECIAL PROVISIONS:

1. The customer is under no obligation to use the Utility's DCVA services.
2. The customer can choose any qualified company or individual to test, maintain, and repair his/her DCVA.
3. Customers who choose not to use the Company's backflow prevention services must sign the written refusal and return it to the Company. Customers who choose to continue not using the Company's backflow prevention services must each year notify the Company of the name of the company chosen and date backflow test is scheduled
4. The Company will provide each customer with notification of the backflow prevention service options being offered. The notification shall include (1) an agreement for service that allows the customer to indicate which plan and payment arrangement the customer chooses, and (2) a written refusal of the Company's services.
5. The Company reserves the right to propose before the OPUC any change in the amount charged for the backflow prevention device testing, maintenance, and repair services.
6. Customers will be given the choice of accepting or rejecting a new agreement in advance of any rate increase.
7. The Company will separately itemize the backflow prevention device service fee on customer bills.

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RULES AND REGULATIONS

Rule 1: Jurisdiction of the Commission

Water systems are subject to regulation as provided under ORS [Chapter 757](#).

Rule 2: Definitions

- A. "Applicant" means a person who does not meet the definition of a customer, who applies for service with a water utility.
- B. "Commission" shall mean the Public Utility Commission of Oregon.
- C. "Commercial service" means water service provided by the water utility that the customer uses in the promotion of a business or business product that is a source of revenue or income to the customer or others using the premises.
- D. "Customer" means a person who is currently receiving water service and is entitled to certain rights as a customer under these rules. A residential customer retains customer status for 20 calendar days following voluntary disconnection of service and must be treated as a customer if he or she reapplies for service within that 20 calendar day period.
- E. "Customer's service line" is defined as the facilities used to convey water from the point of connection to the customer's point of usage. The customer owns and maintains the customer service line.
- F. "Residential service" means water service provided for domestic or irrigation purposes in a residential area and is not considered a commercial service.
- G. "Served" for purpose of delivery of any required notice or document, unless otherwise specifically noted, means: delivered in person, by personal contact over the telephone, or in writing delivered to the party's last known address. If delivered by US Mail, the notice is considered served two calendar days after the date postmarked, the date of postage metering, or deposit in the US Mail, excluding Sundays and postal holidays.
- H. "Utility" shall mean: OREGON WATER UTILITIES – CLINE BUTTE, INC.
- I. "Water service connection" is defined as the facilities used to connect a water utility's distribution network to the point of connection at the customer's service line. The water utility owns and maintains the water service connection.

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APPLICATION FOR SERVICE

Rule 3: Information for Applicants and Customers (OAR 860-036-1100)

The Utility shall provide or be able to provide customers or applicants with the following information:

- A. A copy of its approved tariffs or statement of rates;
- B. A copy of the utility’s rules and regulations applicable to the type of service being provided; and
- C. The option to receive electronic copies of all written notices to be issued on the customer’s account.

Rule 4: Application for Service (OAR 860-036-1200)

Application for water service must be made for each individual property to be served. The application shall identify the name of the applicant, the service address, the billing address, the contact information where the applicant can be reached, the type of water service requested and its intended use, and the name to be used to identify the account, if different than the applicant’s actual name. The applicant shall, at this time, pay any scheduled fees or deposits. An application is a request for service and shall not be accepted until the applicant establishes credit as set forth in OAR 860-036-1210.

An application for service may be required where:

- A. An applicant, who has not previously been served by the Utility, requests service; or
- B. Service has been involuntarily discontinued in accordance with the Utility and Commission rules, and service is requested; or
- C. Service has been voluntarily discontinued and a request to restore service has not been made within 20 days; or
- D. There is a change in the type of use to which the water is put, or the number of premises served.

Rule 5: Establishment of Credit, Surety Agreements, Deposits, Interest, and Refunds of Deposits (OAR 860-036-1210, 1220, 1230, 1240, 1250, and 1260)

The utility may require an applicant or customer to pay a deposit as a guarantee of payment for services provided. Amounts held by a water utility may not exceed one-sixth of the actual or estimated annual billing for the premises. (OAR 860-036-1220)

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The water utility may adjust the deposit amount when a customer moves to a new location within the water utility's service area, and the anticipated bill at the new residence will be at least 20 percent greater than the basis of the existing deposit. (OAR 860-036-1220(5))

The Utility shall pay interest on deposits at the rate established by the Commission. After the customer has paid its water service bills for 12 consecutive months without having had service discontinued for nonpayment, or did not have more than two occasions in which a shut-off notice was issued, and the customer is not then delinquent in the payment of bills, the Utility shall promptly and automatically refund the deposit plus accrued interest by **(check one)** (OAR 860-036-1250 and 1260):

- 1. Issuing the customer a refund check, or
- 2. Crediting the customer's account; however, a customer is entitled to a refund upon request pursuant to OAR 860-036-1260

Rule 6: Customer Service Line (OAR 860-036-1300(2))

The customer shall own and maintain the customer service line and promptly repair all breaks and leaks. For non-metered service, the customer service line begins at the property line or utility-owned shut-off valve. For metered service, the customer service line begins on the customer's side of the meter or utility-owned shut-off valve. The Utility shall not be responsible for any damage or poor service due to inadequacy of the customer service line or any portion of the customer's plumbing. All leaks in the customer service line, faucets, and all other parts of the plumbing owned or controlled by the customer shall be promptly repaired so as not to waste water.

Rule 7: Separate Control of Service

All premises supplied with water will be served through service lines so placed as to enable the Utility to control the supply to each individual premise using a valve placed within and near the line of the street, the Utility right-of-way, or at the meter.

Rule 8: Water Service Connections (OAR 860-036-1300)

The water service connection is defined as the facilities used to connect the Utility's distribution network to the point of connection at the customer's service line, including all trenching, pipe, valves, and fittings. The Utility owns, operates, maintains, and replaces the service connection when necessary and promptly repairs all breaks and leaks. The customer shall not be

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responsible for any damage or poor service due to inadequacy of the Utility’s service lines or any portion of the Utility’s plumbing.

Rule 9: Service Connection Charge (OAR 860-036-1300(3))

An applicant requesting permanent water service to a premise not previously supplied with permanent water service by the Utility may be required to pay the cost of the service connection, including or excluding the meter as provided in Rule No. 8 and the Utility’s Miscellaneous Service Charges in this tariff.

Rule 10: Main Line Extension Policy (OAR 860-036-1310)

A main line extension is defined as the extension of the Utility's main line necessary to provide service to a customer when the property does not currently have main line frontage.

Main line extension charges, if any, are stated in the Utility's tariff or statement of rates.

The Utility maintains a main line extension policy that lists all applicable charges; and describes the advance and refund provisions, including a description of the mechanisms for collecting and rebating the amount charged equitably among the customers who paid for the cost of the line, and provides the time period during which the advance and rebate provisions apply.

For a period of five (5) years after construction of the requested main line extension, the utility shall also collect from any additional applicants whose service connections or service lines shall connect directly to said main line extension an amount per foot equal to the new applicant's proportionate share of the main line extension abutting footage used. The utility will then refund the share differential amount to those customers who previously incurred the cost of said main line extension. Refunds shall not exceed the amount originally advanced.

No part of the distribution system installed prior to the request for a main line extension shall be used to calculate any customer advance or refund.

Rule 11: Types of Use

Water service may be supplied for residential, commercial, irrigation, temporary construction, special contracts, fire prevention, and other uses. The Utility shall file separate rate schedules for each type of use and basis of supply.

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Rule 12: Multiple Residences/Commercial Users

An apartment building, mobile home park, motel, trailer camp, duplex, townhouse, or any property consisting of more than one residential/commercial unit shall be considered to be equivalent to the number of equivalent dwelling units served when determining the customer count.

Rule 13: Utility Access to Private Property (OAR 860-036-1370, -1500)

Customers shall provide regular access to Utility-owned service lines that may extend onto the customer's premises for the purposes of reading meters, maintenance, inspections, or removal of Utility property at the time service is to be discontinued. Where the customer does not cooperate in providing reasonable access to the meter or to the premises, as required by law or to determine if a health or safety hazard exists, it is grounds for disconnection.

Rule 14: Restriction on Entering a Customer Residence (OAR 860-036-1330)

No Utility employee shall enter the residence of its customers without proper authorization except in an emergency when life or property is endangered.

REFUSAL OF SERVICE

Rule 15: Refusal of Service Due to Customer Accounts (OAR 860-036-1270)

The Utility may refuse to provide service if:

- A. The applicant has amounts owing under a tariff or statement of rates; or
- B. The applicant for residential service has a roommate with amounts owing under a tariff or statement of rates, and the applicant lived with the roommate at the time the amounts owing were incurred.

Exception: If the applicant for residential service was a former residential customer with amounts owing, was involuntarily disconnected for non-payment, and applies for service within 20 calendar days of the disconnection, the Utility must provide service upon receipt of one-half of the amount owed with the remainder due within 30 calendar days. If the former customer fails to pay the remaining amounts within 30 calendar days, the Utility may disconnect service after issuing a 7-calendar day disconnection notice in accordance with OAR 860-036-1510(4).

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If service is disconnected, the Utility may refuse to restore service until it receives full payment of all amounts owing, including reconnection charges allowed under OAR 860-036-1580. Service shall not be refused for matters not related to water service.

Residential service shall not be refused due to obligations connected with nonresidential service. If service is refused under this rule, the Utility shall inform the applicant or customer of the reasons for the refusal and of the Commission’s dispute resolution process.

Rule 16: Refusal of Service Due to Utility Facilities (OAR 860-036-1270)

The Utility shall not accept an application for service or materially change service to a customer if the Utility does not have adequate facilities, resources or capacity to render the service applied for, or if the desired service is of a character that is likely to unfavorably affect reasonable service to other customers.

For refusal of service under this rule, the Utility shall provide a written letter of refusal to the applicant within seven calendar days, informing applicant that the details upon which the Utility’s decision was based may be requested.

The details will include, but not be limited to:

- A. Provide the information required by OAR 860-036-1100(2);
- B. Explain the specific reasons for refusing water service;
- C. Inform the applicant of the right to request details upon which the Utility's decision was based; and
- D. Inform the applicant of the right to dispute the refusal by contacting the Consumer Services Section at the contact information provided in OAR 860-001-0020(2).

Rule 17: Refusal of Service Due to Customer Facilities (OAR 860-036-1270)

The Utility will refuse service to an applicant whose facilities do not comply with applicable plumbing codes or, if in the best judgment of the Utility, are of such a character that safe and satisfactory service cannot be given.

If service is refused under this rule, the Utility will provide written notification to the applicant within seven calendar days stating the reason(s) for refusal and providing information regarding the Commission’s complaint process.

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METERS

Rule 18: Utility Meters (OAR 860-036-1350, 1370(3), and 1590)

The Utility owns, maintains, and operates all meters. Meters placed in service will be adequate in size and design for the type of service, set at convenient locations, accessible to the Utility, subject to the Utility's control, and placed in a meter box or vault between the street curb and property line. Each meter box or vault will be provided with a suitable cover.

Where additional meters are installed by the Utility or relocated for the convenience of the customer, the actual cost incurred for any meter relocation requested by the customer will be assessed.

The Utility shall have the right to set meters or other devices for the detection and prevention of fraud or waste without notice to the customer.

Each customer shall provide the Utility with regular access to the meter on the customer's property. Failure to permit access at reasonable times and after reasonable notice by the Utility requesting access is grounds for disconnection. Should damage result to the meter from molesting, tampering, or willful neglect on the part of the customer, the Utility shall repair or replace the meter and may bill the customer for the reasonable cost.

Rule 19: Meter Testing (OAR 860-036-1350)

All meters must be tested before installation or within 30 calendar days thereafter. Meters must be accurate to no more than two percent fast or slow under normal operating conditions. The Utility must prepare a test record and retain the current and immediately prior test records for all meters tested. The test record must include:

- A. Meter identification number and location;
- B. The reason for the test;
- C. The testing method;
- D. The beginning and ending meter readings;
- E. The test results and conclusion; and
- F. All data taken at the time of the test.

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Rule 20: Customer-Requested Meter Test (OAR 860-036-1360)

A customer may ask the water utility to test the water meter once every 12 months at no cost. The water utility must test the water meter within seven calendar days of the request, unless the customer fails to provide the water utility reasonable access to the meter. A customer or a designated representative has the right to be present at any on-site meter test. The test must be conducted at a mutually acceptable time. Within seven calendar days of performing the requested meter test, the Utility will provide a meter test report to the customer stating:

- A. The information required by OAR 860-036-1100(2);
- B. The name of the customer requesting the test and the service address where the meter was tested;
- C. The date the meter test was requested and the date the meter test was performed;
- D. The name of the person performing the test;
- E. The meter identification number and location;
- F. The beginning and ending meter readings; and
- G. The actual test results and conclusion.

If a customer requests more than one meter test within any 12-month period and the test results indicate that the meter is registering within the two percent performance standard, the customer may be assessed a reasonable charge for the test if the charge is included in the Utility’s tariff or statement of rates. If the meter registers outside the two percent performance standard, the Utility may not charge the customer for the meter test.

BILLING

Rule 21: Billing Information and Late-Payment Charge (OAR 860-036-1010(8), 1100(2), 1400, and 1430)

All bills, including closing bills, are due and payable within at least 15 days when rendered by deposit in the mail or other reasonable means of delivery, unless otherwise specified on the bill. A bill is considered served two calendar days after the date postmarked, the date of postage metering, or deposit in the US Mail, excluding Sundays and postal holidays.

As near as practical, meters shall be read **(check one)** monthly, bimonthly, or quarterly on the corresponding day of each meter reading or billing period. The Utility will provide its customers with timely billings every month or as indicated in its tariffs or statement of

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rates. A water utility must prepare bills, including opening and closing bills, from actual meter readings, unless conditions prevent an actual meter reading. If billings are based on estimated readings, the water utility must clearly identify the estimated meter reads and the estimated consumption on the bill. The water utility must verify the actual meter reading at least once every four months and adjust the customer's bill as needed.

All water service bills will show:

- A. Separate line items for past due balance, payments and credits, new charges, late fees, and total account balance;
- B. The date new charges are due;
- C. Calculation of new charges including base or flat rate, usage billing tiers and rates, beginning and ending meter readings, the dates the meter was read, rate schedule, billing period, and number of days in the billing period;
- D. The date any late payment charge was applied and an explanation of the terms of the late payment charge; and
- E. Any other information necessary for the customer to understand and compute the charges being assessed.

A late-payment charge may be assessed against any residential account that has an unpaid balance when the next bill is being prepared. The Utility may assess a late-payment charge against any non-residential account if payment is not received by the bill due date. The charge will be computed at the late-payment rate specified in the Miscellaneous Service Charges Schedule. The late-payment rate is determined annually by the Commission, and the Utility will be notified of the rate.

If an account is permitted to become delinquent, the Utility may disconnect water service by giving proper notice to the customer as provided in Rules 28 & 29, prior to or after the Utility assesses the late-payment charge.

Rule 22: Returned Payment Charge

The Returned Payment Charge listed on the Miscellaneous Service Charges Schedule shall be billed for each occasion a customer submits any type of noncash payment (check, debit, electronic, etc.) that is not honored, for any reason, by a bank or other financial institution.

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Rule 23: Prorating of Bills

Initial and final bills will be prorated according to the number of days service was rendered and on the basis of a billing period of not less than 27 days or more than 33 days (required billing period). For metered services, a reasonable effort will be made to read the meter upon opening and closing a customer’s account. Consumption will be charged at scheduled rates. Any minimum monthly charge will be prorated based on the required billing period.

Rule 24: Adjustment of Bills (OAR 860-036-1440)

When an overbilling occurs, the Utility will refund or credit amounts incorrectly collected during the 12-month period ending on the date on which the Utility issued the last incorrect bill. However, if the incorrect billing occurred more than three years before the incorrect billing is discovered, no refund or credit is required.

When an underbilling occurs, the Utility may issue a bill to collect amounts owing for the 12-month period ending on the date on the Utility issued the last incorrect bill. When such under collected amounts are billed to customers, the Utility will provide written notice to the customer detailing:

- A. The circumstances and time period of the billing error;
- B. The corrected bill amount and the amount of the necessary adjustment;
- C. The Commission’s consumer complaint process; and
- D. The right for a current or former customer to enter into a time-payment agreement with the Utility.

The Utility will not bill for services provided more than two years before the underbilling was discovered. No billing adjustment will be required if a meter registers less than two percent error under conditions of normal operation. The Utility may waive rebilling or issuing a refund check when the costs make such action uneconomical.

Rule 25: Transfer Billings (OAR 860-036-1450)

If the Utility determines that a customer owes an amount from a closed account the customer previously held with the Utility, the Utility may transfer the closed account balance to the customer's current account.

The Utility will give the customer a separate, written notice of the transfer, including:

- A. The amount due under the prior account;

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- B. The time period when the balance was incurred; and
- C. The service address where the balance owing was incurred.

If the customer has a balance owing on an existing time-payment plan, the customer may enter into a new time-payment plan incorporating all amounts owing. The Utility may not transfer a balance owing on a non-residential account to a residential account.

Rule 26: Partial Payment (OAR 860-036-1410)

Partial payments or one payment for more than one service, absent written instructions from the customer, will be applied in the following order:

- A. Past due regulated tariff or statement of rates services;
- B. Currently due regulated tariff or statement of rates services;
- C. Non-regulated services.

DISCONNECTION OF WATER SERVICE

Rule 27: Voluntary Discontinuance (OAR 860-036-1560)

A customer requesting disconnection of service must provide the Utility with at least seven calendar days' advance notice. The customer is responsible for all service provided for seven calendar days following the request for disconnection or until service is disconnected, whichever comes first; or if the customer identified a specific date for disconnection in excess of seven calendar days, the customer is responsible for service rendered up to and including the requested date of disconnection.

Rates are based on continuous service. Disconnect and reconnect transactions do not relieve a customer from the obligation to pay the base rate or minimum charge that accumulates during the period of time the service is voluntarily disconnected for up to 12 months. Should the customer wish to recommence service within 12 months at the same premise, the customer will be required to pay the accumulated minimum monthly charge or base rate as if service had been continuous. The reconnection charge listed on the Miscellaneous Service Charges Schedule will be applicable at the time of reconnection.

Nothing in this rule prevents the Utility from temporarily interrupting service to protect the health and safety of its customers or to maintain the integrity of its system.

Rule 28: Emergency Disconnection (OAR 860-036-1630)

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The Utility may terminate service in emergencies when life or property is endangered without following the procedures set forth in OAR 860-036-1630. If an unscheduled interruption of service is required, the Utility will make a reasonable effort to notify the customers affected and the Consumer Services Section in advance of the interruption, report the unscheduled interruption to the Consumer Services Section, and restore service as soon as possible after resolving the issue, unless other arrangements are agreed to by the affected customers. When the emergency termination was through no fault of the customer, the Utility shall not charge the customer for disconnection or restoration of service.

Rule 29: Disconnection of Water Service Charge for Cause (OAR 860-036-1500, -1510, -1520, -1530, and 1550)

The Utility may disconnect service when:

- A. A customer fails to pay charges due for services rendered under a water utility tariff or statement of rates;
- B. A customer fails to pay a deposit, fails to timely provide a surety under OAR 860 036-1230 or comply with its terms, or fails to comply with the terms of a deposit installment agreement under OAR 860-036-1240;
- C. A customer fails to comply by the terms of a payment agreement under OAR 860 036-1240(3) or 860-036-1420;
- D. A customer provides false identification to establish or to continue service;
- E. A customer has facilities that do not comply with the applicable codes, rules, regulations, or the best practices governing safe and adequate water service, including compliance with the water utility's Cross Connection Control Program;
- F. A customer fails to provide reasonable access to the meter or premises;
- G. A customer tampers with water utility facilities or engages in theft of service or unauthorized use of water;
- H. A customer fails to comply with water restriction requirements under OAR 860-036-1670; or
- I. The Commission approves the disconnection of service.

If the disconnection is due to failure to pay a deposit, secure a surety agreement, abide by a deposit installment agreement, abide by the terms of a payment arrangement, or due to the theft of service, tampering with utility property, diverting water, or unauthorized use of water, the Utility will provide one 7-day written disconnection notice prior to disconnection. For other disconnections, the Utility will provide two written notices in advance of disconnection: one 15-day notice and one 7-day notice.

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If the disconnection is due to a customer’s failure to comply with a water use restriction imposed under OAR 860-036-1670, the utility may disconnect the customer without issuing either a 15-calendar day or 7 calendar day disconnection notice.

The notices shall:

- A. Include the name, mailing address, telephone number, emergency telephone number, and email address or website of the Utility,
- B. State that the customer’s water service is subject to disconnection on or after a specific date;
- C. Provide the grounds for the proposed disconnection;
- D. State what actions the customer must take in order to avoid disconnection; and
- E. Include a statement that the customer may dispute the disconnection by contacting the Commission’s Consumer Services Section.

If the disconnection notice is for nonpayment, the notice shall also:

- A. State the amount the customer must pay to avoid disconnection;
- B. Provide information about the customer’s eligibility for a time-payment agreement provided in OAR 860-036-1420 for residential customers, unless the customer is being disconnected for failing to comply with an existing time-payment agreement or has engaged in theft of service, tampering with utility property, diverting water, or unauthorized use of water; and
- C. Include a statement that once service is disconnected, the water utility will reconnect service only after the customer reapplies for service and pays all applicable charges.

The 7-calendar day and 15-calendar day advance written notices of disconnection will be hand-delivered in person to the customer or adult at the premises, or sent by the US Mail to the customer’s billing address and designated representative. Mailed notices are considered served two calendar days after deposited in the US Mail, excluding Sundays and postal holidays. If the customer has requested to receive notices electronically, the Utility will provide an electronic notice in addition to the written notices.

Within 48 hours of disconnection, the Utility will make a good-faith effort to contact the customer or an adult at the residence and provide notice of the proposed disconnection. The notice may be provided in person or by telephone. The water utility must keep records to document how and when contact was made or attempted. If the Utility is unable to make personal contact, the

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Utility will leave a notice in a conspicuous place informing the customer that service has been disconnected.

Disconnection of Water Service to Tenants:

- A. If the Utility's records show that a residential billing address is different from the service address, the Utility shall mail a duplicate notice to the service address, unless the Utility has verified that the service address is occupied by the customer.
- B. If the Utility's records show that the service location is a master-metered, multi-dwelling service address, the Utility shall provide a duplicate of the 7-calendar day disconnection notice to each unit at the service address. The disconnection notice must be addressed to "Tenant." The envelope must bear a bold notice stating, "IMPORTANT NOTICE REGARDING DISCONNECTION OF WATER UTILITY SERVICE." Tenant notices may not include the dollar amount owing.
- C. The Utility shall notify the Consumer Services Section at least seven calendar days before disconnecting service to a master-metered, multi-dwelling premise.

Time Payment Agreements (OAR 860-036-1420)

Customers who are notified of pending disconnection, due to reasons other than theft of service, tampering, unauthorized use of water, or failure to abide by the terms of a Time Payment Plan, may choose between two Time Payment Agreement options. The Utility will offer such customers a choice of a levelized-payment plan and an equal-pay arrearage plan. The Utility and the customer may mutually agree to an alternate payment arrangement provided it be in writing and signed by all parties.

Disconnection for Failure to Comply With a Time Payment Agreement (OAR 860-036-1510(4)(b))

A time-payment agreement disconnection occurs when a customer fails to comply with the terms of a written time-payment agreement between the customer and the Utility, or the time-payment agreement charge becomes delinquent. The Utility will give the customer a 7- day written notice before the water service may be disconnected.

Rule 30: Disconnection, Reconnection and Field Visit Charge (OAR 860-036-1580)

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Disconnection and Reconnection Charges

If service is disconnected pursuant to OAR 860-036-1500, the Utility may assess and require payment of the disconnect fee and reconnect fee stated in its tariff prior to reconnecting service.

Field Visit Charge

The Utility may assess a field visit charge whenever the Utility visits a residential service address intending to reconnect or disconnect service, but due to customer action, is unable to complete the reconnection or disconnection at the time of the visit. The field visit charge is listed in the tariff.

Rule 31: Unauthorized Restoration of Service (OAR 860-036-1590)

After water service has been disconnected or shut off at the curb stop or at the meter, if any person not authorized by the Utility should turn it on, the water service line may be disconnected without notice as provided by OAR 860-036-1510.

Rule 32: Unauthorized Use (OAR 860-036-1590)

No person shall be allowed to make connection to the Utility mains, or to make any alteration to service connections, or to turn a curb stop off or on to any premises without written permission of the Utility. If the Utility discovers that a customer damaged, tampered with, or engaged in unauthorized use of utility property facilities, the Utility shall notify the customer of the violations and may take one or more of the following actions:

- A. Repair or restore the facilities and charge the customer the costs incurred;
- B. Adjust the customer's prior billing for loss of revenue under applicable tariffs or schedule of rates;
- C. Initiate a service disconnection as provided by OAR 860-036-1510;
- D. Require a new application for service that accurately reflects the customer's proposed water use; and
- E. Assess a deposit for restored or continued service.

Rule 33: Interruption of Service (OAR 860-036-1630, -1640)

The Utility may perform an unscheduled interruption of service as necessary to protect the health and safety of its customers or to maintain the integrity of its system. If an unscheduled interruption of service is required, the water utility must:

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- A. Make a reasonable effort to notify the customers affected and the Consumer Services Section in advance of the interruption;
- B. Report the unscheduled interruption to the Consumer Services Section at the contact information provided in OAR 860-001-0020(2), and
- C. Restore service as soon as it is reasonably possible after resolving the issue, unless other arrangements are agreed to by the affected customers.

The Utility may schedule water service interruptions for maintenance and repairs in such a manner that reasonably minimizes customer inconvenience. The Utility will provide advance written notice to all customers affected by any scheduled service interruption, and will post the notice in the utility's office and on its website, if available. The notice will include:

- A. The name, mailing address, telephone number, emergency telephone number, and email address or website of the Utility;
- B. The date, time, and estimated duration of the scheduled interruption;
- C. The purpose of the interruption;
- D. A statement cautioning customers to avoid using water during service interruptions to prevent debris in the customers' service lines; and
- E. The contact information for the Consumer Services Section provided in OAR 860 001-0020(2).

Notices of scheduled interruptions of service must be served by a door hanger or personal delivery to an adult at the affected premises at least five calendar days in advance of the service interruption or by US Mail at least ten calendar days prior to the service interruption. In addition electronic notice must be provided to customers who requested to receive notices electronically.

The Utility will keep a record of all scheduled service interruptions including time, duration, and cause of the scheduled service interruption.

Rule 34: Water Usage Restrictions (OAR 860-036-1670)

The Utility shall exercise due diligence to furnish a continuous and adequate supply of water to its customers. During times of water shortage, the Utility will equitably apportion its available water supply among its customers with regard to public health and safety. In times of water shortages, the Utility may restrict water usage after providing written notice to its customers and the Consumer Services Section. Notice will also be posted in the Utility's office and on its website, if available. The notification must state the reason and nature of the restrictions, the

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date restrictions will become effective, the estimated date the restrictions end, and that failure to comply with the restrictions is grounds for disconnection.

If a customer fails to comply with the water restrictions after receiving written notification, the Utility will provide a separate written warning letter to the customer including:

- A. The date;
- B. The name, mailing address, telephone number, emergency telephone number, and email address or website of the Utility;
- C. The customer’s name, account number, mailing address, service address if different;
- D. The water use restrictions and statement of how the customer is violating those restrictions;
- E. A statement that the customer’s water service is subject to disconnection on or after a specific date;
- F. A warning to the customer that failure to immediately comply with the restrictions may result in disconnection of service; and
- G. A statement that the customer may dispute disconnection by contacting the Consumer Services Section. The notice must include the Consumer Services Section’s contact information provided in OAR 860-001-0020(2).

If a customer fails to comply with the water restrictions after receiving written notification and the warning letter, the Utility will consult with the Consumer Services Section to determine if disconnection is appropriate.

SERVICE QUALITY

Rule 35: Adequacy of Water Service (OAR 860-036-1600)

The Utility will maintain its facilities according to industry rules, regulations, and standards and in such condition to provide safe, adequate, and continuous service to its customers.

The Utility will not intentionally diminish the quality of service below the level that can reasonably be provided by its facilities.

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Rule 36: Trouble Call

The trouble-call charge listed on the Miscellaneous Service Charges Schedule may be billed whenever a customer requests that the Utility visit the customer's premises to remedy a service problem and the problem is due to the customer's facilities.

Rule 37: Water Purity (OAR 860-036-1610)

The Utility will provide a domestic water supply that is free from bodily injurious physical elements and disease-producing bacteria and reasonably free from elements that cause physical damage to customer property, including but not limited to pipes, valves, appliances, and personal property.

Rule 38: Water Pressure (OAR 860-036-1650)

The Utility will maintain adequate water pressure. In general, water pressure measuring between 45 and 80 pounds per square inch in the water mains is considered adequate. However, adequate pressure may vary depending on each individual water system.

The Utility may temporarily reduce or increase water pressure for fire flows, noticed repairs and maintenance, scheduled or emergency flushing, and unscheduled or emergency repairs and outages.

Rule 39: Pressure Surveys (OAR 860-036-1650)

The Utility will maintain permanent pressure recording gauges at various locations to measure the system's water pressure, and will have a portable gauge to measure water pressure in any part of the system. The Utility will maintain all pressure gauges in good operating condition, test periodically for accuracy, and recalibrate or replace when necessary.

Rule 40: Customer-Requested Pressure Test (OAR 860-036-1660)

Upon customer request, the Utility will perform a water pressure test within seven calendar days of the request. The first pressure test in any 12-month period will be at no charge. If the customer requests an additional pressure test within any 12-month period at the same premises, the Utility will assess the customer a charge in accordance with the Utility's Miscellaneous Service Charges. The pressure will be measured at a point adjacent to the meter on the customer service line or other reasonable point most likely to reflect the actual service pressure.

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A customer or a designated representative has the right to be present at the pressure test and the test must be conducted at a mutually acceptable time.

The Utility will provide a written report to the customer within seven calendar days of the pressure test. The report will include:

- A. The name, mailing address, telephone number, emergency telephone number, and email address or website of the Utility;
- B. The customer's name and service address where the pressure was tested;
- C. The date the pressure test was requested and the date the pressure test was performed;
- D. The name of the company or employee performing the test;
- E. The place where the pressure was measured;
- F. The actual pressure reading; and
- G. The conclusion based on the test result.

Rule 41: Utility Line Location (One Call Program)

The Utility and its customers will comply with the requirements of OAR 952-001-0010 through and including OAR 952-001-0090 (One Call Program) regarding identification and notification of underground facilities.

Rule 42: Cross Connection/Backflow Prevention Program (OAR 860-036-1680)

All customers must comply with the Utility's Cross Connection Control Program to protect the water system from contamination. A customer's failure to comply is grounds for disconnection under OAR 860-036-1500.

The Utility will comply with the rules and regulations for the Cross Connection/Backflow Prevention Program, as provided in ORS Chapter 333 and the Utility's approved Backflow Prevention tariff or statement of rates.

Rule 43: Maps and Records (OAR 860-036-1690)

The Utility will prepare and retain current maps and records of the entire plant showing size, location, character, and date of installation of major plant items, including but not limited to pumps, reservoirs, main lines, distribution lines, and valves.

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