



**WATER LLC / ENVIRONMENTAL LLC**

March 16, 2022

**VIA ELECTRONIC FILING**

Public Utility Commission of Oregon  
Attn: Filing Center  
201 High St SE, Suite 100  
Post Office Box 1088  
Salem, Oregon 97308-1088

**Re: UM 2071 - Application for Reauthorization to Defer Costs Associated with the COVID-19 Public Health Emergency**

Sunriver Water LLC files herewith an application for reauthorization to use deferred accounting for costs associated with the COVID-19 public health emergency.

Please address correspondence on this matter to me with copies to the following:

Natasha Siores  
Manager, Regulatory Compliance  
NW Natural  
250 SW Taylor St.  
Portland, OR 97204  
Telephone: (503) 610-7074  
Fax: (503) 220-2579  
Email: [natasha.siores@nwnatural.com](mailto:natasha.siores@nwnatural.com)

eFiling  
NW Natural, Rates & Regulatory Affairs  
250 SW Taylor St.  
Portland, OR 97204  
Telephone: (503) 610-7330  
Email: [eFiling@nwnatural.com](mailto:eFiling@nwnatural.com)

Sincerely,

Sunriver Water LLC

*/s/ Tim Smith*

Tim Smith  
General Manager

Attachments

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**UM 2071**

In the Matter of

SUNRIVER WATER LLC

For Reauthorization to Defer Certain  
Expenses or Revenues Pursuant to  
ORS 757.259

**APPLICATION FOR  
REAUTHORIZATION TO DEFER  
COSTS ASSOCIATED WITH THE  
COVID-19 PUBLIC HEALTH  
EMERGENCY**

1           Sunriver Water LLC (“Sunriver Water” or the “Company”), hereby files with  
2 the Public Utility Commission of Oregon (the “Commission”) this application  
3 (“Application”) seeking reauthorization to use deferred accounting pursuant to ORS  
4 757.259, OAR 860-036-2170 and OAR 860-027-0300, for the 12-month period  
5 beginning March 26, 2022 through March 25, 2023, for amounts associated with the  
6 COVID-19 public health emergency.

7           In support of this Application, Sunriver Water states:

8   **A.   Sunriver Water.**

9           Sunriver Water is a public utility in the State of Oregon and is subject to the  
10 jurisdiction of the Commission regarding rates, service, and accounting practices.  
11 Sunriver Water is wholly owned by NW Natural Water of Oregon, LLC (“NW Natural  
12 Water of Oregon”), which is wholly owned by NW Natural Water Company, LLC, a  
13 wholly-owned subsidiary of Northwest Natural Holding Company.

1 **B. Statutory Authority.**

2 This application is filed pursuant to ORS 757.259, which empowers the  
3 Commission to authorize the deferral of expenses or revenues of a public utility for  
4 later inclusion in rates.

5 **C. Communications.**

6 Communications regarding this Application should be addressed to:

7 NW Natural  
8 e-Filing for Rates & Regulatory Affairs  
9 250 SW Taylor Street  
10 Portland, Oregon 97204  
11 Phone: (503) 610-7330  
12 Fax: (503) 220-2579  
13 Email: eFiling@nwnatural.com;

14  
15 Natasha Siores  
16 Manager, Regulatory Compliance  
17 NW Natural  
18 250 SW Taylor Street  
19 Portland, OR 97204  
20 Phone: (503) 610-7074  
21 Fax: (503) 220-2579  
22 Email: natasha.siores@nwnatural.com;

23  
24 and

25  
26 Tim Smith  
27 General Manager  
28 NW Natural Water of Oregon  
29 PO Box 3699  
30 Sunriver, Oregon 97707  
31 Phone: (971) 285-4025  
32 Email: tsmith@sunriverutilities.com

33 **D. Description of the Expenses or Revenues for which Deferred**

34 **Accounting is Requested – OAR 860-036-2170 and 860-027-0300(3)(a).**

35 On March 8, 2020, Oregon Governor Brown declared a state of emergency  
36 over the COVID-19 pandemic. The public health emergency is expected to continue

1 to drive significant accounts receivable write-off expense. Additionally, Sunriver  
2 Water expects to continue experiencing other costs related to the emergency that  
3 the Company is currently unable to predict.

4 On November 3, 2020, the Oregon Commission held a Public Meeting, at  
5 which Staff requested the Commission’s approval to adopt a stipulation incorporating  
6 the Water Term Sheet developed during the Commission’s investigation under  
7 docket UM 2120, Order No. 20-400. The Term Sheet describes the types of  
8 revenues and expenses that can be deferred related to COVID-19.

9 The Company will continue to provide the Commission with reports that  
10 itemize the utility costs, savings, and benefits resulting from COVID-19 as described  
11 in the Term Sheet.

12 **E. Reasons Reauthorization of Deferred Accounting is Being Requested –**  
13 **OAR 860-036-2170 and 860-027-0300(3)(b).**

14 ORS 757.259 is a “statutorily authorized exception to the general prohibition  
15 against retroactive ratemaking” that allows a “means to address utility expenses or  
16 revenues outside of the utility’s general rate case proceeding.”<sup>1</sup> Under ORS  
17 757.259(2)(e), the Commission has discretion to authorize a deferral of “[i]dentifiable  
18 utility expenses or revenues, the recovery or refund of which the commission finds  
19 should be deferred in order to minimize the frequency of rate changes . . . or to  
20 match appropriately the costs borne by and benefits received by rate payers.” Due  
21 to the unpredictable and unprecedented nature of the emergency, these costs are  
22 not currently recovered in rates, outside normal business risk, and, accordingly,

---

<sup>1</sup> *In re Matter Public Utility Commission of Oregon Staff Request to Open Investigation Related to Deferred Accounting*, Docket UM 1147, Order No. 05-1070 at 2 (Oct. 5, 2005).

1 deferred accounting treatment will match appropriately the costs borne by and the  
 2 benefits received by customers.

3 **F. Accounting – OAR 860-036-2170 and 860-027-0300(3)(c).**

4 Beginning on March 26, 2022, and ending 12 months from this date, Sunriver  
 5 Water proposes to account for the expenses incurred as a result of COVID-19 by  
 6 recording a deferral, in Account 186. In the absence of approval of deferred  
 7 accounting, Sunriver Water would record costs associated with the COVID-19 public  
 8 health emergency to various expense accounts. Sunriver Water will seek  
 9 amortization of the deferred costs in a future Commission proceeding.

10 **G. Estimate of Amounts Subject to Deferral – OAR 860-036-2170 and**  
 11 **860-027-0300(3)(d).**

12 Sunriver Water is unable to predict an estimate of incurred expense related to  
 13 COVID-19. The emergency is still fluid and the magnitude of the impact to  
 14 customers is hard to predict.

15 **H. Entries into Deferred Account During past 12 months – OAR 860-036-**  
 16 **2170 and OAR 860-027-0300(4)(a).**

17 Deferred costs from October 1, 2020 through December 31, 2021 are below:

Sunriver Water LLC		
COVID-19 Costs and Benefits		
For October 1, 2020 - December 31, 2021		
UM 2120		Costs and Benefits
Agreement Paragraph 15	COVID-19 Itemization	10/1/20-12/31/21
Item a	Direct Costs (personal protective equipment and cleaning supplies)	\$1,255.68
Item b	Late Payment Fees Not Assessed	unknown
Item c	Bad Debt Expense Above Baseline	-
Item d	Forgone Reconnection and Field Visit Charges	unknown
Item e	Forgone Reconnection Charges Related to Disconnections Prior to March 13, 2020	-
Item f	Deferral Balance	-
	<b>Total</b>	<b>\$1,255.68</b>

1 **I. Reason for Continuation of Deferral – OAR 860-027-0300(4)(b).**

2 The Company continues to incur net expenses related to the COVID-19  
3 pandemic.

4 **J. Notice – OAR 860-036-2170 and 800-027-0300(6).**

5 A notice of this Application has been served to all parties who are  
6 participating in the Company’s current general rate revision, UW 186, and is  
7 attached to this Application.

8 Sunriver Water respectfully requests that the Commission issue an order  
9 reauthorizing the Company to defer the amounts described in this Application  
10 associated with the COVID-19 public health emergency, beginning on March 26,  
11 2022.

12 Dated this 16<sup>th</sup> day of March 2022.

13 Respectfully Submitted,

14 SUNRIVER WATER LLC, by

15 /s/ Eric W. Nelsen

16 Senior Regulatory Attorney (OSB #192566)

17 250 SW Taylor Street

18 Portland, Oregon 97204-3038

19 Phone: (503) 610-7618

20 Email: eric.nelsen@nwnatural.com



UM 2071

**NOTICE OF APPLICATION FOR REAUTHORIZATION TO DEFER COSTS ASSOCIATED  
WITH THE COVID-19 PUBLIC HEALTH EMERGENCY**

March 16, 2022

**To Parties Participating in UW 186**

Please be advised that on March 16, 2022, Sunriver Water LLC applied for REAUTHORIZATION TO DEFER COSTS ASSOCIATED WITH THE COVID-19 PUBLIC HEALTH EMERGENCY.

**This is not a rate case.** The purpose of this Notice is to inform parties participating Sunriver Water's current general rate revision, UW 186, that a deferral reauthorization application has been filed.

Parties who desire more information or who wish to obtain a copy of the filing, or notice of the time and place of any hearing, if scheduled, should contact NW Natural Water of Oregon or the Commission as follows:

**NW Natural Water of Oregon  
Attn: Tim Smith  
PO Box 3699  
Sunriver, OR 97707  
Telephone: (971) 285-4025**

**Public Utility Commission of Oregon  
Attn: Filing Center  
201 High Street SE, Suite 100  
PO Box 1088  
Salem, Oregon 97308-1088  
Telephone: (503) 378-6678**

Any person may submit to the Commission written comments on this matter within 25 days of the date of this filing. The granting of this deferral reauthorization application will not authorize a change in rates but will permit the Company to defer amounts in rates to a subsequent proceeding.

\* \* \* \* \*

**CERTIFICATE OF SERVICE  
UM 2071**

I hereby certify that on March 16, 2022, I have served by electronic mail the foregoing NOTICE OF APPLICATION FOR REAUTHORIZATION TO DEFER COSTS ASSOCIATED WITH THE COVID-19 PUBLIC HEALTH EMERGENCY upon all parties of record for Sunriver Water LLC's current general rate revision.

**UW 186**

SCOTT SHEARER  
PUBLIC UTILITY COMMISSION OF  
OREGON  
scott.shearer@puc.oregon.gov

SOMMER MOSER  
PUBLIC UTILITY COMMISSION OF  
OREGON – DEPT OF JUSTICE  
sommer.moser@doj.state.or.us

JOSH NEWTON  
KARNOPP PETERSEN LLP  
josh.newton@bbklaw.com

JAMES LEWIS  
SUNRIVER OWNER'S  
ASSOCIATION  
jamesl@srowners.org

JOHN W STEPHENS  
ESLER STEPHENS & BUCKLEY  
stephens@eslerstephens.com

ERIC NELSEN  
NW NATURAL  
eric.nelsen@nwnatural.com

EFILING  
NW NATURAL  
efiling@nwnatural.com

DATED March 16, 2022, Sunriver, OR.

/s/ Tim Smith  
Tim Smith  
General Manager  
NW Natural Water of Oregon