

CASE: UW 186  
WITNESSES: SCOTT SHEARER (STAFF)  
TIMOTHY L. SMITH (SUNRIVER WATER LLC)

**PUBLIC UTILITY COMMISSION  
OF  
OREGON**

**STIPULATING PARTIES EXHIBIT 100**

**Joint Testimony of  
Staff of the Public Utility Commission of Oregon  
and Sunriver Water LLC  
In Support of the Stipulation**

**JANUARY 28, 2022**

1 **Q. Please state your names, occupations, and business addresses.**

2 A. My name is Scott Shearer. I am an Analyst employed in the Rates, Finance,  
3 and Audits Division of the Public Utility Commission of Oregon (“OPUC” or the  
4 “Commission”). My business address is 201 High Street SE., Suite 100,  
5 Salem, Oregon 97301.

6 My name is Timothy L. Smith. I am General Manager of Sunriver Water  
7 LLC (“Sunriver Water” or the “Company”). My business address is P.O. Box  
8 3699, Sunriver, OR 97707.

9 **Q. Mr. Shearer, please describe your educational background and work**  
10 **experience.**

11 A. My witness qualification statement is found in Exhibit Stipulating Parties/101.

12 **Q. Mr. Smith, please describe your educational background and work**  
13 **experience.**

14 A. I have been working in the water and wastewater industries for 45 years, in  
15 various positions for a number of companies in Colorado, Arizona, Nevada,  
16 Connecticut and Oregon. NW Natural Water of Oregon, LLC acquired Sunriver  
17 Water on May 31, 2020, at which time I became the General Manager of  
18 Sunriver Water. I also am General Manager of Northwest Natural Water  
19 Company, LLC’s affiliates Sunriver Environmental LLC (“Sunriver  
20 Environmental”) in Sunriver, Oregon, Salmon Valley Water Company in  
21 Welches, Oregon, and Suncadia Water Company, LLC and Suncadia  
22 Environmental Company, LLC in Cle Elum, Washington. I have attended  
23 numerous courses in utility management and leadership development.

1 **Q. What is the purpose of this Joint Testimony?**

2 A. The purpose of our Joint Testimony is to introduce and support the Stipulation  
3 entered into by Sunriver Water, Commission Staff (“Staff”) and Sunriver  
4 Owners Association (“SROA”) in Docket No. UW 186, Sunriver Water’s request  
5 for a general rate revision.

6 **Q. Who are the parties in Docket No. UW 186?**

7 A. The parties in Docket No. UW 186 are Sunriver Water, Staff and SROA (each  
8 a “Party”, and collectively the “Parties” or “Stipulating Parties”).

9 **Q. Did the Parties reach a settlement in this docket?**

10 A. Yes. The Stipulation entered into by and among Sunriver Water, Staff and  
11 SROA resolves all issues in this docket. SROA will be filing a separate  
12 statement in support of the Stipulation.

13 **Q. Did you prepare any exhibits for this docket?**

14 A. Yes. Mr. Shearer prepared Exhibit Stipulating Parties/101, consisting of one  
15 page, both Mr. Shearer and Mr. Smith sponsor Exhibit Stipulating Parties/102,  
16 consisting of one page (Revenue Requirement), Exhibit Stipulating Parties/103,  
17 consisting of six pages (Revenue Calculation and Rate Design), and Exhibit  
18 Stipulating Parties/104, consisting of 37 pages (Sunriver Water Tariff), and Mr.  
19 Shearer sponsors Exhibit Stipulating Parties/105, consisting of four pages  
20 (Staff’s Summary of Public Comments).

1 **Q. How is your Joint Testimony organized?**

2 A. Following this section with background information, our Joint Testimony is  
3 organized in the same order as the paragraphs of the Stipulation and then  
4 explains the Stipulating Parties’ support of the Stipulation , as follows:

5	Stipulation Paragraph 1 – Revenue Requirement.....	5
6	Stipulation Paragraph 2 – Rate Effective Date.....	6
7	Stipulation Paragraph 3 – Rate Base.....	7
8	Stipulation Paragraph 4 – Operating Expense Adjustments .....	10
9	Stipulation Paragraph 5 – Other Revenue Deductions .....	12
10	Stipulation Paragraph 6 – Revisions to Tariff.....	13
11	Stipulating Parties’ Support of the Stipulation.....	14
12	Exhibit 101 – Witness Qualification Statement of Scott Shearer.....	1
13	Exhibit 102 – Revenue Requirement.....	1
14	Exhibit 103 – Revenue Calculation and Rate Design.....	6
15	Exhibit 104 – Sunriver Water Tariff.....	37
16	Exhibit 105 – Staff’s Summary of Public Comments .....	4

17 **Q. Please summarize the background and context of Docket No. UW 186.**

18 A. On May 28, 2021, Sunriver Water initiated this proceeding, Docket No. UW  
19 186, by filing a request for a general rate increase, with proposed rates to  
20 become effective on July 1, 2021 (“Initial Filing”). In its Initial Filing, the  
21 Company requested to increase its revenues from \$1,843,448 to \$2,569,990,  
22 or an additional \$726,542 (39.41 percent).

23 **Q. Please describe the additional process to date in this docket.**

24 A. By Order No. 21-177, entered June 2, 2021, Chief Administrative Law Judge  
25 (“ALJ”) Moser suspended Sunriver Water’s Initial Filing for a period of time not  
26 to exceed nine months from the proposed rate effective date to allow Staff time  
27 to investigate the Company’s proposal. A Public Comment Hearing was held  
28 on July 8, 2021, followed by a prehearing conference.

1           During the course of the investigation, Staff received comments from  
2 customers of the utility who did not receive notice of the pending rate case.  
3 After review, it was determined that, due to an internal miscommunication at  
4 Sunriver Water, the notice was not sent as required. Sunriver Water requested  
5 the original schedule be vacated to allow for correct notice to be completed.  
6 By Order No. 21-272, entered September 1, 2021, Chief ALJ Moser granted  
7 the Company's motion to vacate the original procedural schedule and  
8 suspended the effective date for a period of not to exceed nine months from  
9 October 1, 2021.

10           On September 27, 2021, ALJ Allwein held a public comment hearing and  
11 a prehearing conference by telephone.

12           The Stipulating Parties held settlement conferences via video conference  
13 on December 9 and 14, 2021. As a result of those settlement discussions, the  
14 Stipulating Parties reached a comprehensive settlement of all issues in this  
15 case. The Stipulation memorializes the Stipulating Parties' agreements. In  
16 light of the resolution of all issues, the Parties, on January 5, 2022, filed a  
17 motion to suspend the procedural schedule. ALJ Allwein granted that motion  
18 on January 5, 2022, directing the filing of a stipulation, supporting testimony  
19 and affidavits or declarations, and a motion to admit and adopt the stipulation,  
20 or alternatively, a joint status report, on or before January 31, 2022.

**STIPULATION PARAGRAPH 1 – REVENUE REQUIREMENT**

**Q. Please summarize the Stipulating Parties' revenue requirement recommendation in this case.**

A. As a result of their settlement discussions and in the context of the overall settlement, the Stipulating Parties recommend and support a total revenue requirement of \$2,310,445, as shown in Attachment A to the Stipulation (Exhibit Stipulating Parties/102), to be collected in rates as set forth in Paragraph 2 of the Stipulation and in its Attachment B (Exhibit Stipulating Parties/103). This revenue requirement includes an agreed-upon 6.75 percent rate of return on a total rate base of \$5,008,640, and represents an increase of \$411,018, or 21.64 percent, over 2020 test period revenues. By rate class, rate increases are approximately 37 percent for unmetered customers, 25 percent for residential and commercial customers, 16 percent for fire protection customers, and 28 percent for irrigation customers. The Stipulating Parties believe that the stipulated revenue requirement and adjustments represent a reasonable financial settlement of the issues in this docket, and that, taken together, the adjustments result in an overall revenue requirement that will produce rates that are fair, just, and reasonable. As such, the Stipulating Parties agree that the Stipulation is in the public interest.

1

**STIPULATION PARAGRAPH 2 – RATE EFFECTIVE DATE**

2

**Q. What is the rate effective date in the Stipulation?**

3

A. As a result of their settlement discussions and in the context of the overall

4

settlement, the Stipulating Parties agree to and support rates becoming

5

effective on May 1, 2022.

**STIPULATION PARAGRAPH 3 – RATE BASE**

1  
2 **Q. Do the Stipulating Parties agree to make certain adjustments to rate**  
3 **base in the Stipulation?**

4 A. Yes. As a result of their settlement discussions and in the context of the  
5 overall settlement, the Stipulating Parties agree that the stipulated rates in this  
6 case reflect rate base adjustments to: Utility Plant in Service (Account 101),  
7 Accumulated Depreciation (Account 108), Accumulated Deferred Income Tax  
8 (Account 281), Materials and Supplies (Account 151) and Working Capital.

9 **Q. What is the adjustment to Utility Plant in Service (Account 101)?**

10 A. The Stipulating Parties agree that utility plant in service includes all rate base  
11 additions from the Company's last rate case through the Company's filing of  
12 this rate case, as well as rate base additions that have been or will be  
13 completed and in-service as of January 1, 2022 (GIS<sup>1</sup> Hardware and Software,  
14 Hydrant Installation (Labor), Meter Purchase, Meter Installation (300 per year),  
15 Valve Replacement, Fleet Truck, Booster 2 Backup Generator, Well 9 Soft  
16 Start, Well 9 Structure Siding, GPS<sup>2</sup> Units, Backflow Testing Gauge, S Rev  
17 Storage Building, Well 14 Motor / ClaValve Rebuild, Facility Security, South  
18 Reservoir Design). Each of these items provide resiliency of the system,  
19 improved data recording, or enhanced customer service. The Stipulating  
20 Parties agree that these rate base additions are used and useful for the  
21 provision of utility service and reflect prudently incurred costs. The Company

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<sup>1</sup> GIS is an acronym for Geographic Information System.

<sup>2</sup> GPS is an acronym for Global Positioning System.



1 also agrees to file an attestation of a Company officer attesting to the date  
2 upon which the above-referenced 2021 rate base additions have been placed  
3 in service and their cost. For plant not in service prior to December 2021,  
4 costs recovered in this case will not exceed the amounts provided in  
5 Attachment A to the Stipulation; costs exceeding the amounts provided in  
6 Attachment A to the Stipulation may be eligible for rate recovery in a future  
7 ratemaking proceeding. The Stipulating Parties agree that the Master Plan is  
8 not related to any specific asset at this time and, therefore, should be removed  
9 from plant in service and amortized over 20 years (see Stipulation, Paragraph  
10 4.h). The Stipulating Parties agree that 10 percent of Sunriver Water's  
11 Employee Salaries and Wages (Account 601) and Employee Pension &  
12 Benefits (Account 604) should be applied to plant in service (see Stipulation,  
13 Paragraphs 4.a and 4.b). The Stipulating Parties agree that these actions  
14 result in a total adjustment to plant in service of (\$60,599), for a total plant in  
15 service of \$8,985,598.

16 **Q. What is the adjustment to Accumulated Depreciation (Account 108)?**

17 A. The Stipulating Parties agree to a total adjustment of \$303,907, based on a  
18 combination of costs for plant included through 2021, estimated capitalized  
19 labor, removal of Master Plan costs, and other minor adjustments.

20 **Q. What is the adjustment to Accumulated Deferred Income Tax (Account**  
21 **281)?**

22 A. The Stipulating Parties agree to an adjustment of \$9,838. For the avoidance of  
23 any doubt, the Stipulation states that it is the Settling Parties' intention to

1           comply with all normalization requirements and, if the Stipulation were to be  
2           determined to be out of compliance with such requirements, the Stipulating  
3           Parties would address such determination at the next available opportunity.

4           **Q. What is the adjustment to Materials and Supplies (Account 151)?**

5           A. The Stipulating Parties agree to an adjustment of \$6,661 , based on additional  
6           data provided by Sunriver Water regarding the composition of costs included in  
7           Account 620 (see below). The Stipulating Parties agree that these costs are  
8           more appropriately included in Account 151.

9           **Q. What is the adjustment to Working Capital?**

10          A. The Stipulating Parties agree to an adjustment of (\$15,699) to reflect the  
11          amount of operating expenses agreed upon by the Stipulating Parties. This is  
12          the result of an automatic adjustment based on 1/12 of the final total operating  
13          expense figure.

1           **STIPULATION PARAGRAPH 4 – OPERATING EXPENSE ADJUSTMENTS**

2           **Q. Do the Stipulating Parties agree to make certain adjustments to**  
3           **operating expense in the Stipulation?**

4           A. Yes. As a result of their settlement discussions and in the context of the  
5           overall settlement, the Stipulating Parties agree that the stipulated rates in this  
6           case reflect operating expense adjustments to: Employee Salaries and Wages  
7           (Account 601); Employee Pension & Benefits (Account 604); Purchased Power  
8           (Account 615), Small Tools (Account 643), Transportation (Account 650) and  
9           Corporate Activities Tax (CAT) (Adjustment OE2); O&M Materials/Supplies  
10          (Account 620); Contract Services – Legal (Account 633) and Contract Services  
11          – Management Fees (Account 634); Gross Revenue Fee (PUC) (Account 667);  
12          Miscellaneous Expense (Account 675); and Master Plan (Adjustment OE1).

13          **Q. What is the adjustment to Employee Salaries and Wages (Account**  
14          **601)?**

15          A. The Stipulating Parties agree to a total adjustment of (\$86,865).

16          **Q. What is the adjustment to Employee Pension & Benefits (Account 604)?**

17          A. The Stipulating Parties agree to a total adjustment of (\$56,615).

18          **Q. What is the adjustment to Purchased Power (Account 615), Small Tools**  
19          **(Account 643), Transportation (Account 650) and Corporate Activities Tax**  
20          **(CAT) (Adjustment OE2)?**

21          A. The Stipulating Parties agree to a total adjustment of (\$31,706).

1 **Q. What is the adjustment to O&M Materials/Supplies (Account 620)?**

2 A. The Stipulating Parties agree to an adjustment of (\$6,661). As mentioned  
3 above, this amount was adjusted based on additional data provided by  
4 Sunriver Water regarding the composition of costs included in Account 620.  
5 The Stipulating Parties agree that these costs are more appropriately included  
6 in Account 151.

7 **Q. What is the adjustment to Contract Services – Legal (Account 633) and**  
8 **Contract Services – Management Fees (Account 634)?**

9 A. The Stipulating Parties agree to a transfer of \$4,203 from Account 634 to  
10 Account 633. This is to ensure clarity between costs in various accounts.

11 **Q. What is the adjustment to Gross Revenue Fee (PUC) (Account 667)?**

12 A. The Stipulating Parties agree to an adjustment of (\$331) to reflect the revenues  
13 generated by the Stipulation. This is a result of automatic adjustments based  
14 the final total revenue figure.

15 **Q. What is the adjustment to Miscellaneous Expense (Account 675)?**

16 A. The Stipulating Parties agree to an adjustment of (\$9,460). This is a result of  
17 adjustments to cost allocations between Sunriver Water and Sunriver  
18 Environmental, its affiliated wastewater company not regulated by the  
19 Commission.

20 **Q. What is the adjustment to Master Plan (Adjustment OE1)?**

21 A. The Stipulating Parties agree to an adjustment of \$3,249 for amortizing this  
22 cost over a 20-year period rather than reflecting it in Plant, Depreciation and  
23 Property Taxes (see Stipulation, Paragraph 3.a).

1                    **STIPULATION PARAGRAPH 5 – OTHER REVENUE DEDUCTIONS**

2                    **Q. Do the Stipulating Parties agree to make certain adjustments to other**  
3                    **revenue deductions in the Stipulation?**

4                    A. Yes. As a result of their settlement discussions and in the context of the  
5                    overall settlement, the Stipulating Parties agree that the stipulated rates in this  
6                    case reflect operating expense adjustments to: Depreciation Expense  
7                    (Account 403); and Property Tax (Account 408.11), Federal Income Tax  
8                    (Account 409.10), Oregon Income Tax (Account 409.11) and Extraordinary  
9                    Items Income Tax (Account 409.13).

10                  **Q. What is the adjustment to Depreciation Expense (Account 403)?**

11                  A. The Stipulating Parties agree to a total adjustment of (\$12,209), based on  
12                  adjustments to the 2021 plant in service dates, removal of the Master Plan  
13                  from plant, adjustments for capitalized labor, and other minor adjustments.

14                  **Q. What is the adjustment to Property Tax (Account 408.11), Federal**  
15                  **Income Tax (Account 409.10), Oregon Income Tax (Account 409.11)**  
16                  **and Extraordinary Items Income Tax (Account 409.13)?**

17                  A. The Stipulating Parties agree to a total adjustment of (\$19,589).

**STIPULATION PARAGRAPH 6 – REVISIONS TO TARIFF**

**Q. Do the Stipulating Parties agree upon the disposition of the tariff revisions proposed by the Company in this rate case?**

A. Yes. As a result of their settlement discussions and in the context of the overall settlement, the Stipulating Parties agree to recommend and support the tariff revisions proposed by the Company in this rate case, with the rates adjusted to reflect the Stipulation including the Rate Spread and Rate Design methodologies proposed by Staff. The main change is related to the addition of a Power Cost Automatic Adjustment Clause (“PCAAC”). The proposed PCAAC is similar to other power cost adjustment clauses the Commission has approved for other water utilities (e.g., Docket Nos. UW 182, Order No. 21-125; UW 183, Order No. 21-124; and UW 184, Order No. 21-147). The PCAAC allows Sunriver Water to increase or decrease rates to reflect the changes in Sunriver Water’s purchased power costs resulting from adjustments in the rate of the utility’s power suppliers. The remaining revisions are minor changes to language, references, etc., for clarification purposes. The tariff revisions and adjusted rates are reflected in Attachment C to the Stipulation, which is Exhibit Stipulating Parties/104. Subject to the approval of the Stipulation, Sunriver Water will file revised rate schedules as a compliance filing in Docket UW 186, to be effective in accordance with Paragraph 2 of the Stipulation, reflecting the rates as agreed to in the Stipulation.

**STIPULATING PARTIES' SUPPORT OF THE STIPULATION**

1  
2 **Q. What is the basis for the Stipulation?**

3 A. The Stipulation is a compromise based on the record in this case and the  
4 Company's responses to Staff's discovery requests. Over the course of the  
5 settlement discussions, the Stipulating Parties resolved all their differences  
6 regarding all of the issues raised in this proceeding, and ultimately resolved in  
7 the Stipulation, through dialogue, negotiations, and compromise, to reach a  
8 fair result. While each Stipulating Party may have a different reason  
9 supporting each adjustment in the Stipulation, all Stipulating Parties agree on  
10 the dollar amounts of all adjustments in the Stipulation. Staff's rationale for  
11 support for certain specific adjustments is discussed below.

12 **Q. What is your recommendation to the Commission regarding the**  
13 **Stipulation?**

14 A. The Stipulating Parties recommend and request that the Commission approve  
15 the Stipulation in its entirety.

16 **Q. Does Staff have additional rationale for certain adjustments described**  
17 **above?**

18 A. Yes. Staff propounded 85 discovery requests that have been answered by  
19 the Company. Staff's investigation and analysis of Sunriver Water's Initial  
20 Filing included a comprehensive examination of the Company's revenues,  
21 expenses, revenue deductions, rate base, capital structure, and rate spread  
22 and design. Staff also reviewed the various comments provided by members  
23 of the public during the course of the proceeding. Staff used the following

1 rationale when considering whether settlement would produce fair, just and  
2 reasonable rates in this case.

- 3 • For Employee Salaries and Wages (Account 601), the Stipulating  
4 Parties agree to a total adjustment of (\$86,865). Staff reviewed  
5 salaries based on the American Water Works Association's ("AWWA")  
6 2019 AWWA Compensation Survey adjusted by the US Consumer  
7 Price Index for Urban Consumers. That review showed no adjustment  
8 for salary levels was required. Staff believed it appropriate to make  
9 adjustments to remove 50 percent of 2020 incentive payments  
10 (\$6,498), remove all of a 2019 incentive accrual as an out-of-period  
11 adjustment (\$10,897), and move 10 percent of labor expense to plant  
12 to reflect the capitalization of labor (\$69,470).
- 13 • For Employee Pensions and Benefits (Account 604), the Stipulating  
14 Parties agree to a total adjustment of (\$56,615). Staff finds this  
15 adjustment supportable based on adjusting benefits to 32 percent of  
16 labor costs consistent with U.S. Bureau of Labor Statistics (BLS)  
17 information (\$34,385) and moving 10 percent of benefits costs to plant  
18 to reflect the capitalization of those costs (\$22,230).
- 19 • For Purchased Power (Account 615), Small Tools (Account 643),  
20 Transportation (Account 650) and Corporate Activities Tax (CAT)  
21 (Adjustment OE2), the Stipulating Parties agree to a total adjustment of  
22 (\$31,706). Staff finds this supportable based on a 4-year average of  
23 costs for Purchased Power (\$2,000), a comparison of Small Tool costs



1 to other similarly situated utilities (\$13,553), a 4-year average of costs  
2 for Transportation (\$9,142) and use of the Oregon Department of  
3 Revenue's CAT form applied to Sunriver Water as a standalone entity  
4 (\$7,011).

- 5 • For Property Tax (Account 408.11), Federal Income Tax (Account  
6 409.10), Oregon Income Tax (Account 409.11) and Extraordinary  
7 Items Income Tax (Account 409.13), the Stipulating Parties agree to a  
8 total adjustment of (\$19,589). Staff finds this supportable because the  
9 Property Tax adjustment was based on removal of plant that was not  
10 placed in service by January 1, 2022 (\$1,059); the Federal Income Tax  
11 (\$8,424) and Oregon Income Tax (\$6,789) adjustments reflect final  
12 revenues and expenses, based on Sunriver Water as a standalone  
13 entity; and the Extraordinary Items Income Tax adjustment (\$3,317) is  
14 based on inclusion of Excess Deferred Income Taxes (EDIT) resulting  
15 from the 2017 Tax Cut and Jobs Act.

16 **Q. Please explain why Staff and the Company believe that the Commission**  
17 **should adopt the Stipulation.**

18 A. Staff and the Company have carefully reviewed the Company's Initial Filing  
19 and responses to data requests and have thoroughly analyzed the issues  
20 during multiple days of settlement conferences. Staff and the Company  
21 believe that the adjustments and agreements in the Stipulation provide a fair  
22 and reasonable resolution of the issues in this docket and the resulting rates  
23 are fair, just and reasonable.

1 **Q. Please explain why SROA believes that the Commission should adopt**  
2 **the Stipulation.**

3 A. Staff and Sunriver Water understand SROA to believe that the Commission  
4 should adopt the Stipulation for the reasons provided in SROA's separately  
5 filed statement of James Lewis, General Manager of SROA.

6 **Q. Does this conclude your Joint Testimony?**

7 A. Yes.

CASE: UW 186  
WITNESSES: SCOTT SHEARER (STAFF)  
TIMOTHY L. SMITH (SUNRIVER WATER LLC)

**PUBLIC UTILITY COMMISSION  
OF  
OREGON**

**STIPULATING PARTIES EXHIBIT 101**

**Witness Qualification Statement of Scott Shearer**

**JANUARY 28, 2022**

### **WITNESS QUALIFICATIONS STATEMENT**

**NAME:** Scott Shearer

**EMPLOYER:** Public Utility Commission of Oregon

**TITLE:** Utility Analyst  
Rates, Finance, and Audits Division

**ADDRESS:** 201 High Street SE. Suite 100  
Salem, OR. 97301

**EDUCATION:** Corban University Salem, Oregon  
Bachelor of Science in Business, Organizational Leadership

**EXPERIENCE:** 2014 - Current - Heritage Grove Credit Union  
Board of Directors  
Provide strategic direction for a credit union with assets of 130 million dollars.  
Reviewing and approving monetary expenditures and budget.

2007 - Current - Oregon Public Utility Commission  
Utility Analyst  
Research and analysis of utility company filings; including rulemaking, affiliated interests, utility purchase and sale, jurisdiction, and rate case dockets.  
Telecommunications Specialist/Consumer Specialist/Senior Compliance Specialist  
Reviewing and applying Oregon Administrative Rules to tariffs in relation to consumer complaints.

2006 - 2007 - Oregon Department of Justice/Division of Child Support, Administrative Specialist  
Researching responsible parties in Child Support orders

1999 - 2006 - EPIQ Systems/Poorman Douglas Corp.  
Claims Analyst/Senior Claims Analyst  
Reviewing and implementing orders and settlements for the largest Class Action Lawsuit administrator in the United States. Auditing and processing class action lawsuits with payouts from two-hundred thousand to over one billion dollars to claimants.

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WITNESSES: SCOTT SHEARER (STAFF)  
TIMOTHY L. SMITH (SUNRIVER WATER LLC)

**PUBLIC UTILITY COMMISSION  
OF  
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**STIPULATING PARTIES EXHIBIT 102**

**Revenue Requirement**

**JANUARY 28, 2022**

Company Name
Docket No.
Test Year

Sunriver Water  
UW 186  
2020

Exhibit Stipulating Parties/102

Company Proposed Increase
39.41%

Staff Proposed Increase
21.64%

### Revenue Requirement

	Test Year	Company Adjustments	Company Proposed Totals	Staff Adjustments to Company Totals	Staff Proposed Totals	
<b>REVENUES</b>						
460	Unmetered	11,638	5,012	\$ 16,650	(726)	\$ 15,924
461.1	Residential	1,285,941	533,833	\$ 1,819,774	(241,045)	\$ 1,578,729
461.2	Commercial	155,438	67,279	\$ 222,717	16,480	\$ 239,197
462	Fire Protection Sales	9,512	5,431	\$ 14,943	(2,658)	\$ 12,285
465	Irrigation Water Sales	344,173	114,987	\$ 459,160	(87,576)	\$ 371,584
466	Water Sales for Resale			\$ -		\$ -
471	Miscellaneous Services	92,725		\$ 92,725		\$ 92,725
475	Cross Connection Control			\$ -		\$ -
	Miscellaneous Fees			\$ -		\$ -
				\$ -		\$ -
	<b>Total Revenue</b>	<b>\$ 1,899,427</b>	<b>\$ 726,542</b>	<b>\$ 2,625,969</b>	<b>\$ (315,524)</b>	<b>\$ 2,310,445</b>

Acct .

**OPERATING EXPENSES**

601	Salaries and Wages - Employees	672,562	39,534	\$ 712,096	\$ (86,865)	\$ 625,231
603	Salaries and Wages - Officers			\$ -	\$ -	\$ -
604	Employee Pension & Benefits	286,789	(30,100)	\$ 256,689	\$ (56,615)	\$ 200,074
610	Purchased Water			\$ -	\$ -	\$ -
611	Telephone/Communications	9,444	128	\$ 9,572	\$ -	\$ 9,572
615	Purchased Power	71,748		\$ 71,748	\$ (2,000)	\$ 69,748
616	Fuel for Power Production			\$ -	\$ -	\$ -
617	Other Utilities	662	9	\$ 671	\$ -	\$ 671
618	Chemical / Treatment Expense	102	1	\$ 103	\$ -	\$ 103
619	Office Supplies	3,870	53	\$ 3,923	\$ -	\$ 3,923
619.1	Postage	23,810	324	\$ 24,134	\$ -	\$ 24,134
620	O&M Materials/Supplies	8,426	115	\$ 8,541	\$ (6,661)	\$ 1,880
621	Repairs to Water Plant	10,258	140	\$ 10,398	\$ -	\$ 10,398
631	Contract Svcs - Engineering			\$ -	\$ -	\$ -
632	Contract Svcs - Accounting	20,806	283	\$ 21,089	\$ -	\$ 21,089
633	Contract Svcs - Legal			\$ -	\$ 4,203	\$ 4,203
634	Contract Svcs - Management Fees	127,302	1,731	\$ 129,033	\$ (4,203)	\$ 124,830
635	Contract Svcs - Testing			\$ -	\$ -	\$ -
636	Contract Svcs - Labor	33,514	456	\$ 33,970	\$ -	\$ 33,970
637	Contract Svcs - Billing/Collection			\$ -	\$ -	\$ -
638	Contract Svcs - Meter Reading			\$ -	\$ -	\$ -
639	Contract Svcs - Other	33,410	454	\$ 33,864	\$ -	\$ 33,864
641	Rental of Building/Real Property	24,326	331	\$ 24,657	\$ -	\$ 24,657
642	Rental of Equipment			\$ -	\$ -	\$ -
643	Small Tools	18,726	255	\$ 18,981	\$ (13,553)	\$ 5,428
648	Computer/Electronic Expenses	47,139	641	\$ 47,780	\$ -	\$ 47,780
650	Transportation	37,398	509	\$ 37,907	\$ (9,142)	\$ 28,765
656	Vehicle Insurance	16,402	11,673	\$ 28,075	\$ -	\$ 28,075
657	General Liability Insurance	21,832	1,588	\$ 23,420	\$ -	\$ 23,420
658	Workers' Comp Insurance	13,976	(49)	\$ 13,927	\$ -	\$ 13,927
659	Insurance - Other	6,844	5,394	\$ 12,238	\$ -	\$ 12,238
666	Amortz. of Rate Case			\$ -	\$ -	\$ -
667	Gross Revenue Fee (PUC)	12,221	(3,226)	\$ 8,995	\$ (331)	\$ 8,664
670	Bad Debt Expense	429		\$ 429	\$ -	\$ 429
671	Cross Connection Control Program			\$ -	\$ -	\$ -
673	Training and Certification	3,025		\$ 3,025	\$ -	\$ 3,025
674	Consumer Confidence Report			\$ -	\$ -	\$ -
675	Miscellaneous Expense	41,908		\$ 41,908	\$ (9,460)	\$ 32,448
OE1	Other Expense 1 - Master Plan			\$ -	\$ 3,249	\$ 3,249
OE2	Other Expense 2 - CAT Tax		13,016	\$ 13,016	\$ (7,011)	\$ 6,005
OE3	Other Expense 3			\$ -	\$ -	\$ -
OE4	Other Expense 4			\$ -	\$ -	\$ -
OE5	Other Expense 5			\$ -	\$ -	\$ -
	<b>TOTAL OPERATING EXPENSE</b>	<b>\$ 1,546,929</b>	<b>\$ 43,260</b>	<b>\$ 1,590,189</b>	<b>\$ (188,389)</b>	<b>\$ 1,401,800</b>

**OTHER REVENUE DEDUCTIONS**

403	Depreciation Expense	497,184	(157,069)	\$ 340,115	\$ (12,209)	\$ 327,906
406	Amort of Plant Acquisition Adjustment			\$ -	\$ -	\$ -
407	Amortization Expense			\$ -	\$ -	\$ -
408.11	Property Tax	88,735	7,873	\$ 96,608	\$ (1,059)	\$ 95,549
408.12	Payroll Tax	62,878	3,024	\$ 65,902	\$ -	\$ 65,902
408.13	Other			\$ -	\$ -	\$ -
409.10	Federal Income Tax	(28,983)	100,649	\$ 71,666	\$ (8,424)	\$ 63,242
409.11	Oregon Income Tax	2,900	25,170	\$ 28,070	\$ (6,789)	\$ 21,281
409.13	Extraordinary Items Income Tax			\$ -	\$ (3,317)	\$ (3,317)
	<b>TOTAL REVENUE DEDUCTIONS</b>	<b>\$ 2,169,643</b>	<b>\$ 22,907</b>	<b>\$ 2,192,550</b>	<b>\$ (220,188)</b>	<b>\$ 1,972,362</b>
	<b>Net Operating Income</b>	<b>\$ (270,216)</b>	<b>\$ 703,635</b>	<b>\$ 433,419</b>	<b>\$ (95,336)</b>	<b>\$ 338,083</b>

**UTILITY RATE BASE**

101	Utility Plant in Service	8,573,938	472,259	\$ 9,046,197	\$ (60,599)	\$ 8,985,598
105	Construction Work in Progress			\$ -	\$ -	\$ -
108	- Accumulated Depreciation of Plant	3,251,256	17,764	\$ 3,269,020	\$ 303,907	\$ 3,572,927
271	- Contributions in Aid of Construction			\$ -	\$ -	\$ -
272	+ Accumulated Amortization of CIAC			\$ -	\$ -	\$ -
281	- Accumulated Deferred Income Tax	545,488	(27,817)	\$ 517,671	\$ 9,838	\$ 527,509
	- Excess Capacity			\$ -	\$ -	\$ -
	<b>= NET RATE BASE INVESTMENT</b>	<b>\$ 4,777,194</b>	<b>\$ 482,312</b>	<b>\$ 5,259,506</b>	<b>\$ (374,344)</b>	<b>\$ 4,885,162</b>
	Plus: (working capital)					
151	Materials and Supplies Inventory			\$ -	\$ 6,661	\$ 6,661
	Working Cash (Total Op Exp /12)	128,911	3,605	\$ 132,516	\$ (15,699)	\$ 116,817
	<b>TOTAL RATE BASE</b>	<b>\$ 4,906,105</b>	<b>\$ 485,917</b>	<b>\$ 5,392,022</b>	<b>\$ (383,382)</b>	<b>\$ 5,008,640</b>
	<b>Rate of Return</b>	<b>-5.51%</b>		<b>8.04%</b>		<b>6.75%</b>

CASE: UW 186  
WITNESSES: SCOTT SHEARER (STAFF)  
TIMOTHY L. SMITH (SUNRIVER WATER LLC)

**PUBLIC UTILITY COMMISSION  
OF  
OREGON**

**STIPULATING PARTIES EXHIBIT 103**

**Revenue Calculation and Rate Design**

**JANUARY 28, 2022**

**Rate Spread**

<b>TOTAL REVENUE REQUIREMENT</b>	<b>\$ 2,310,445</b>
----------------------------------	---------------------

**REVENUE FROM WATER SALES**

Unmetered	15,924
Residential	1,578,729
Commercial	239,197
Fire Protection Sales	12,285
Irrigation Water Sales	371,584

**REVENUE FROM SOURCES OTHER THAN WATER SALES**

Miscellaneous Services	92,725



**Rate Design****Unmetered**Revenue Allocation: **15,924**

Allocated to Base Rates: 100.00%  
 Allocated to Commodity Rates: 0.00%

**Base Rates**Revenue Allocation: **15,924**

Meter Size	Customers	Factors	Customer Equivalency	% of Total	Revenue Allocation	Base Rate
Any Size	40	1.0	40	100.00%	\$ 15,924	\$ <b>33.18</b>
TOTAL	40		40	100.00%	\$ 15,924	

**Rate Design**

**Residential, Commercial & Multi-Family** Revenue Allocation: **1,817,927**

Allocated to Base Rates: 62.00%  
 Allocated to Commodity Rates: 38.00%

**Base Rates** Revenue Allocation: **1,127,115**

Meter Size	Customers	Factors	Customer Equivalency	% of Total	Revenue Allocation	Base Rate
5/8" or 3/4"	4,117	1.0	4,117	70.99%	\$ 800,126	\$ <b>16.20</b>
1"	479	2.5	1,198	20.65%	\$ 232,730	\$ <b>40.49</b>
1 1/2"	12	5.0	60	1.03%	\$ 11,661	\$ <b>80.98</b>
2"	25	8.0	200	3.45%	\$ 38,869	\$ <b>129.56</b>
3"	5	15.0	75	1.29%	\$ 14,576	\$ <b>242.93</b>
4"	-	25.0	-	0.00%	\$ -	\$ <b>404.89</b>
6"	3	50.0	150	2.59%	\$ 29,152	\$ <b>809.78</b>
8"		80.0	-	0.00%	\$ -	\$ <b>1,295.65</b>
TOTAL	4,641		5,800	100.00%	\$ 1,127,115	

**Commodity Rate** Revenue Allocation: **690,812**

Annual Consumption	368,146,288	Gallons
Unit of Measurement	1,000	Gallons
Annual Units of Consumption	368,146	Units

Commodity Rate: **\$ 1.87646** per unit

**Rate Design****Fire Protection**Revenue Allocation: **12,285**

Allocated to Base Rates: 100.00%

Allocated to Commodity Rates: 0.00%

**Base Rates**Revenue Allocation: **12,285**

Meter Size	Customers	Factors	Customer Equivalency	% of Total	Revenue Allocation	Base Rate
2"	1	8.0	8	0.69%	\$ 85	\$ <b>7.04</b>
3"	3	15.0	45	3.87%	\$ 475	\$ <b>13.20</b>
4"	14	25.0	350	30.09%	\$ 3,697	\$ <b>22.01</b>
6"	12	50.0	600	51.59%	\$ 6,338	\$ <b>44.01</b>
8"	2	80.0	160	13.76%	\$ 1,690	\$ <b>70.42</b>
<b>TOTAL</b>	<b>32</b>		<b>1,163</b>	<b>100.00%</b>	<b>\$ 12,285</b>	

**Rate Design**

**Irrigation** Revenue Allocation: **371,584**

Allocated to Base Rates: 38.00%  
 Allocated to Commodity Rates: 62.00%

**Base Rates** Revenue Allocation: **141,202**

Meter Size	Customers	Factors	Customer Equivalency	% of Total	Revenue Allocation	Base Rate
5/8" or 3/4"	20	1.0	20	3.13%	\$ 4,416	\$ <b>18.40</b>
1"	17	2.5	43	6.65%	\$ 9,384	\$ <b>46.00</b>
1 1/2"	16	5.0	80	12.51%	\$ 17,664	\$ <b>92.00</b>
2"	49	8.0	392	61.30%	\$ 86,554	\$ <b>147.20</b>
3"	7	15.0	105	16.42%	\$ 23,184	\$ <b>276.00</b>
4"		25.0	-	0.00%	\$ -	\$ <b>460.00</b>
6"		50.0	-	0.00%	\$ -	\$ <b>920.00</b>
8"		80.0	-	0.00%	\$ -	\$ <b>1,472.01</b>
<b>TOTAL</b>	<b>109</b>		<b>640</b>	<b>100.00%</b>	<b>\$ 141,202</b>	

**Commodity Rate** Revenue Allocation: **230,382**

Annual Consumption	117,256,964	Gallons
Unit of Measurement	1,000	Gallons
Annual Units of Consumption	117,257	Units

Commodity Rate: **\$ 1.96477** per unit

**Rate Comparison - Current Average Rates to Proposed Rates**

	Unmetered Current	Unmetered New	Percentage Increase	Residential Current	Residential New	Percentage Increase	Commercial Current	Commercial New	Percentage Increase	Fire Protection Current	Fire Protection New	Percentage Increase	Irrigation Current	Irrigation New	Percentage Increase
Other	\$ 24.25	\$ 33.18	37%												
3/4"				\$ 20.69	\$ 25.89	25%	\$ 25.25	\$ 31.60	25%				\$ 22.54	\$ 29.49	31%
1"				\$ 49.79	\$ 62.30	25%	\$ 61.47	\$ 76.91	25%				\$ 61.56	\$ 80.13	30%
1 1/2"				\$ 176.29	\$ 220.59	25%	\$ 111.55	\$ 139.59	25%				\$ 197.57	\$ 251.68	27%
2"							\$ 206.17	\$ 257.99	25%	\$ 6.09	\$ 7.04	16%	\$ 251.64	\$ 323.50	29%
3"							\$ 362.01	\$ 453.02	25%	\$ 11.42	\$ 13.20	16%	\$ 1,040.56	\$ 1,304.98	25%
4"										\$ 19.03	\$ 22.01	16%			
6"							\$ 978.65	\$ 1,224.78	25%	\$ 38.06	\$ 44.01	16%			
8"										\$ 60.90	\$ 70.42	16%			

CASE: UW 186  
WITNESSES: SCOTT SHEARER (STAFF)  
TIMOTHY L. SMITH (SUNRIVER WATER LLC)

**PUBLIC UTILITY COMMISSION  
OF  
OREGON**

**STIPULATING PARTIES EXHIBIT 104**

**Sunriver Water Tariff**

**JANUARY 28, 2022**



PUC Oregon No. 10 **WATER LLC / ENVIRONMENTAL LLC**  
SUNRIVER WATER LLC

Original Sheet No. 1

**Public Utility Commission**  
201 High Street Suite 100  
Salem, OR 97301  
Mailing Address PO  
Box 1088  
Salem, OR 97308-1088  
12/27/2017

**PUC Oregon No. 10  
Sunriver Water LLC  
Advice No. 21-1**

Issue Date / Filing Date		Effective for Service on or after	May 1, 2022
Issued By Utility	SUNRIVER WATER LLC		

Advice No. 21-1



PUC Oregon No. 10 **WATER LLC / ENVIRONMENTAL LLC**  
SUNRIVER WATER LLC

Original Sheet No. 2

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

**NAMING RATES FOR**

**SUNRIVER WATER LLC  
PO BOX 3699  
SUNRIVER OR 97707**

**541-593-4197**

Serving water in the vicinity of Sunriver, Oregon

Issue Date / Filing Date		Effective for Service on or after	May 1, 2022
Issued By Utility	SUNRIVER WATER LLC		

Advice No. 21-1





PUC Oregon No. 10 WATER LLC / ENVIRONMENTAL LLC  
SUNRIVER WATER LLC

Original Sheet No. 3

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Issue Date / Filing Date		Effective for Service on or after	May 1, 2022
Issued By Utility	SUNRIVER WATER LLC		

Advice No. 21-1



PUC Oregon No. 10 WATER LLC / ENVIRONMENTAL LLC  
SUNRIVER WATER LLC

Original Sheet No. 4

### SCHEDULE NO. 1

### RESIDENTIAL, COMMERCIAL & MULTI-FAMILY METERED RATES

**Available:** To customers of the Utility at Sunriver, Oregon, and vicinity.

**Applicable:** To residential, commercial, and multi-family customers.

#### Base Rate

SERVICE METER SIZE	MONTHLY BASE RATE	USAGE ALLOWANCE
5/8 inch or 3/4 inch	\$16.20	0
1 inch	\$40.49	0
1½ inches	\$80.98	0
2 inches	\$129.56	0
3 inches	\$242.93	0
4 inches	\$404.89	0
6 inches	\$809.78	0
8 inches	\$1,295.65	0

#### Commodity Usage Rate

COMMODITY RATE	NO. OF UNITS	MEASURING UNIT
\$1.88	Per Unit	1 unit = 1,000 gallons

Issue Date / Filing Date		Effective for Service on or after	May 1, 2022
Issued By Utility	SUNRIVER WATER LLC		

Advice No. 21-1



PUC Oregon No. 10 WATER LLC / ENVIRONMENTAL LLC  
SUNRIVER WATER LLC

Original Sheet No. 5

**SCHEDULE NO. 1**  
**RESIDENTIAL, COMMERCIAL & MULTI-FAMILY METERED RATES**  
**Continued**

**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. 27, Voluntary Discontinuance.
2. Water used during the construction of buildings, etc., shall be metered. Charges shall be made at the rates specified to the type of customer:  
Schedule No. 1 – Residential, Commercial & Multi-Family Metered Rates.  
Schedule No. 3 – Irrigation Metered Rates.  
Schedule No. 5 - Golf Course Irrigation Rates.
3. 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.
4. Multi-family customers' monthly water service charge will be assessed at the number of units served times the monthly base rate plus the commodity charge. Example: If the premise serves 8 units, the base charge will be 8 times the base rate plus the commodity charge applied to the amount of water use.

Issue Date / Filing Date		Effective for Service on or after	May 1, 2022
Issued By Utility	SUNRIVER WATER LLC		

Advice No. 21-1



PUC Oregon No. 10 WATER LLC / ENVIRONMENTAL LLC  
SUNRIVER WATER LLC

Original Sheet No. 6

**SCHEDULE NO. 2**  
**UNMETERED RESIDENTIAL RATES**

**Available:** To customers of the Utility at Sunriver, Oregon, and vicinity.

**Applicable:** To unmetered residential customers.

Unmetered Residential Rate

COMMODITY RATE	MONTHLY BASE RATE	USAGE ALLOWANCE
Any Size	\$33.18	Unlimited

**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. 27, Voluntary Discontinuance.
2. Water used during the construction of buildings, etc., shall be metered. Charges shall be made at the rates specified to the type of customer:  
Schedule No. 1 – Residential, Commercial & Multi-Family Metered Rates.  
Schedule No. 3 – Irrigation Metered Rates.  
Schedule No. 5 – Golf Course Irrigation Rates.
3. 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		Effective for Service on or after	May 1, 2022
Issued By Utility	SUNRIVER WATER LLC		

Advice No. 21-1



PUC Oregon No. 10 WATER LLC / ENVIRONMENTAL LLC  
SUNRIVER WATER LLC

Original Sheet No. 7

**SCHEDULE NO. 3  
IRRIGATION METERED RATES**

**Available:** To customers of the Utility at Sunriver, Oregon, and vicinity.

**Applicable:** To irrigation customers.

**Base Rate**

SERVICE METER SIZE	MONTHLY BASE RATE	USAGE ALLOWANCE
5/8 inch or 3/4 inch	\$18.40	0
1 inch	\$46.00	0
1½ inches	\$92.00	0
2 inches	\$147.20	0
3 inches	\$276.00	0
4 inches	\$460.00	0
6 inches	\$920.00	0
8 inches	\$1,472.01	0

**Commodity Usage Rate**

COMMODITY RATE	NO. OF UNITS	MEASURING UNIT
\$1.96	Per Unit	1 unit = 1,000 gallons

**Special Provisions:**

- These rates are based on continuous service. Discontinuation of service may not be employed to avoid monthly charges for service. See Rule No. 27, Voluntary Discontinuance.
- Water used during the construction of buildings, etc., shall be metered. Charges shall be made at the rates specified to the type of customer:  
Schedule No. 1 – Residential, Commercial & Multi-Family Metered Rates.  
Schedule No. 3 – Irrigation Metered Rates.  
Schedule No. 5 – Golf Course Irrigation Rates.
- 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.
- Irrigation customers shall be billed base rate charges each month (12 months per year). Commodity charges will be billed the month after usage occurs.

Issue Date / Filing Date		Effective for Service on or after	May 1, 2022
Issued By Utility	SUNRIVER WATER LLC		



PUC Oregon No. 10 WATER LLC / ENVIRONMENTAL LLC  
SUNRIVER WATER LLC

Original Sheet No. 8

## SCHEDULE NO. 4 PRIVATE FIRE PROTECTION RATES

**Available:** To customers of the Utility at Sunriver, Oregon, and vicinity.

**Applicable:** To commercial/industrial customers.

### Base Rate

SERVICE SIZE	MONTHLY BASE RATE	USAGE ALLOWANCE
2"	\$7.04	N/A
3"	\$13.20	N/A
4"	\$22.01	N/A
6"	\$44.01	N/A
8"	\$70.42	N/A

### **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. 27, Voluntary Discontinuance.
2. Water used during the construction of buildings, etc., shall be metered. Charges shall be made at the rates specified to the type of customer:  
Schedule No. 1 – Residential, Commercial & Multi-Family Metered Rates.  
Schedule No. 3 – Irrigation Metered Rates.  
Schedule No. 5 – Golf Course Irrigation Rates.
3. 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		Effective for Service on or after	May 1, 2022
Issued By Utility	SUNRIVER WATER LLC		

Advice No. 21-1



PUC Oregon No. 10 WATER LLC / ENVIRONMENTAL LLC  
SUNRIVER WATER LLC

Original Sheet No. 9

## SCHEDULE NO. 5 GOLF COURSE IRRIGATION RATES

**Available:** To customers of the Utility at Sunriver, Oregon, and vicinity.

**Applicable:** To golf course irrigation customers.

### Base Rate

SERVICE METER SIZE	MONTHLY BASE RATE	USAGE ALLOWANCE
5/8 inch or 3/4 inch	\$337.09	0
1 inch	\$842.74	0
1½ inches	\$1,685.47	0
2 inches	\$2,696.76	0
3 inches	\$5,056.42	0

### Commodity Usage Rate

COMMODITY RATE	NO. OF UNITS	MEASURING UNIT
\$0.50	Per Unit	1 unit = 1,000 gallons

**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. 27, Voluntary Discontinuance.
2. Water used during the construction of buildings, etc., shall be metered. Charges shall be made at the rates specific to the type of customer:  
 Schedule No. 1 – Residential, Commercial & Multi-Family Metered Rates.  
 Schedule No. 3 – Irrigation Metered Rates.  
 Schedule No. 5 – Golf Course Irrigation Rates.
3. 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.
4. Golf course customers shall be billed base rate charges each month (12 months per year). Commodity charges will be billed the month after usage occurs.

Issue Date / Filing Date		Effective for Service on or after	May 1, 2022
Issued By Utility	SUNRIVER WATER LLC		

Advice No. 21-1



PUC Oregon No. 10 WATER LLC / ENVIRONMENTAL LLC  
SUNRIVER WATER LLC

Original Sheet No. 10

## SCHEDULE NO. 6 RATES FOR COMMERCIAL WATER HAULERS

**AVAILABLE:** To commercial water haulers where the Utility's facilities and excess capacity exist. Determination of adequacy of facilities and capacity is in the sole discretion of the Utility. Each commercial water truck must be inspected by the Utility and be equipped with a suitable hydrant meter, suitable backflow prevention devices, and a fire hydrant wrench.

**APPLICABLE:** To all commercial water haulers.

### RATE FOR COMMERCIAL WATER HAULERS

\$2.20 per 1,000 gallons
--------------------------

**SPECIAL PROVISIONS:**

1. Truck meters must be presented at the Utility's office between the 1st and the 5th of each month. Bills for service are due in accordance with the tariff. Failure to present meter in accordance with this provision will be considered grounds for termination of service under Rule 19 of this Tariff.
2. Commercial water haulers detected not using meters or proper equipment may be denied service for one month for the first offense, and denied service completely for a second offense.
3. Commercial water haulers shall fill only from designated hydrants at designated times that have been determined by the Utility to have excess capacity. Failure to comply with this requirement will be considered grounds for termination of service.
4. Continued use of the Utility's facilities following termination of service shall be considered theft of services under OAR 860-036-1590.

Issue Date / Filing Date		Effective for Service on or after	May 1, 2022
Issued By Utility	SUNRIVER WATER LLC		

Advice No. 21-1





PUC Oregon No. 10 WATER LLC / ENVIRONMENTAL LLC  
SUNRIVER WATER LLC

Original Sheet No. 11

## SCHEDULE NO. 7

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

**PURPOSE:** Sunriver Water LLC (Sunriver) desires to offer backflow prevention/double check valve assembly (device) testing to assist customers with the annual testing requirements for backflow prevention devices (Annual Testing Program).

**AVAILABLE:** To customers of the Utility with customer owned back flow prevention, in Sunriver, Oregon and vicinity.

**APPLICABLE:** To residential and commercial premises with backflow prevention devices installed at the meter or point of hazard to protect the water supply.

**ENROLLMENT:** Sunriver WILL ENROLL all customers with installed backflow prevention devices in its Annual Testing Program UNLESS the customer signs and returns an "OPT OUT" notice to Sunriver.

### ANNUAL TESTING PROGRAM DESCRIPTION

1. **TESTING SERVICES:** Sunriver will provide the required annual backflow prevention device (BPA) testing performed by a state-certified tester pursuant to OAR 333-061-0070 through OAR 333-061-0072.
2. **PLAN REVIEW AND INSPECTION FEE:** Sunriver will review plans and placement of cross-connection devices and inspect that placement and installation of the devices to ensure it meets the requirements for approval within the Cross-Connection Program.

### ANNUAL TESTING PROGRAM RATES

1. All customers enrolled in program  
Device testing fee (per test): \$40.00
2. All customers who opt out, but choose Sunriver as a default service supplier on his/her opt out notice  
At the time of annual testing, Sunriver will bill customers: \$40.00
3. Plan and review inspection fee  
Per Review: \$40.00

Issue Date / Filing Date		Effective for Service on or after	May 1, 2022
Issued By Utility	SUNRIVER WATER LLC		



PUC Oregon No. 10 WATER LLC / ENVIRONMENTAL LLC  
SUNRIVER WATER LLC

Original Sheet No. 12

## SCHEDULE NO. 7

### CROSS CONNECTION CONTROL PROGRAM Continued

#### OPT OUT CUSTOMERS WHO FAIL TO PROVIDE BACKFLOW PREVENTION DEVICE TEST RESULTS

**OPT OUT customers who fail to provide the Utility with annual DCVA test results by the annual deadline will have their device tested by Sunriver by default at a service charge of \$40.00.**

**SPECIAL PROVISIONS:**

1. The customer is under no obligation to use Sunriver's DCVA services.
2. The customer can choose any qualified company or individual to test, maintain, and repair his/her DCVA.
3. Sunriver will provide each customer with notification of the Annual Testing Program services being offered. The notification shall include a written Program Refusal (OPT OUT) Notice.
4. Customers who choose to OPT OUT of the Program must sign the written OPT OUT NOTICE and return it to Sunriver within 30 calendar days of receiving the notification.
5. Customers who choose to OPT OUT of the Program are responsible for the annual testing, of their DCVAs and submitting their DCVA information and test results annually to Sunriver. If test results are not received by Sunriver by the annual deadline, water service may be disconnected pursuant to OAR 860-036-1680.

Issue Date / Filing Date		Effective for Service on or after	May 1, 2022
Issued By Utility	SUNRIVER WATER LLC		



PUC Oregon No. 10 WATER LLC / ENVIRONMENTAL LLC  
SUNRIVER WATER LLC

Original Sheet No. 13

## SCHEDULE NO. 7

### CROSS CONNECTION CONTROL PROGRAM Continued

6. Sunriver will notify each customer who OPTS OUT of the Program 30 days prior to the annual test results due date. Annual test results must be provided to Sunriver on or before the customers' annual deadlines.
7. customers are responsible to ensure that all new construction, remodels, and any change to their service results in the installation of a backflow prevention device at the meter.
8. Sunriver will separately itemize the backflow prevention device service fees on the customers' bills.
9. Customers are responsible for maintenance, repair and replacement of their device.
10. The Utility reserves the right to propose before the Public Utility Commission of Oregon any change in the amount charged for the Program services.
11. Customers may change their enrollment status in the Program at any time, including in advance of any rate increase.

Issue Date / Filing Date		Effective for Service on or after	May 1, 2022
Issued By Utility	SUNRIVER WATER LLC		



PUC Oregon No. 10 **WATER LLC / ENVIRONMENTAL LLC**  
SUNRIVER WATER LLC

Original Sheet No. 14

## SCHEDULE NO. 8 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.

<u>Connection Charge for New Service</u> (Rule Nos. 8 & 9)	
Standard 3/4-inch service	At cost
Nonstandard 3/4-inch service	At cost
Larger than 3/4-inch	At cost
Irrigation hookup (if provided on separate system)	At cost
<u>Reading Submeters &amp; Preparing Memo Bill</u> (Rule No. 22A)	\$10.00
<u>Meter Test</u> (Rule No. 21)	
First test within 12-month period	N/C
Second test within 12-month period	\$75.00
<u>Pressure Test</u> (Rule No. 41)	
First test within 12-month period	N/C
Second test within 12-month period	\$40.00
<u>Late-Payment Charge</u> (Rule No. 22)	Pursuant to OAR 860-036-1430
<u>Deposit for Service</u> (Rule No. 5)	Pursuant to OAR 860-036-1220
<u>Returned-Check Charge</u> (Rule No. 23)	\$25.00
<u>Trouble-Call Charge</u> (Rule No. 37)	
During normal office hours	\$40.00 per hour
After normal office hours on special request	\$80.00 per hour
<u>Disconnection/Reconnect Charge</u> (Rule No. 30)	
During normal office hours	\$40.00 per hour
After normal office hours on special request	\$80.00 per hour
<u>Unauthorized Restoration of Service</u> (Rule Nos. 30 & 31)	Reconnection charge plus costs
<u>Damage/Tampering Charge</u> (Rule No. 35)	at cost
<u>Field Visit Charge</u> (Rule No. 30)	\$25

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## SCHEDULE NO. 9 COMMODITY POWER COST ADJUSTMENT

Schedule No. 9 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 identify any other requirements.

**APPLICABLE:** The commodity power cost adjustment applies to the following schedules contained in the Utility's tariffs: Schedule Nos. 1, 2, 3, 4, 5 and 6.

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 the applicable rate schedules 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 obligated to file for decreases in power costs.

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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: Sunriver Water LLC
- 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 must be made 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.

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**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)

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 must inform any residential applicant or customer who is required to pay a deposit of the opportunity to provide a written surety agreement in lieu of paying the deposit. A surety agreement obligates another qualifying residential customer of the same utility to pay an amount up to the required deposit if the secured account is later disconnected and a balance remains owing following the due date for the closing charges. To qualify as a surety, the other residential customer must have had 12 months of continuous service with the Utility without a late payment. (OAR 860-036-1230)

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.

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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. The Utility owns, operates, maintains, and replaces the service connection when necessary and promptly repairs all breaks and leaks. The customer shall not be responsible for any damage or poor service due to inadequacy of the Utility's service lines or any portion of the Utility's plumbing. The Utility may purchase and install the service connection and charge the customer the cost of the service connection less the cost of the meter.

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

An applicant requesting permanent water service to a premise not previously supplied with permanent 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.

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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.

The Utility shall specify the size, character, and location of pipes and appurtenances in any main line extension. Main line extensions shall normally be along streets, roads, highways, or other satisfactory rights-of-way. All construction work shall conform to all applicable rules, regulations, codes, and industry standards. Each main line extension shall normally extend along applicant's property line to the point the applicant's service line would be at a 90-degree angle to the street or main line.

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.

Rule 11: Main Line Advances and Refunds Policy

Each new customer requesting a main line extension shall advance the Utility the cost-based amount necessary to extend the main line to provide service.

For a period of five years after construction of the requested main line extension, the Utility shall also collect from any additional applicants whose connect to the main line extension an amount per foot equal to the new applicant's proportionate share of the main line extension cost for that portion used. The Utility will then refund the share differential amount to those customers who previously shared 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.

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Rule 12: 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.

Rule 13: 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, if served through one service line, shall be considered to be equivalent to the number of dwelling units when determining the customer count.

Rule 14: 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 15: 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.

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### **REFUSAL OF SERVICE**

**Rule 16: 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).

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.

Except for irrigation customers or applicants who were disconnected for theft of service, a water utility shall provide service to the irrigation customer or applicant upon receipt of payment equal to at least one-half of any overdue amount. The balance of the amount owed to the utility shall be paid within 30 days of the date service is initiated.

**Rule 17: 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.

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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 18: 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.

**METERS**

**Rule 19: Utility Meters (OAR 860-036-1350)**

The Utility shall purchase, own, maintain, 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.

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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. (OAR 860-036-1500) 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 20: Meter Testing (OAR 860-036-1350)

The meter will be tested prior to or within 30 days of installation to determine it is accurate to register not more than two percent error. No meter will be allowed to remain in service if it registers an error in excess of two percent (fast or slow) under normal operating conditions. The Utility will maintain a record of all meter tests and results. Meter test result records will include:

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

Rule 21: Customer-Requested Meter Test (OAR 860-036-1360)

A customer may request that the Utility test the service meter. Such test shall be made within seven calendar days of the receipt of the request unless the customer fails to provide the Utility reasonable access to the meter. The customer or the customer's representative has the right to be present during the test, which is to be scheduled at a mutually agreeable time. Within seven calendar days of performing the requested meter test, report shall be provided to the customer stating:

- A. The name of the customer requesting the test and the service address where the meter was tested;

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- B. The date the meter test was requested and the date the meter test was performed;
- C. The name of the person performing the test;
- D. The meter identification number and location;
- E. The beginning and ending meter readings; and
- F. The actual test results and conclusion.

If a customer requests a meter test more often than once in 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 Miscellaneous Service Charges Schedule. If the meter registers outside the two percent performance standard, the Utility may not charge the customer for the meter test.

## BILLING

### Rule 22: Billing Information and Late-Payment Charge (OAR 860-036 1100(2), 1400, and 1430)

All bills, including closing bills, are due and payable at the Utility office within at least 15 days when rendered by deposit in the mail or other reasonable means of delivery, unless otherwise specified on the bill. The date of presentation is the date on which the Utility mails the bill.

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 bill will be rendered immediately thereafter. The Utility will provide its customers with timely billings every month or as indicated in its tariffs or statement of rates. 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;

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- 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 computation of the bill.

A late-payment charge may be assessed against any account that has an unpaid balance when the next bill is being prepared. The charge will be computed on the delinquent balance owing at the time of preparing the subsequent month's bill 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 Rule 29, prior to or after the Utility assesses the late payment charge.

Rule 22A: Master Meter with Memo Bill

A customer under special agreement with Sunriver Water may be metered with a master meter. The master meter customer will be responsible for total payment of the master meter water bill.

Sunriver Water will read the sub-meters and send memo bills to the master meter customer and sub-metered tenants. Memo bills are not official bills from Sunriver Water. A memo bill shows the sub-metered tenants' individual water consumption and Sunriver Water's applicable rate for use by the master meter customer when collecting payments from sub-metered tenants.

The total aggregate monthly base charges of all sub-metered accounts shall not exceed the total aggregate monthly base charge of the master meter serving sub-metered accounts. There will be a monthly charge for reading and preparing a memo bill for each sub-meter as indicated in Schedule No. 8, Miscellaneous Service Charges. This monthly charge will be the responsibility of the master meter customer.

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Rule 23: 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.

Rule 24: 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 30-day month. 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.

Rule 25: Adjustment of Bills (OAR 860-036-1440)

When an overbilling occurs, the Utility will refund or credit amounts incorrectly collected. No refund or credit will be issued for incorrect billings which occurred more than three years before the incorrect billing was discovered.

When an underbilling occurs, the Utility will issue a bill to collect amounts owing for the 12-month period ending on the date on which the water 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.

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**Rule 26: 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 prior notice of the transfer, including:

- A. The amount due under the prior account; and
- B. The period when the balance was incurred; and
- C. The service address under which the bill was incurred.

If the customer has an amount remaining on an existing time-payment agreement, the customer may enter into a new time-payment agreement to include the transfer. The Utility will not transfer a balance owing on a non-residential account to a residential account.

This rule also applies to customers who change service locations, and who applied for the new service within 20 days of closing the prior account (thereby retaining customer status).

**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.

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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)

The Utility may terminate service in emergencies when life or property is endangered without following the procedures set forth in OAR 860-036-1630. Immediately thereafter, the Utility will notify the customer and the Commission. 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 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.

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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.

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 include:

- A. 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. 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 include:

- A. 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. 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.

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Issued By Utility	SUNRIVER WATER LLC		

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PUC Oregon No. 10 **WATER LLC / ENVIRONMENTAL LLC**  
SUNRIVER WATER LLC

Original Sheet No. 31

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. If contact is not made, the Utility shall leave a notice in a conspicuous place at the customer's premise informing the customer that service has been disconnected.

**Disconnection of Water Service to Tenants:**

- A. If a water utility's records show that a residential billing address is different from the service address, the water utility must mail a duplicate notice to the service address, unless the utility has verified that the service address is occupied by the customer.
- B. If a water utility's records show that the service location is a master-metered, multi-dwelling service address, the water utility must 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 water utility must 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 customer may mutually agree to an alternate payment arrangement provided it be in writing and signed by all parties. NOT APPLICABLE TO COMMERCIAL IRRIGATION CUSTOMERS.

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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 Utility permits a time-payment agreement charge to become 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)

Disconnection and Reconnection Charges

When service was disconnected pursuant to (OAR 860-036-1500), the Utility may charge 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, the Utility 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 the water 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 as provided by OAR 860-036-1500.

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 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;

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- 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:

- 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.

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**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 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.

**Rule 35: Damages/Tampering**

Should damage result to any of the Utility’s property from molesting or willful neglect by the customer to a meter or meter box located in the customer’s building, the Utility will repair or replace such equipment and will bill the customer for the costs incurred.

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## SERVICE QUALITY

### Rule 36: 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.

### Rule 37: 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 disconnect or reconnect service to remedy a service problem and the problem is due to the customer's facilities.

### Rule 38: 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. NOT APPLICABLE TO IRRIGATION SERVICE.

The Utility shall deliver domestic water that is reasonably free from elements that cause physical damage to customer property such as pipes, valves, appliances, and personal property. A water supply that causes such damage will be remedied until the conditions are such as to not reasonably justify the necessary investment.

### Rule 39: 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.

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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 40: 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 41: 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 service charges set forth in the tariff. 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.

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 42: 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.

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Rule 43: 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.

Inspections will be made by certified personnel where there is a reasonable cause to believe that a cross connection or a potential cross connection exists on the customer's premise.

A customer that has another water supply that cross connects with Sunriver Water's system or has conditions that present the possibility of contamination or pollution to Sunriver Water's water supply must either eliminate the cross connection or install a cross connection control device (device).

The device and its installation or the elimination of the cross connection shall be in accordance with standard practices pertaining to cross connection control approved by the Oregon Health Authority and the National Safe Drinking Water Act.

The entire cost of the installation and equipment will be at the expense of the customer. Any corrective measure, disconnection, or change on the customer's property shall be at the sole expense of the person in control of said property.

Sunriver Water will regulate the location, installation and testing of all devices. Sunriver Water will inspect the installation prior to providing water service. The annual testing of the device shall be by licensed/certified personnel. All devices in service must be tested annually. Sunriver Water will determine the frequency of testing based upon the severity of the hazard.

Customer failure to install, maintain, and test the device as required are grounds for disconnection of water service.

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CASE: UW 186  
WITNESSES: SCOTT SHEARER (STAFF)  
TIMOTHY L. SMITH (SUNRIVER WATER LLC)

**PUBLIC UTILITY COMMISSION  
OF  
OREGON**

**STIPULATING PARTIES EXHIBIT 105**

**Staff's Summary of Public Comments**

**JANUARY 28, 2022**

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**STAFF'S SUMMARY OF PUBLIC COMMENTS**

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The Commission received numerous public comments in the docket. The general topics of the comments are consolidated and described below. Staff's general comments on each issue are also included.

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- Issue with the original notice for a general rate revision – several customers indicated that they did not receive notice regarding Sunriver Water's request for a general rate case. Although the Company provided a copy of the notice in its general rate case application as a result of the customer comments, Staff contacted the Company for clarification and confirmation of proper noticing procedures. Sunriver Water reviewed the situation and determined that the notice was not sent due to internal miscommunication. After discussion with the parties, Sunriver Water agreed to submit a request to suspend the schedule, refile corrected tariffs with updated dates, and send proper notice as prescribed in OAR 860-036-2030.

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- Caldera Springs territory expansion – Several customers made comments regarding the territory expansion and the responsibility for costs to expand Sunriver Water's system. The Company's service territory expansion was approved by the Commission in Order No. 21-350 in Docket No. WA 83. The results of this case include no increase in costs associated with serving new customers in the newly expanded portion of the Company's service territory.

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- 1 • Transfer of System property/wells to resort – Several customers commented on  
2 the propriety of the transfer of the wells and associated property to the resort after  
3 the sale to NW Natural. These items were addressed in Docket No. UP 384.
- 4 • Justification for increase – Customers stated an opposition to the increase as they  
5 believed there was no justification given in Sunriver Water’s general rate case  
6 application; that NW Natural and Sunriver Water are in sound financial condition  
7 based on the companies’ comments in Docket No. UP 384 and in several of its  
8 investor presentations; and that the large increases from both the last and current  
9 rate cases do not match the cost-of-living consumer price index increases for the  
10 same period. After the rigorous review of costs described in this testimony, Staff  
11 believes the agreed to increase will result in just and reasonable rates.
- 12 • Rate Increase not reasonable due to COVID-19/market conditions – Although the  
13 COVID-19 pandemic has presented a number of challenges to all customers, the  
14 Commission nevertheless is bound to ensure that rates are fair, just and  
15 reasonable. Rates are fair, just and reasonable when a regulated utility’s rates  
16 allow for recovery of reasonable costs and an opportunity to earn a return on its  
17 investments, commensurate with other enterprises of similar risk. The Commission  
18 must balance the interests of customers with the interests of the utility.
- 19 • Sunriver Water golf course revenues – Customers mentioned concerns that the  
20 golf courses were not paying for water service. In 2018, Sunriver Water moved all  
21 the golf courses onto its commercial irrigation tariffs for service. Since there was  
22 no longer a “golf course” rate schedule, Sunriver Water’s annual reports could  
23 make it appear as if the golf courses were no longer paying for service. Staff

1 submitted a data request that requested information on billings and usage of golf  
2 courses. The Company's response showed that golf courses are paying for service  
3 at a higher rate (and associated contribution of revenues) than under the previous  
4 rate schedule.

5 • Added plant and its reasonableness – Customers expressed concerns about the  
6 large amount of added plant and whether it was really needed. Staff fully  
7 investigated proposed plant additions. To facilitate this review, the Company  
8 provided details and explanations on all plant additions through discovery  
9 requests.

10 • Commissioner Thompson's former connection with NW Natural – One customer  
11 noted concerns about Commissioner Thompson's previous work with NW Natural  
12 and felt he should recuse himself from the proceeding. Commissioner Thompson  
13 and Administrative Law Judge Allwein were notified of the concerns.

14 • Rates being applied to Sunriver Environmental, to update its facilities – Customers  
15 were concerned that water rates may be subsidizing upgrades to the Sunriver  
16 Environmental system. Staff reviewed all records connected to the interrelated  
17 companies and determined that the various cost allocations between the water and  
18 environmental entities were reasonable and keep the two companies separate for  
19 purposes of rate making.