



e-FILING REPORT COVER SHEET

COMPANY NAME:

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes If yes, submit a redacted public version (or a cover letter) by email. Submit the confidential information as directed in OAR 860-001-0070 or the terms of an applicable protective order.

Select report type: RE (Electric) RG (Gas) RW (Water) RT (Telecommunications)
RO (Other, for example, industry safety information)

Did you previously file a similar report? No Yes, report docket number:

Report is required by: OAR
Statute
Order

Note: A one-time submission required by an order is a compliance filing and not a report (file compliance in the applicable docket)

Other
(For example, federal regulations, or requested by Staff)

Is this report associated with a specific docket/case? No Yes, docket number:

List Key Words for this report. We use these to improve search results.

Send the completed Cover Sheet and the Report in an email addressed to PUC.FilingCenter@state.or.us

Send confidential information, voluminous reports, or energy utility Results of Operations Reports to PUC Filing Center, PO Box 1088, Salem, OR 97308-1088 or by delivery service to 201 High Street SE Suite 100, Salem, OR 97301.



AVION WATER CO INC.

60813 Parrell Rd • Bend, OR 97702 •

Ph: 541-382-5342 • fax: 541-382-5390 • Email: avion@avionwater.com

July 2, 2020

Advice Letter No. 20-02

Filing Center
Oregon Public Utility Commission
201 High St SE
Salem, OR 97301

RE: General rate filing

To whom it may concern:

Avion Water Company submitted Advice 20-02 for a general rate filing to the Public Utility Commission on 7/2/2020. The purpose of this filing is to increase water service rate tariffs filed with the Public Utility Commission.

A general rate revision is needed to end the deferrals related to the Tax Cuts and Jobs Act (TCJA) of 2017 (UM 1936), address rising operating costs and the lease of a new service center needed for Avion's operations.

Please direct any questions or notifications of action taken on this filing to Rick Bailey at (541) 382-5342 or rick@avionwater.com.

Sincerely,

/s/

Richard C. Bailey
Avion Water Company, Inc.

PLEASE RETURN THIS AS PAGE 1 OF THE COMPLETED APPLICATION

PLEASE FILL IN ALL BLANKS

TO: PUBLIC UTILITY COMMISSION OF OREGON
PO BOX 1088
SALEM OR 97308-1088

FROM: Avion Water Company, Inc.

(Company name)

60813 Parrell Road

(Address)

Bend, OR 97702

(City, State, Zip)

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

In the Matter of Tariffs for Water Service)
in the State of Oregon filed by) BRIEF
Avion Water Company, Inc.)
(Company name))

Jan M. Wick

(Name of utility owner)

In accordance with Oregon Revised Statutes [757.205](#) and [757.220](#), herewith files tariff sheets designated as PUC Oregon No. 7, Original Tariff Sheets No. 1 through 49 to become effective for service rendered on and after 8/1/2020 (at least 30 days after PUC receives the filing). The purpose of this filing is to:

- 1) Establish rates resulting in total annual revenues of \$10,165,498.
- 2) This is an increase or decrease to the utility's total annual revenues from \$8,913,999 to \$10,165,498, resulting in a net increase/decrease of \$1,251,499 or 14.04 percent. After deducting for operating expenses, the projected revenues will produce a 7.41 percent return on a rate base of \$20,011,367.

The attached testimony summarizes the utility's financial operations, the effects of current rates on the individual classes of customers, and the effects of the proposed rates on the individual classes of customers for the 12-month test period ending on 12/31/2019.

/s/
(Signature of utility owner or officer)

Jason J. Wick

(Printed name of owner or officer)

Avion Water Company, Inc.

(Legal name of Utility)

July 2, 2020
(Date)

President
(Title or position)

Attachment

WATER UTILITY TESTIMONY

1. Q. PROVIDE THE FOLLOWING INFORMATION REGARDING THE WATER UTILITY:

A.

Legal Name	Avion Water Company, Inc.		
Business Address	60813 Parrell Road		
City, State, Zip	Bend, OR 97702		
Telephone Number	(541) 382-5342	Emergency Number	(541) 382-5342
Fax Number	(541) 382-5390	Email Address	rick@avionwater.com

2. Q. PROVIDE THE FOLLOWING INFORMATION IF DIFFERENT FROM QUESTION #1.

A.

Name	Jason J. Wick		
Title	President		
Address	60813 Parrell Road		
City, State, Zip	Bend, OR 97702		
Telephone Number	(541) 382-5342	Emergency Number	(541) 382-5342
Fax Number	(541) 382-5390	Email Address	Jason@avionwater.com

3. Q. PROVIDE THE FOLLOWING INFORMATION REGARDING THE SYSTEM OPERATOR.

A.

Operator Name	Marc B. Caldwell		
Address	60813 Parrell Road		
City, State, Zip	Bend, OR 97702		
Telephone #	(541) 382-5342	E-Mail Address	marc@avionwater.com
Certified Operator <input checked="" type="checkbox"/> yes <input type="checkbox"/> no	Certification Level WD-4; WT-3	Registration Number 5341	

4. Q. PROVIDE THE FOLLOWING INFORMATION REGARDING THE WATER UTILITY ACCOUNTANT OR BOOKKEEPER.

A. The utility's accountant or bookkeeper is:

Name	Richard C. Bailey
Address	60813 Parrell Road
City, State, Zip	Bend, OR 97702
Telephone Number	(541) 382-5342
E-Mail Address	rick@avionwater.com

5. Q. PROVIDE THE NAME, ADDRESS, AND TELEPHONE NUMBERS OF ALL THE UTILITY OWNERS.

A. The utility owners are:

Name	Jan M. Wick
Address	60813 Parrell Road

City, State, Zip	Bend, OR 97702
Telephone Number	(541) 382-5342

Name	Christine M. Wick
Address	60813 Parrell Road
City, State, Zip	Bend, OR 97702
Telephone Number	(541) 382-5342

Name	Jason J. Wick
Address	60813 Parrell Road
City, State, Zip	Bend, OR 97702
Telephone Number	(541) 382-5342

(Attach additional page[s] if necessary)

6. Q. PLEASE LIST ALL UTILITY OFFICERS AND PROVIDE THE FOLLOWING INFORMATION.

A. The utility officers are:

Name	Jason J. Wick		
Title	President		
Address	60813 Parrell Road		
City, State, Zip	Bend, OR 97702		
# of Hours Worked	2,080	Annual Salary	\$ [Begin confidential] ██████████ [End confidential]
Phone Number	(541) 382-5342		
E-Mail Address	jason@avionwater.com		

Name	Jan M. Wick		
Title	Exec. Vice President		
Address	60813 Parrell Road		
City, State, Zip	Bend, OR 97702		
Hours Worked	2,080	Annual Salary	\$ [Begin confidential] ██████████ [End confidential]
Phone Number	(541) 382-5342		
E-Mail Address	jan@avionwater.com		

Name	Richard C. Bailey		
Title	Secretary-Treasurer		
Address	60813 Parrell Road		
City, State, Zip	Bend, OR 97702		
Hours Worked	2,080	Annual Salary	\$[Begin confidential] ██████████ [end confidential]
Phone Number	(541) 382-5342		
E-Mail Address	rick@avionwater.com		

Name			
Title			
Address			
City, State, Zip			
Hours Worked		Annual Salary	\$
Phone Number			
E-Mail Address			

7. Q. WHAT IS YOUR AFFILIATION WITH THE WATER UTILITY? DESCRIBE YOUR CURRENT WATER UTILITY RESPONSIBILITIES.

A. My affiliation with the water utility and current responsibilities are: I am a shareholder, director and officer of Avion Water Company, Inc. I am responsible for all aspects of Avion Water Company including operations, finance, regulatory relations, finance, human resources and planning.

8. Q. ARE YOU ENGAGED IN OTHER BUSINESS IN ADDITION TO THE WATER UTILITY?

A. **No**, I am not engaged in other business.
 Yes, I am engaged in other business, they are

9. Q. DID YOU PREPARE THE EXHIBITS IN THIS TESTIMONY OR WERE THEY PREPARED UNDER YOUR SUPERVISION?

Yes, the exhibits in this testimony were prepared by me or under my supervision.
 No, I did not prepare the exhibits in this testimony. The exhibits were prepared by:

Name	
Address	
City, State, Zip	
Telephone Number	
E-Mail Address	

SUMMARY OF THE UTILITY’S PROPOSED RATE REQUEST

10. Q. WHAT CHANGE IN ANNUAL REVENUES IS THE UTILITY SEEKING?

A. The utility's most recent calendar year revenues are \$8,913,999. The utility seeks a rate:

An increase of \$1,251,499 or 14.04 percent in current annual revenues, resulting in total annual revenues of \$10,165,498.

A decrease of \$ _____ or _____ percent in current annual revenues, resulting in total annual revenues of \$ _____.

11. Q. SUMMARIZE WHY THE UTILITY IS SEEKING THE PROPOSED CHANGE IN RATES.

A. The utility is seeking this change in rates because of increases in operating expenses such as wages, electricity and the lease of a new service center, housing front and back office areas and meeting spaces. A new service center is needed because the current facility is no longer adequate for the Company's operations and due to its age, remodeling is not a prudent option.

12. Q. WHAT HISTORICAL 12-MONTH PERIOD IS THE UTILITY SELECTING AS ITS TEST YEAR FOR THIS RATE PROCEEDING?

A. The test period the utility selected is January 1, 2019 to December 31, 2019.

13. Q. WHAT IS THE UTILITY'S AMOUNT OF RATE BASE? (Rate base is Utility Plant minus accumulated depreciation and other contra plant accounts, plus working cash and materials inventory)

A. The utility rate base is \$20,011,367.

14. Q. WHAT IS THE RATE OF RETURN THE UTILITY IS PROPOSING IN THIS RATE PROCEEDING AND WHY?

A. The utility is seeking a 7.41 percent rate of return on a rate base because it is a usual, customary and reasonable return based on the level of risk involved in the water industry. These risks include global climate changes, environmental changes, local and global weather fluctuations, natural disasters, changes in the regulatory and legal environments at the national, state and local levels, customer usage variations, and volatility of the housing market; all of which have a disproportionately large impact on smaller utilities such as Avion, which have a disproportionate impact on smaller utilities.

GENERAL UTILITY INFORMATION

- 15. Q. IN WHAT YEAR WAS THE UTILITY ORGANIZED AND HOW WAS IT FORMED?**
 A. The water utility was legally organized on Jan. 1, 1976, under the laws of the State of Oregon as a:
 Proprietorship Partnership Corporation LLC Other: _____
- 16. Q. WHAT YEAR WAS THE WATER SYSTEM ORIGINALLY CONSTRUCTED AND WHEN (MONTH/YEAR) DID IT BEGIN PROVIDING WATER SERVICE.**
 A. The system was originally constructed in 1969, began providing service on 1969.
- 17. Q. HOW AND WHEN WAS THE UTILITY ACQUIRED BY ITS CURRENT OWNER?**
 A. The utility was: Purchased Constructed Inherited Other on November 1987 (mo./yr.).
- 18. Q. DO ORAL OR WRITTEN CONTRACTS EXIST BETWEEN THE UTILITY AND PERSONS AFFILIATED WITH THE COMPANY? IF YES, PLEASE PROVIDE COPIES OF EACH CONTRACT.**
 A. No, oral or written contracts exist between the utility and its owners and affiliated interests.
 Yes, PUC approved contracts exist between the utility and its owners and affiliated interests. Approval found in PUC Order No. 07-081,07-417.
 Yes, oral or written contracts do exist, but have not been approved by PUC
- 19. Q. DOES THE UTILITY HAVE A PUC APPROVED SERVICE TERRITORY?**
 A. No, the utility has not filed an application with PUC for an approved service territory.
 Yes, the utility's service territory is approved by the PUC, per Order No. 01-303.
- 20. Q. IS THE UTILITY AN AFFILIATE OF A PARENT CORPORATION OR HOLDING COMPANY?**
 A. No, the utility is not a subsidiary of a parent corporation or holding company.
 Yes, the utility is a subsidiary of a parent corporation or holding company.
 Attached are the parent/holding company's balance sheet/income statements for the last calendar year.
- 21. Q. HOW MANY FULL OR PART-TIME EMPLOYEES DOES THE UTILITY CURRENTLY EMPLOY?**
 A. The utility currently employs 32 full-time and 3 part-time employees.
- 22. Q. PROVIDE INFORMATION FOR ALL EMPLOYEES. (If a position is currently vacant but will be filled within a year, include information for that position.)**
 A. Current employee detail is listed below:

Name	Position	Responsibilities	Schedule	Wage/Salary
------	----------	------------------	----------	-------------

Please see attached				\$
				\$
				\$
TOTAL				\$

23. Q. IS THE UTILITY PROPOSING TO ADD ANY FULL OR PART TIME EMPLOYEES WITHIN THE CONTEXT OF THIS RATE FILING OR DURING THE NEXT YEAR?

- A. No, the utility does not propose adding any full- or part-time employees.
 Yes, the utility proposes to add 1 full-time and/or 0 part-time employees as described below:

Proposed Position	Responsibilities/Duties	Schedule	Wage/ Salary
Crew	Well, pump house, water line and booster station maintenance and repairs, landscape maintenance and other duties as assigned.	173.3 hrs/mo.	\$24.00/hr.
			\$
			\$

24. Q. PLEASE IDENTIFY ANY INDEPENDENT CONTRACTORS THE UTILITY HIRES.

- A. No, the utility does not contract for any services.
 Yes, the utility contracts for the following services:

Name of Independent Contractors	Description of Services	Annual Charges
Engineering		\$
Accounting	Preparation of annual federal and state income tax returns, miscellaneous information returns, reviewed financial statements, consultations services as needed	\$15,436
Legal	General legal services, Human resources, land use, regulatory relations	\$27,580
Management		\$
Water Testing /Sampling	Testing of water samples	\$50,903
Labor	Miscellaneous labor	\$1,419
Billing and Collection	Printing and mailing/emailing of monthly bills, 15 and 7 day notices, bill pay website hosting.	\$109,855
Meter Reading	Monthly meter reading	\$130,918
Other (specify) Other services as needed	Other services as needed	\$60,968

25. Q. PLEASE PROVIDE THE UTILITY’S CURRENT CAPITAL STRUCTURE.

- A. The utility’s capital structure is:

Debt	Original Balance	Outstanding Balance	Loan Terms	Interest Rate
First Interstate Bank	\$ 8,000,000	\$ 8,000,000		4.64
First Interstate Bank	\$ 2,000,000	\$ 2,000,000		4.29
Ally	\$ 25,554	\$11,702		3.99
Ally	\$ 36,849	\$ 16,874		3.99
TOTAL DEBT	\$10,062,403	\$ 10,028,576		
TOTAL EQUITY	\$ 9,254,058	\$ 9,254,058		10.5
<i>SAMPLE</i>				
<i>Debt</i>	<i>Original Bal.</i>	<i>Current Bal.</i>	<i>Terms</i>	<i>Interest Rate</i>
<i>John Doe Bank</i>	<i>\$15,000</i>	<i>\$7,000</i>	<i>10 years</i>	<i>8.75 %</i>
<i>Utility Equity</i>		<i>\$10,000</i>		<i>9.5 %</i>

OPERATING REVENUES

26. Q. IN COLUMN A PROVIDE UTILITY’S HISTORICAL TEST YEAR ACTUAL REVENUE. IN COLUMN B PROVIDE THE PROPOSED ADJUSTMENTS (INCREASE OR DECREASE). IN COLUMN C PROVIDE THE TOTAL OF COLUMN A AND B.

A. Test period revenues, proposed revenue adjustments, and proposed revenue results are below:

Acct #	OPERATING REVENUE	Test Year \$	Proposed Adj.	(A + B = C) \$
460	Unmetered Water Sales	\$	\$	\$
461	Metered Residential Water Sales	\$7,035,725	\$1,092,620	\$8,128,345
461	Metered Commercial/Industrial Water Sales	\$960,672	\$149,189	\$1,109,861
461	Metered Sales to Public Authorities	\$	\$	\$
461	Metered Sales to Multiple Family Dwellings	\$	\$	\$
461	Metered Sales to Multiple Commercial Unit/Bldg.	\$	\$	\$
461	Sales to Water Hauling Services	\$	\$	\$
462	Fire Protection Sales Revenue	\$31,777	\$4,935	\$36,712
464	Special Contract Water Sales to Public Authorities	\$	\$	\$
465	Irrigation Water Sales	\$464,950	\$	\$464,950
466	Water Sales for Resale	\$30,621	\$4,755	\$35,376
467	Golf Course Revenue	\$	\$	\$
468	Special Contract Revenue	\$	\$	\$
	Other	\$	\$	\$
TOTAL REVENUE		\$8,523,745	\$1,251,499	\$9,775,244

27. Q. PLEASE PROVIDE LINE ITEM REVENUES FOR OTHER THAN WATER SALES.

A. The following is an itemized list of all revenues other than water sales:

DESCRIPTION OF REVENUE OTHER THAN WATER SALES	ANNUAL AMOUNT
Miscellaneous Fees (i.e. late fees, disconnections, field visits, etc.)	\$ 144,791
Backflow Prevention Device Services (if offered)	\$245,463

Rents from Water Property Acct 472	\$
Other (specify)	\$
	\$
	\$
TOTAL	\$ 390,254

OPERATING EXPENSES

28. Q. IN COLUMN A: ACTUAL ANNUAL EXPENSE FOR TEST YEAR. IN COLUMN B: PROPOSED ADJUSTMENTS (INCREASE OR DECREASE) FOR THE COMING YEAR. IN COLUMN C: PROVIDE THE TOTAL OF COLUMN A PLUS COLUMN B.

A. Test period expenses, proposed expense adjustments, and proposed expense results

Acct #	OPERATING EXPENSES	Test Year \$	Proposed Adj.	(A + B = C) \$
601	Salaries & Wages – Employees	\$ 1,868,546	\$247,659	\$2,116,205
603	Salaries & Wages – Officers, Directors	\$510,353	\$	\$510,353
604	Employee Pensions and Benefits	\$843,300	\$24,965	\$868,265
610	Purchased Water	\$227,065	\$	\$227,065
611	Telephone/Communications	\$81,669	\$	\$81,669
615	Purchased Power	\$913,946	\$42,203	\$956,149
616	Fuel for Power Production	\$	\$	\$
617	Utility Services (garbage, gas)	\$10,981	\$	\$10,981
618	Chemicals/Treatment Expense	\$	\$	\$
619	Office Supplies	\$9,391	\$	\$9,391
619.1	Postage	\$3,771	\$	\$3,771
620	Materials/Supplies (O&M)	\$254,031	\$	\$254,031
621	Repairs to Water Plant	\$335,049	\$	\$335,049
631	Contractual Services – Engineering	\$	\$	\$
632	Contractual Services – Accounting	\$15,436	\$88	\$15,524
633	Contractual Services – Legal	\$27,580	\$	\$27,580
634	Contractual Services – Mgmt. Fees	\$	\$	\$
635	Contractual Services – Testing	\$50,903	\$	\$50,903
636	Contractual Services – Labor	\$1,419	\$	\$ 1,419
637	Contractual Services – Billing/Collect	\$109,855	\$	\$109,855
638	Contractual Services – Meter Reading	\$130,918		\$130,918
639	Contractual Service - Other	\$61,968		\$61,968
641	Rental of Building/Real Property	\$26,406	\$144,000	\$170,406
642	Rental of Equipment	\$30,559	\$	\$30,559
643	Small Tools	\$14,084	\$	\$14,084
648	Computer/Electronic Expense	\$52,833	\$	\$52,833
650	Transportation Expense	\$288,767	\$	\$288,767
656	Insurance – Vehicle	\$19,214	\$	\$19,214
657	Insurance – General Liability	\$45,019	\$	\$45,019

Acct #	OPERATING EXPENSES	Test Year \$	Proposed Adj	(A + B = C) \$
658	Insurance – Workers’ Compensation	\$ 35,336	\$7,335	\$42,671
659	Insurance – Other	\$11,450	\$	\$11,450
660	Public Relations/Advertising Expense	\$1,176	\$	\$1,176
666	Amortization of Rate Case Expense	\$	\$	\$
667	Gross Revenue Fee	\$28,640	\$1,856	\$30,496
668	Conservation Expense	\$19,210		\$19,210
671	Cross Connection Control Program	\$	\$	\$
670	Bad Debt Expense	\$25,465	\$	\$25,465
673	Training and Certification Expense	\$25,472	\$	\$25,472
674	Consumer Confidence Report	\$ 1,350	\$	\$1,350
675	Miscellaneous Expenses	\$240,670	\$	\$240,670
401	TOTAL OPERATING EXPENSES	\$6,321,832	\$468,106	\$6,789,938

Acct #	OTHER REVENUE DEDUCTIONS	Test Year	Proposed Adj	(A + B = C)
403	Depreciation Expense	\$ 712,024	\$39,892	\$751,916
406	Amortization of Plant/ Acquisition Adj.	\$	\$	\$
407	Amortization Expense	\$	\$	\$
408	Taxes Other Than Income	\$716,523	\$61,530	\$778,053
409.10	Federal Income Tax	\$194,884	\$73,172	\$268,056
409.11	Oregon Income Tax	\$65,577	\$28,590	\$94,167
409.13	Extraordinary Items Income Tax	\$	\$	\$
	TOTAL REVENUE DEDUCTIONS	\$8,010,840	\$ 671,290	\$8,682,130

29. Q PROVIDE LINE ITEMS COMPONENTS OF MISCELLANEOUS EXPENSE.

A. The following is an itemized list of all miscellaneous expenses:

DESCRIPTION OF MISCELLANEOUS EXPENSES	ANNUAL COST
Industry Dues and Memberships	\$ 3,643
Bank Charges	\$ 24,314
Merchant fees	\$ 69,952
Guarantee fees	\$ 142,761
	\$
	\$
	\$
TOTAL	\$ 240,670

UTILITY CURRENT RATES AND SCHEDULES

30. Q. PLEASE DESCRIBE THE UTILITY’S CURRENT RATES.

A. The utility’s current rate structure is described below:

CURRENT RATES FOR RESIDENTIAL SERVICE

Line or Meter Size	Check One	Monthly Base or Flat Rate	Residential Consumption Included in Base Rate	Current Residential Monthly Commodity/Usage Rate
5/8"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$26.17	0 <input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$.95 Per 100 CF Tier 2 - \$ Per Up to: Above:
3/4"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$35.69	0 <input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$.95 Per 100 CF Tier 2 - \$ Per Up to: Above:
1"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$59.48	0 <input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$.95 Per 100 CF Tier 2 - \$ Per Up to: Above:
1 1/2"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$107.06	0 <input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$.95 Per 100 CF Tier 2 - \$ Per Up to: Above:
2"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$190.34	0 <input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$.95 Per 100 CF Tier 2 - \$ Per Up to: Above:
3"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$356.88	0 <input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$.95 Per 100 CF Tier 2 - \$ Per Up to: Above:
4"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$594.80	0 <input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$.95 Per 100 CF Tier 2 - \$ Per Up to: Above:
6"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$951.68	0 <input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$.95 Per 100 CF Tier 2 - \$ Per Up to: Above:
8"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$1,903.35	0 <input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$.95 Per 100 CF Tier 2 - \$ Per Up to: Above:
SAMPLE 5/8"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$20.00	None <input type="checkbox"/> CF <input checked="" type="checkbox"/> Gal	Tier 1 - \$.60 Per 100 gals Tier 2 - \$.82 Per 100 gals Up to 3,000 gal Above 3,000 gal

CURRENT RATES FOR COMMERCIAL SERVICE

Line or Meter Size	Check One	Monthly Base or Flat Rate	Commercial Consumption Included in Base Rate	Current Commercial Monthly Commodity/Usage Rate
5/8"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$26.17	0 <input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$.95 Per 100 CF Tier 2 - \$ Per Up to: Above:
3/4"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$35.69	0 <input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$.95 Per 100 CF Tier 2 - \$ Per Up to: Above:
1"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$59.48	0 <input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$.95 Per 100 CF Tier 2 - \$ Per Up to: Above:
1 1/2"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$107.06	0 <input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$.95 Per 100 CF Tier 2 - \$ Per Up to: Above:
2"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$190.34	0 <input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$.95 Per 100 CF Tier 2 - \$ Per Up to: Above:
3"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$356.88	0 <input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$.95 Per 100 CF Tier 2 - \$ Per Up to: Above:
4"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$594.80	0 <input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$.95 Per 100 CF Tier 2 - \$ Per Up to: Above:
6"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$951.68	0 <input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$.95 Per 100 CF Tier 2 - \$ Per Up to: Above:
8"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$1,903.35	0 <input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$.95 Per 100 CF Tier 2 - \$ Per Up to: Above:

CURRENT RATES FOR IRRIGATION SERVICE

Line or Meter Size	Check One	Monthly Base or Flat Rate	Irrigation Consumption Included in Base Rate	Current Irrigation Monthly Commodity/Usage Rate
	<input type="checkbox"/> M <input type="checkbox"/> F	\$10.43 per premise	<input type="checkbox"/> CF <input type="checkbox"/> Gal	\$7.78 Per acre foot
	<input type="checkbox"/> M <input type="checkbox"/> F	\$	<input type="checkbox"/> CF <input type="checkbox"/> Gal	\$ Per
	<input type="checkbox"/> M <input type="checkbox"/> F	\$	<input type="checkbox"/> CF <input type="checkbox"/> Gal	\$ Per
	<input type="checkbox"/> M <input type="checkbox"/> F	\$	<input type="checkbox"/> CF <input type="checkbox"/> Gal	\$ Per
	<input type="checkbox"/> M <input type="checkbox"/> F	\$	<input type="checkbox"/> CF <input type="checkbox"/> Gal	\$ Per
	<input type="checkbox"/> M <input type="checkbox"/> F	\$	<input type="checkbox"/> CF <input type="checkbox"/> Gal	\$ Per

CURRENT RATE FOR FIRE PROTECTION OR HYDRANT SERVICE

Type of Service	# of Customers	Monthly Rate
Public Fire Protection		\$
Private Fire Protection – 4” or smaller	50	\$21.68
Private Fire Protection – 6”	10	\$47.47
Private Fire Protection – 8”	1	\$83.24
Private Fire Protection – 10”	0	\$129.19
Private Fire Protection – 12”	0	\$185.33
Hydrant Maintenance	28	\$13.66
		\$
		\$

CURRENT RATE(S) FOR SPECIAL CONTRACT

(State who the contract is with and explain the monthly charge(s) for each special contract.)

Special Contract Company/Person	Monthly Rate
N/A	\$
	\$
	\$
	\$

CURRENT RATE FOR OTHER SERVICE NOT COVERED ABOVE

(State what the service is and explain the monthly charge(s).)

Specify Service	Check One	Current Charges
Sales for Resale	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$1.06 per 100 CF
	<input type="checkbox"/> M <input type="checkbox"/> F	\$

31. Q. PLEASE PROVIDE THE FOLLOWING FOR EACH CUSTOMER CLASS FOR THE MOST RECENT COMPLETED CALENDAR YEAR OF 2019.

(Count each dwelling unit, such as each mobile home, each side of the duplex, each condominium as a customer.)

A.

Customer Class	Number of Customers at Start of Year	Number of Customers at End of Year	Total Annual Revenues	Total Annual Consumption	Cubic Feet or Gal
Residential	13,415	13,648	\$ 7,035,725	263,452,045	<input checked="" type="checkbox"/> CF <input type="checkbox"/> Gal
Commercial/Industrial	306	337	\$960,672	65,070,117	<input checked="" type="checkbox"/> CF <input type="checkbox"/> Gal
Multiple Dwellings			\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal
Irrigation	789	781	\$ 464,950		<input type="checkbox"/> CF <input type="checkbox"/> Gal
Fire Protection			\$ 31,777		<input type="checkbox"/> CF <input type="checkbox"/> Gal
Other (please specify)			\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal
Sales for resale			\$ 30,621		<input type="checkbox"/> CF <input type="checkbox"/> Gal
TOTAL	14,510	14,766	\$ 8,523,745	328,522,162	<input type="checkbox"/> CF <input type="checkbox"/> Gal

UTILITY PROPOSED RATES AND SCHEDULES

32. Q. PLEASE DESCRIBE THE RATE STRUCTURE THE UTILITY IS PROPOSING IN THIS RATE PROCEEDING?

A. The utility is proposing the following rate structure:

PROPOSED RATES FOR RESIDENTIAL SERVICE

Line or Meter Size	Check One	Monthly Base or Flat Rate	Residential Consumption Included in Base Rate	Proposed Residential Monthly Commodity/Usage Rate	
5/8"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$27.34	0	<input type="checkbox"/> CF <input type="checkbox"/> Gal Tier 1 - \$1.13 Per 100 cu. ft. Tier 2 - \$ Per	Up to: Above:
3/4"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$41.01	0	<input type="checkbox"/> CF <input type="checkbox"/> Gal Tier 1 - \$1.13 Per 100 cu. ft. Tier 2 - \$ Per	Up to: Above:
1"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$68.36	0	<input type="checkbox"/> CF <input type="checkbox"/> Gal Tier 1 - \$1.13 Per 100 cu. ft. Tier 2 - \$ Per	Up to: Above:
1 1/2"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$136.72	0	<input type="checkbox"/> CF <input type="checkbox"/> Gal Tier 1 - \$1.13 Per 100 cu. ft. Tier 2 - \$ Per	Up to: Above:
2"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$218.75	0	<input type="checkbox"/> CF <input type="checkbox"/> Gal Tier 1 - \$1.13 Per 100 cu. ft. Tier 2 - \$ Per	Up to: Above:
3"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$410.15	0	<input type="checkbox"/> CF <input type="checkbox"/> Gal Tier 1 - \$1.13 Per 100 cu. ft. Tier 2 - \$ Per	Up to: Above:
4"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$683.58	0	<input type="checkbox"/> CF <input type="checkbox"/> Gal Tier 1 - \$1.13 Per 100 cu. ft. Tier 2 - \$ Per	Up to: Above:
6"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$1,367.16	0	<input type="checkbox"/> CF <input type="checkbox"/> Gal Tier 1 - \$1.13 Per 100 cu. ft. Tier 2 - \$ Per	Up to: Above:

8"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$2,187.46	0	<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$1.13 Per 100 cu. ft. Tier 2 - \$ Per	Up to: Above:
	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$ Per 100 cu. ft. Tier 2 - \$ Per	Up to: Above:

PROPOSED RATES FOR COMMERCIAL SERVICE

Line or Meter Size	Check One	Monthly Base or Flat Rate	Commercial Consumption Included in Base Rate	Proposed Commercial Monthly Commodity/Usage Rate	
5/8"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$ 27.34	0	<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$1.13 Per 100 cu. ft. Tier 2 - \$ Per Up to: Above:
3/4"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$41.01	0	<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$1.13 Per 100 cu. ft. Tier 2 - \$ Per Up to: Above:
1"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$68.36	0	<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$1.13 Per 100 cu. ft. Tier 2 - \$ Per Up to: Above:
1 1/2"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$136.72	0	<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$1.13 Per 100 cu. ft. Tier 2 - \$ Per Up to: Above:
2"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$218.75	0	<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$1.13 Per 100 cu. ft. Tier 2 - \$ Per Up to: Above:
3"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$410.15	0	<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$1.13 Per 100 cu. ft. Tier 2 - \$ Per Up to: Above:
4"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$683.58	0	<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$1.13 Per 100 cu. ft. Tier 2 - \$ Per Up to: Above:
6"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$1,367.16	0	<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$1.13 Per 100 cu. ft. Tier 2 - \$ Per Up to: Above:
8"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$ 2,187.46	0	<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$ Per 100 cu. ft. Tier 2 - \$ Per Up to: Above:

PROPOSED RATES FOR IRRIGATION SERVICE

Line or Meter Size	Check One	Monthly Base or Flat Rate	Irrigation Consumption Included	Proposed Irrigation Monthly Commodity/Usage Rate	
	<input type="checkbox"/> M <input type="checkbox"/> F	\$ 10.43 per premise		<input type="checkbox"/> CF <input type="checkbox"/> Gal	\$7.78 Per acre foot
	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal	\$ Per
	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal	\$ Per
	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal	\$ Per
	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal	\$ Per
	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal	\$ Per
	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal	\$ Per

PROPOSED RATES FOR FIRE PROTECTION OR HYDRANT SERVICE

Type of Service	# of Customers	Proposed Monthly Rate
Public Fire Protection		\$

Private Fire Protection – 4” or smaller	50	\$ 32.76
Private Fire Protection – 6”	10	\$71.75
Private Fire Protection – 8”	1	\$125.81
Private Fire Protection – 10”	0	\$195.26
Private Fire Protection – 12”	0	\$280.12
Hydrant Maintenance	28	\$ 20.64
		\$
		\$

PROPOSED RATES FOR SPECIAL CONTRACTS

(State who the contract is with and explain the monthly charge(s) for each special contract.)

Special Contracts	Monthly Rate	Annual Rate
N/A	\$	\$
	\$	\$

PROPOSED RATE FOR OTHER SERVICE NOT COVERED ABOVE

(State what the service is and explain the monthly charge(s).)

Specify Service	Check One	Estimated Annual Consumption	Monthly Rate	Annual Revenue
Sales for resale	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	<input checked="" type="checkbox"/> CF <input type="checkbox"/> Gal	\$1.32 per 100 cu. ft.	\$35,376
	<input type="checkbox"/> M <input type="checkbox"/> F	<input type="checkbox"/> CF <input type="checkbox"/> Gal	\$	\$

33. Q. IF THE UTILITY’S RATE PROPOSAL WERE ADOPTED, PROVIDE THE FOLLOWING FOR EACH CUSTOMER CLASS AT THE SPECIFIED METER OR LINE SIZE.

A. The utility’s **PROPOSED** number of customers, and average customer monthly bill and consumption for each customer class annual revenues, is shown below.

Customer Class	Number of Customers	Average Monthly Bill	Average Monthly Consumption	Total Annual Revenue
Residential & Commercial 5/8”	12,670	\$46.20	19,582,664	\$4,157,275
Residential & Commercial 3/4”	340	\$51.02	278,968	\$167,341
Residential & Commercial 1”	940	\$103.64	2,718,773	\$771,081
Residential & Commercial 1 1/2”	40	\$268.16	430,954	\$65,624
Residential & Commercial 2”	81	\$370.93	1,010,391	\$212,621
Residential & Commercial 3”	11	\$1,006.76	537,923	\$54,140
Residential & Commercial 4”	12	\$2,880.45	2,160,852	\$98,436
Residential & Commercial 6”	1	\$9,374.29	656,322	\$16,406
Residential & Commercial 8 ”		\$		\$

Customer Class	Number of Customers	Average Monthly Bill	Average Monthly Consumption	Total Annual Revenue
Public Fire Protection		\$	0	\$
Private Fire Protection – 4” or smaller	50	\$32.76	0	\$19,657
Private Fire Protection – 6”	10	\$71.75	0	\$8,610
Private Fire Protection – 8”	1	\$125.81	0	\$1,510
Private Fire Protection – 10”	0	\$195.26	0	\$0
Private Fire Protection – 12”	0	\$280.12	0	\$0

Customer Class	Number of Customers	Average Monthly Bill	Average Monthly Consumption	Total Annual Revenue
Hydrant Maintenance	28	\$20.64	0	\$6,935
Other		\$		\$
Golf Course		\$		\$
TOTAL	89	\$		\$ 36,712

UTILITY PLANT

34. Q. HAS THE UTILITY MADE ANY CAPITAL IMPROVEMENTS, ADDITIONS, OR EXTENSIONS TO ITS WATER SYSTEM DURING THE LAST FIVE (5) YEARS OR SINCE ITS LAST RATE CASE?

- A. **No**, the utility has made no improvements, additions, or extensions to its water system in the last five (5) years or since its last rate case.
- Yes**, the utility has made the following improvements, additions, or extensions to its water system in the last five (5) years or since its last rate case as detailed below:

Capital Improvement/ Plant Description	Date Purchased Or Constructed	Cost (including labor)	In Service Date
Wells, trans./dist. mains, meters, and other plant	2017	\$ 2,298,698	2017
Wells, trans./dist. mains, meters, and other plant	2018	\$ 1,431,155	2018
Wells, trans./dist. mains, meters, and other plant	2019	\$ 3,495,739	2019
		\$	
		\$	

35. Q. DOES THE UTILITY PROPOSE ANY CAPITAL IMPROVEMENT, ADDITIONS, OR EXTENSIONS TO ITS WATER SYSTEM WITHIN THE NEXT 12 MONTHS?

- A. **No**, the utility does not propose any improvements, additions, or extensions to system plant in the next six months.
- Yes**, the utility proposes the following improvements, additions, or extensions to system plant in the next six months.

Future Plant Description	Estimated Cost (including labor)	Est. Date In Service
Transmission/distribution mains	\$555,925	6/30/2020
Well	\$929,910	5/1/2020
Service Center land	\$375,000	01/01/2021
Service Center leasehold improvements	\$150,000	01/01/2021
	\$	

36. Q. HAS THE UTILITY APPLIED FOR FUNDS FROM THE SAFE DRINKING WATER STATE REVOLVING FUND TO IMPROVE THE WATER SYSTEM? IF YES, DESCRIBE THE IMPROVEMENTS AND AMOUNT REQUESTED.

- A. **No**, the utility has not applied for funds from the Safe Drinking Water State Revolving Fund.
- Yes**, the utility has applied for funds from the Safe Drinking Water State Revolving Fund.

37. Q. PROVIDE THE FOLLOWING INFORMATION ON UTILITY PLANT IN SERVICE.

You may attach a plan/depreciation schedule if available. In a separate schedule include all plant or cash donated or contributed to the utility by a developer or by customers that is not intended to be repaid.

A. Utility plant is shown below:

ACCT #	UTILITY PLANT ACCOUNTS	IN SERVICE DATE	ORIGINAL COST
301	Organization	Various	\$211
302	Franchises	Various	\$ 0
303	Land & Land Rights	Various	\$2,280,254
304	Structures & Improvements	Various	\$1,677,454
305	Collecting/Impounding/Reservoirs	Various	\$4,769
306	Lake, River & Other Intakes	Various	\$34,925
307	Wells & Spring	Various	\$2,231,963
308	Infiltration Galleries & Tunnels	Various	\$106
309	Supply Mains	Various	\$433,706
310	Power Generation Equipment	Various	\$1,203
311	Pumping Equipment	Various	\$1,628,431
320	Water Treatment Equipment	Various	\$21,100
330	Distribution/Reservoirs/Standpipes	Various	\$3,669,297
331	Transmission & Distribution Mains	Various	\$42,104,875
333	Services	Various	\$1,338,619
334	Meters & Meter Installation	Various	\$1,645,473
335	Hydrants	Various	\$169,620
336	Cross Connections (Utility Owned)	Various	\$336,416
339	Miscellaneous Plant & Equipment	Various	\$210,713
340	Office Furniture & Equipment	Various	\$125,486
341	Transportation Equipment	Various	\$665,764
343	Tools, Shop & Garage Equipment	Various	\$116,066
344	Laboratory Equipment	Various	\$ 0
345	Power Operated Equipment	Various	\$170,192
346	Communication Equipment	Various	\$174,713
347	Electronic/Computer Equipment	Various	\$284,188
348	Miscellaneous Equipment	Various	\$14,161
TOTAL			\$59,339,705

38. Q. IN COLUMN A: PROVIDE ACTUAL PLANT TOTAL FOR TEST YEAR. IN COLUMN B: PROVIDE THE PROPOSED ADJUSTMENTS (INCREASE OR DECREASE) FOR THE COMING YEAR. IN COLUMN C PROVIDE THE TOTAL OF COLUMN A PLUS COLUMN B.

A. Plant accounts are shown below:

UTILITY PLANT	Test Year	Proposed Adjustments	(A + B = C)
Total Utility Plant (from above)	\$59,339,705	\$2,010,835	\$61,350,540
SUBTRACT Accumulated Depreciation of Utility Plant In Service	\$19,596,887	\$	\$19,596,887
SUBTRACT Accumulated Amortization of Utility Plant In Service	\$ 0	\$	\$
SUBTRACT Contributions in Aid of Construction	\$27,692,999		\$27,692,999
ADD Accumulated Amortization of CIAC	\$8,182,217		\$8,182,217
SUBTRACT Accumulated Deferred Income Tax	\$3,099,541		\$3,099,541
SUBTRACT Advances For Construction	\$	\$	\$
SUB TOTAL	\$17,132,495	\$2,010,835	\$19,143,330
ADD Plant Material/Supplies Inventory	\$302,209	\$	\$302,209
ADD Working Cash (1/12 total operating expense)	\$526,819	\$39,009	\$565,828
TOTAL	\$17,961,523	\$2,049,844	\$20,011,367

39. Q. DOES THE UTILITY HAVE A MASTER METER AT ITS WATER SUPPLY SOURCE? IF SO, PROVIDE THE TOTAL AMOUNT OF WATER PUMPED DURING THE LAST CALENDAR YEAR.

- A. No, the utility does not have a master meter at its water supply source.
 Yes, the utility has a master meter at its water supply source. The total amount of water pumped during the last calendar year was _____ gallons or cubic feet.

40. Q. DOES THE UTILITY HAVE WATER RIGHT PERMITS OR CERTIFICATED WATER RIGHTS AS REQUIRED BY THE OREGON WATER RESOURCES DEPARTMENT?

- A. Water Right Information: Yes, please see attached.

41. Q. PLEASE DESCRIBE THE UTILITY’S SOURCE OF WATER SUPPLY.

- A. The utility’s source of ground water supply is: Please see attached.
 Well logs are attached.

	WELL No. 1	WELL No. 2	WELL No. 3	WELL No. 4	WELL No. 5
WELL NAME OR IDENTIFYING NO.	PLEASE SEE ATTACHED				
YEAR CONSTRUCTED					

WATER RIGHT PERMIT OR CERTIFICATION NUMBER					
HYDRAULICALLY CONNECTED TO SURFACE WATER (YES OR NO)					
WELL DEPTH					
WELL DIAMETER					
PUMPING CAPACITY – GPM					
PUMP MOTOR – HP					
YIELDS OF WELL IN GPD					
WELL CONSTRUCTION					
CASING					

42. Q. PLEASE DESCRIBE THE UTILITY’S PUMPING SYSTEM FOR DISTRIBUTION, INCLUDING THE RANGE OF PRESSURE AT WHICH THE WATER IS PUMPED INTO THE DISTRIBUTION SYSTEM AND DELIVERED TO THE CUSTOMERS.

A. Pumping System: _____.

Pump Type & Pump HP	Ave Daily Demand	Annual Peak Demand	Max Pumping Capacity	Pressure at Pump	Pressure at Customers’ Property
Please see attached					

43. Q. PLEASE PROVIDE THE INFORMATION REGARDING THE UTILITY’S WATER STORAGE CAPACITY BELOW.

A.

STORAGE TANKS/RESERVOIRS					
IDENTIFY EACH SEPARATELY					
NAME OR IDENTIFYING NUMBER	DESCRIPTION I.E.: STEEL, CONCRETE PNEUMATIC	TANK CAPACITY	GROUND OR ELEVATED	DATE INSTALLED	PRESENT CONDITION
PLEASE SEE ATTACHED					

44. Q. PLEASE FILL IN THE INFORMATION REGARDING THE UTILITY’S WATER TREATMENT FACILITIES BELOW.

A.

WATER TREATMENT FACILITIES				
NAME OR IDENTIFYING NO.	TYPE	MAKE	GALLONS PER DAY CAPACITY	METHOD OF MEASUREMENT
WILDRIVER	UV	ATLANTIC ULTRA VIOLET	5,280	N/A
RED CLOUD	CHLORINE	LMI	7,200	RESIDUAL TEST

--	--	--	--	--

45. Q. IS THE UTILITY ESTABLISHING NEW RULES OR PROPOSING CHANGES TO ITS CURRENT RULES?

- A. The utility is proposing to establish new rules.
- The utility is not proposing any rule changes.
- The Utility is proposing to change the following rules (include rule number and a summary of the proposed changes.

RULE NUMBER	PROPOSED CHANGE
Please see attached tariff	

SERVICE QUALITY

46. Q. PLEASE DESCRIBE THE TYPE AND NUMBER OF SERVICE PROBLEMS AND CUSTOMER COMPLAINTS THE UTILITY HAS EXPERIENCED IN THE LAST YEAR. DESCRIBE ANY ACTION TAKEN BY THE UTILITY TO RESOLVE THE PROBLEMS.

- A. **No**, the Utility has not experienced any service problems or customer complaints in the last year.
- Yes**, the Utility has experienced service problems and/or customer complaints as listed below and has taken the following steps to correct or improve them: **Most customer complaints and service problems are due to low water pressure or no water. A serviceman is dispatched as soon as possible to check the problem. In the winter, these issues are usually related to frozen meters and DCVAs. In the summer, these issues are mostly due to line breaks, power outages or excessive demand on the system during hot, dry weather. Problems are generally resolved during the same day. Customer service complaints are generally due to a mis-processed payment or people upset about a service disconnection. Office staff is reminded regularly of the importance of being polite and helpful to customers and errors are corrected as soon as possible.**

47. Q. DOES THE UTILITY HAVE ANY CURRENT SERVICE PROBLEMS THAT IT PROPOSES TO CORRECT OR IMPROVE IN THE NEXT CALENDAR YEAR?

- A. **No**, the utility does not have any service problems that it proposes to correct/improve during the next calendar year.
- Yes**, the utility has service problems that it proposes to correct or improve during the next calendar year as described below:

50. Q. DOES THE UTILITY HAVE ANY FIRE HYDRANTS? IF YES, PLEASE LIST HOW MANY, HOW MANY FEET APART ARE THEY, AND THE UTILITY'S HYDRANT MAINTENANCE SCHEDULE (INCLUDING EXERCISING VALVES). WHAT IS THE UTILITY'S FIRE INSURANCE RATING?

- A. **No**, the utility does not have any fire hydrants.

Yes, the utility does have fire hydrants. There are 1,484 number of hydrants located various feet apart. The utility's fire insurance rating is unknown.

51. Q. IS THE UTILITY CURRENT WITH ALL OF THE OREGON DEPARTMENT OF HUMAN SERVICES DRINKING WATER PROGRAM (DWP) REQUIREMENTS? IF NOT, PLEASE DESCRIBE THE REQUIREMENTS THE UTILITY HAS NOT COMPLIED WITH.

- A. **Yes**, the utility is current in all its DWP requirements.
 No, the utility is not current all its DWP requirements. It has not complied with _____

52. Q. IF YOU HAVE FEWER THAN 200 TOTAL CUSTOMERS, PLEASE ATTACH A CURRENT AND COMPLETE CUSTOMER MAILING LIST. INCLUDE EACH CUSTOMER'S NAME AND MAILING ADDRESS.

- A. I have over 200 customers.
 I have fewer than 200 customers and have attached a customer mailing list.

53. Q. WOULD YOU LIKE TO TESTIFY REGARDING OTHER ISSUES?

- A. **No**.
 Yes, I would like to testify additionally regarding the following:
Please see Exhibit 100.

54. Q. DOES THIS CONCLUDE YOUR TESTIMONY?

- A. **Yes**.

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

NAMING RATES FOR

Avion Water Company, Inc.
(name of utility)

60813 Parrell Road
(address)

Bend, Oregon 97702
(city, state, & zip code)

541-382-5342 (telephone)
541-382-5390 (fax)
(telephone numbers and type)

Serving water in the vicinity of

Parts of Deschutes & Crook Counties, Oregon

Issue Date		Effective for Service on or after	8/1/2020
Issued By	AVION WATER COMPANY, INC.		

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Issue Date		Effective for Service on or after	8/1/2020
Issued By	AVION WATER COMPANY, INC.		

SCHEDULE NO. 1

RESIDENTIAL AND COMMERCIAL METERED RATES

AVAILABLE: To customers of the Company in the areas of Crook and Deschutes Counties.

APPLICABLE: To all customers (excluding irrigation service and fire service).

BASE RATE

Service Meter Size	Monthly Base Rate	Usage Allowance
5/8 inch	\$27.34	None
3/4 inch	\$41.01	None
1 inch	\$68.36	None
1 ½ inches	\$136.72	None
2 inches	\$218.75	None
3 inches	\$410.15	None
4 inches	\$683.58	None
6 inches	\$1,367.16	None
8 inches	\$2,187.46	None

COMMODITY RATE

Commodity Rate	Per	Number Of Units	Unit Of Measure	Base Usage Allowance	Unit Of Measure
\$1.13	Per	100	Cubic Feet	None	Cubic Feet

SPECIAL PROVISIONS:

1. Water used during the construction of buildings, etc., shall be metered, whenever practical. Charges shall be made at the rates specified in this schedule. When setting of a meter is impractical, the amount of water used shall be estimated, and the charges shall be made at specified rates for the amounts so estimated.
2. City of Bend residents will be charged a monthly City franchise fee based off of a monthly total of all accounts recognized by the Oregon P.U.C. to set Avion's rates.
3. These rates are based on continuous service. Discontinuation of service may not be employed to avoid monthly charges for service. See Rule No. 26, Voluntary Discontinuance.

Issue Date		Effective for Service on or after	8/1/2020
Issued By	AVION WATER COMPANY, INC.		

SCHEDULE NO. 2

IRRIGATION DELIVERY RATES

AVAILABLE: To all irrigation customers of the Utility in Deschutes County whose irrigation water source is Arnold, Swalley, or Central Oregon Irrigation Districts.

APPLICABLE: To those irrigation customers who have water rights adjudicated to the land for which the Utility has facilities to deliver the water under pressure to the customer's land.

BILLING PERIOD: Monthly rates for irrigation service are charged throughout the year. The same customer disconnection and reconnecting irrigation service within the same twelve month period will be billed for continuous service at the time of reconnection.

IRRIGATION BASE AND VARIABLE RATES

Water Delivery Charge Base Rate per Month	\$10.43 per customer premise
Water Delivery Charge Variable Rate per Month	\$7.78 per acre feet of water right adjudicated to the customer's premise
Irrigation Water Assessment	"At Cost"

Issue Date		Effective for Service on or after	8/1/2020
Issued By	AVION WATER COMPANY, INC.		

SCHEDULE NO. 3

MISCELLANEOUS SERVICE CHARGES

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

Connection Charge for New Service (Rules No. 8 & 9)

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

Meter Test (Rules No. 19 & 20)

First test within 12-month period	N/C
Second (and subsequent) test within 12-month period	\$50

Pressure Test (Rule No. 41)

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

Late-Payment Charge (Rule No. 21)

Charged on amounts more than 30 days past due Pursuant to OAR 860-036-1400

Deposit for Service (Rule No. 5)

Pursuant to OAR 860-0361220

Returned-Check Charge/

Non-Sufficient Funds Charge (Rule No. 22) \$25 each occurrence

Trouble-Call Charge (Rule No. 35)

During normal office hours	\$25 per hour
After normal office hours on special request	\$35 per hour

Disconnection/Reconnection Charge (Rules No. 28 & 29)

During normal office hours	\$25 per occurrence
After normal office hours on special request	\$35 per occurrence

Unauthorized Restoration of Service (Rule No. 30)

Reconnection charge plus costs

Damage/Tampering Charge (Rule No. 28)

At cost

Disconnect Field Visit Charge (Rule No. 29)

\$25

Issue Date		Effective for Service on or after	8/1/2020
Issued By	AVION WATER COMPANY, INC.		

SCHEDULE NO. 3 (Continued)
 MISCELLANEOUS SERVICE CHARGES

General Field Service Rates

Customer Hourly Rate	\$40.00/hour plus materials
Non-customer Hourly Rate	\$60.00/hour plus materials

Equipment Field Service Rates

Vac Trailer, Mini-Excavator, Skid Steer, Backhoe	\$60.00/hour/machine
Rented equipment	At cost

Credit Card Transaction Fees

\$0.75 Convenience fee per transaction

(A Chargeback Transaction Fee applies only when a customer disputes a transaction but Visa/MasterCard finds it was an authorized transaction.)

\$12.00 Chargeback transaction fee

Special Note: Avion's Visa/MasterCard transaction fees will vary according to the rates charged by Visa/MasterCard. Avion is required to provide 30 days written notice to the Oregon PUC of any changes in these charges prior to their taking effect.

Issue Date		Effective for Service on or after	8/1/2020
Issued By	AVION WATER COMPANY, INC.		

SCHEDULE NO. 4

FIRE SERVICE RATES

AVAILABLE: To fire service customers of the Utility in the areas of Deschutes and Crook Counties, Oregon.

APPLICABLE: To fire service customers with privately-owned and maintained fire service lines connected to the Utility mains.

FIRE SERVICE BASE RATE PER MONTH

Fire Service Lines By Size	Rate
4 inch and smaller supply	\$32.76
6 inch supply	\$71.75
8 inch supply	\$125.81
10 inch supply	\$195.26
12 inch supply	\$280.12

FIRE HYDRANT MAINTENANCE RATES

AVAILABLE: To fire service customers of the Utility in the areas of Deschutes and Crook Counties, Oregon.

APPLICABLE: To premises with fire hydrants located on premises.

BASE CHARGE PER MONTH: Per hydrant per month: \$20.64.

Issue Date		Effective for Service on or after	8/1/2020
Issued By	AVION WATER COMPANY, INC.		

SCHEDULE NO. 5

RATES FOR COMMERCIAL WATER HAULERS

AVAILABLE: To commercial water haulers in Deschutes and Crook Counties where the Utility's facilities and excess capacity exist. Determination of adequacy of facilities and capacity is in the sole discretion of Avion Water Company, Inc. Each commercial water truck must be inspected by Avion and be equipped with a suitable hydrant meter, suitable backflow prevention devices (or air gap), chapman valve, and a fire hydrant wrench.

APPLICABLE: To all commercial water haulers.

COMMERCIAL WATER HAULERS MONTHLY RATE

\$1.32 per 100 cubic feet

SPECIAL PROVISIONS:

1. Truck meters must be presented at Avion's office between the 15th and the 20th 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 Avion to have excess capacity. Failure to comply with this requirement will be considered grounds for termination of service.
4. Continued use of Avion facilities following termination of service shall be considered theft of services under OAR 860-036-1590.

Issue Date		Effective for Service on or after	8/1/2020
Issued By	AVION WATER COMPANY, INC.		

SCHEDULE NO. 6

EQUAL PAYMENT PLAN

AVAILABLE: To residential customers of Avion Water Company, Inc.

APPLICABLE: To residential customers of Avion Water Company, Inc.

EQUAL PAYMENT PLAN:

At the option of the customer, residential service billings may be rendered in equal monthly amounts provided the customer has satisfactory credit or account balances not exceeding the calculated equal monthly billing. At the Utility's option, the plan may be offered to commercial customers.

The Equal Payment Plan (EPP) shall consist of 12 equal monthly billings, based on an average actual cubic feet usage for the most recent 12 months billed at the current rates. Customers must have 12 months account history at the address to qualify for EPP. When rate schedules change, the EPP will be re-computed based on the new approved rates.

EPP accounts shall be reviewed after the first twelve months of billing and at least annually thereafter. During the annual review month, the actual accounts receivable balance (debit or credit) shall be incorporated into the estimate for the next 12 months on the EPP unless the customer requests that the account balance be settled at that time.

The EPP may be reviewed and amended by the Utility as needed in response to changing prices or variations in the customer's water usage.

Enrollment in the EPP may occur at any time. Customers may cancel their EPP by notifying the Utility and paying the total account balance. The Utility reserves the right to cancel a customer's EPP if they are delinquent on payment of the equal monthly billing.

Issue Date		Effective for Service on or after	8/1/2020
Issued By	AVION WATER COMPANY, INC.		

SCHEDULE NO. 7

RESIDENTIAL UNIT EQUIVALENTS BY
 METER SIZE

AVAILABLE: To customers of the Utility in the areas of Crook and Deschutes Counties.

APPLICABLE: To developers of projects using the Utility's water service that are not using Schedule 12 or 15.

RESIDENTIAL UNIT EQUIVALENTS BY SERVICE METER SIZE

Service Meter Size	AWWA Multiplier	Fee
5/8" x 3/4" inch	1	\$3,000
3/4 inch	1.5	\$4,500
1 inch	2.5	\$7,500
1 1/2 inch	5	\$15,000
2 inch	8	\$24,000
3-inch	15	\$45,000
4 inch	25	\$75,000
6 inch	50	\$150,000
8 inch	80	\$240,000
4 inch or smaller fire	2	\$6,000
6 inch or larger fire	4	\$12,000

SPECIAL PROVISIONS:

1. Multiple family projects are charged based upon meter size required.
2. Condominium projects or similar projects are charged based upon meter size per unit.
3. Multipliers are provided by the American Water Works Association (AWWA).

Issue Date		Effective for Service on or after	8/1/2020
Issued By	AVION WATER COMPANY, INC.		

SCHEDULE NO. 8

CIAC TAX FEE

AVAILABLE: To customers of the Utility

APPLICABLE: To developers of projects using the Utility's water service.

Any individual or entity making a cash (see schedule 7, 12, 15) or plant contribution (CIAC) to Avion Water Company will be assessed a fee to pay for the associated federal and state income tax consequences to Avion for accepting the CIAC.

If a plant CIAC is being contributed, the developer will provide to Avion Water Company the cost of the CIAC.

The additional fee will be calculated based on the following formula:

$$\text{Fee} = [\text{CIAC}/(1-\text{tax rate})]-\text{CIAC}$$

$$\text{The tax rate} = \text{Federal tax rate} \times (1-\text{Oregon corporate tax rate}) + \text{Oregon corporate tax rate}$$

Avion will refund any CIAC tax collected under this schedule if tax law changes do not require Avion to pay the taxes on CIAC.

Issue Date		Effective for Service on or after	8/1/2020
Issued By	AVION WATER COMPANY, INC.		

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: Schedules 1, 2, 4, and 5.

COMMODITY POWER COST ADJUSTMENT

Changes under the applicable schedules are subject to increases or decreases that may be made without prior hearing to reflect the changes in the Utility’s purchased power costs resulting from adjustments in the rate of the Utility’s power suppliers. Such adjustments may be shown in Schedule 1 and 2, 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.

DESCRIPTION OF POWER COST ADJUSTMENT CALCULATION FOR DOMESTIC WATER

Current power rate per 100 cf of water, multiplied by the power provider’s percentage increase, multiplied by the power provider’s allocation, equals the power cost adjustment per 100 cf. For example, PacifiCorp provides 56.22 percent of the Utility’s electric power for domestic water. A 30 percent increase by PacifiCorp would result in the following power cost adjustment:

Current Power Rate	Percentage Increase	Allocation
\$0.2422	30%	0.5622

$\$0.2422 \times 0.30 \times 0.5622 = \0.041 increase per 100 cf.

Issue Date		Effective for Service on or after	8/1/2020
Issued By	AVION WATER COMPANY, INC.		

DESCRIPTION OF POWER COST ADJUSTMENT CALCULATION FOR
 IRRIGATION WATER

Current power rate per acre feet of water, multiplied by the percentage increase in power costs, multiplied by the power provider’s allocation, equals the power cost adjustment per acre foot of water. For example, PacificCorp provides 68.21 percent of Avion’s electric power for irrigation water. A 30 percent increase by PacificCorp would result in the following:

Current Power Rate	Percentage Increase	Allocation
\$41.694	30%	0.682

$\$41.694 \times 0.30 \times 0.682 = \8.521 increase per acre foot of water

Similar calculation would be needed for each power supplier that changed its rates. The effect of these calculations would be a rolling forward current cost increase or decrease. Likewise, current power costs should be recalculated, providing a new basis for power cost at each future rate case to account for any changes in the distribution of power use among suppliers (a change in allocation). The Allocation index must be recalculated at two year intervals from the effective date of this schedule.

OTHER REQUIREMENTS

Avion shall, whenever possible, utilize its pumping operations at off-peak times in order to promote energy conservation. Avion will adopt a time-of-day usage of electric power from power suppliers who offer such a conservation tariff.

Issue Date		Effective for Service on or after	8/1/2020
Issued By	AVION WATER COMPANY, INC.		

SCHEDULE NO. 10

**CROSS CONNECTION CONTROL PROGRAM (PROGRAM) BACKFLOW
PREVENTION DEVICE SERVICES AND FEES**

PURPOSE: Avion Water Company offers its customers backflow prevention device/double check valve assembly (DCVA) testing, maintenance, and repair services (the Program).

AVAILABLE: To customers of Avion Water Company, Inc. (Avion), in Deschutes and Crook Counties, Oregon.

APPLICABLE: To residential and commercial/industrial premises with 1” or smaller DCVAs installed at the meter.

ENROLLMENT: Avion WILL ENROLL all customers with DCVAs installed at the meter in this Program UNLESS the customer signs an “OPT OUT” NOTICE and returns such notice to Avion.

PROGRAM DESCRIPTION

1. **TESTING SERVICE** – Avion will provide the required DCVA annual test by a state certified tester pursuant to Oregon Administrative Rules 333-061-0070 through OAR 333-061-0072.
2. **MAINTENANCE AND REPAIR SERVICE** – Avion will provide maintenance and repairs on customer-owned DCVAs installed at the meter. Maintenance does not include the start up, blow out, or other freeze protection of assemblies on irrigation systems. Replacement of DCVA is the responsibility of the customers and is not covered by Avion’s DCVA maintenance and repair services.

PROGRAM RATES

1. **ALL CUSTOMERS ENROLLED IN PROGRAM**
Monthly rate (itemized separately on customer water bill): \$2.76
2. **ALL CUSTOMERS WHO OPT OUT, BUT CHOOSE AVION AS A DEFAULT SERVICE SUPPLIER ON THEIR OPT OUT NOTICE**
At the time of annual testing, Avion will bill customers: \$45.00

Issue Date		Effective for Service on or after	8/1/2020
Issued By	AVION WATER COMPANY, INC.		

SCHEDULE NO. 10 (CONTINUED)

**CROSS CONNECTION CONTROL PROGRAM
BACKFLOW PREVENTION DEVICE SERVICES AND FEES**

OPT OUT CUSTOMERS WHO FAIL TO PROVIDE DCVA TEST RESULTS

OPT OUT customers who fail to provide Avion with annual DCVA test results by the customer's annual deadline will be disconnected from water service pursuant to OAR 860-036-1500 (DISCONNECTION PROCEDURES FOR ALL CUSTOMERS OF WATER UTILITY SERVICES) or OAR 860-036-1630 (EMERGENCY DISCONNECTION).

SPECIAL PROVISIONS:

1. The customer is under no obligation to use Avion's DCVA services.
2. The customer can choose any qualified company or individual to test, maintain, and repair his/her DCVA.
3. Avion will provide each customer with notification of the 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 the Company.
5. Customers who choose to OPT OUT of the Program are responsible for the annual testing, maintenance, repair, and replacement of their DCVAs.
6. Avion 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 Avion on or before the customers' annual deadlines.
7. Avion reserves the right to propose before the Public Utility Commission of Oregon any change in the amount charged for the Program services.
8. Customers will be given the choice of accepting or rejecting a new agreement in advance of any rate increase.

Issue Date		Effective for Service on or after	8/1/2020
Issued By	AVION WATER COMPANY, INC.		

SCHEDULE NO. 11

**DESCHUTES RIVER RESTORATION PROGRAM VOLUNTARY RESIDENTIAL
 AND COMMERCIAL METERED RATES**

AVAILABLE: To customers of the Company in the areas of Crook and Deschutes Counties who elect to participate in “Deschutes River Restoration” Program.

APPLICABLE: To all customers of Avion.

BASE RATES:

Rate Schedule (5/8” x 3/4” Meters)
(Sample)

Participation Level	Residential Equivalents	Monthly Mitigation Charge	Residential Rate 5/8” Meter	Residential Rate 3/4” Meter
A	1	\$1.60	\$27.77	\$37.29
B	2	\$3.20	\$29.37	\$38.89
C	3	\$4.80	\$30.97	\$40.49
D	4	\$6.40	\$32.57	\$42.09

SPECIAL CONDITIONS:

1. Rates for participation level are added to customer’s base rate in Schedule 1.
2. Customers may elect to discontinue the voluntary program at any time and not receive any charges.
3. The total amount collected each month will be passed on directly to the Deschutes River Conservancy with the express purpose of purchasing water rights to dedicate in-stream to the Deschutes River.
4. The amount received will be transferred to the Deschutes River Conservancy on the 15th of each month.
5. The registration form will be included with billing statements once every two years and will be available at the office.

Issue Date		Effective for Service on or after	8/1/2020
Issued By	AVION WATER COMPANY, INC.		

SCHEDULE NO. 12

WOODRIVER VILLAGE TARIFF – SYSTEM IMPACT FEE

PURPOSE: To provide money for upgrading the Woodriver Village main service line without causing undue financial burden upon any one developer.

AVAILABLE: To customers of the Utility at Deschutes and Crook Counties, Oregon, and vicinity.

APPLICABLE: To developers of projects in Woodriver Village, Bend, Oregon using the Company’s water service.

COST ESTIMATE OF INSTALLING MAIN SERVICE LINE:

Excavation = \$56,500
 Pipe and Fittings = \$13,648.78
 PRV Station = \$17,000
 Contingency (10%) = \$87,148.78 * (.10) = \$8,714.88
 Total = \$95,864

Initial amount of lots required to commence the project is estimated to be at 20 lots. To fulfill local Fire Marshall requirements for fire flow, the standard meter size will be 1”.

WOODRIVER VILLAGE SYSTEM IMPACT FEE - SCHEDULE A:

RESIDENTIAL UNIT EQUIVALENTS BY SERVICE METER SIZE

Service	Fee
Standard Meter Connection – 1”	\$4,793.20
Less than 4 inch fire	\$2,000
6 inch and greater fire	\$4,000

As a result, the 1 inch system impact fee will equal = \$4,793.20 per lot (\$95,864 / 20 lots). This amount is subject to refunds pursuant to Oregon Administrative Rule 860-036-0065 and Avion Rules 10 and 11 as contained in Avion’s tariffs. The system impact fees collected for this area will be deposited into a separate account.

When the target amount of \$95,864 is reached, the project will be re-estimated and providing the cost is within the budget limits of collections, the line will be installed. If the cost of installation is above the collected amount, additional system impact fees will be collected at the rates listed in the above Woodriver Village System Impact Fee - Schedule A until the new target is reached. This procedure will be repeated until the project is able to be completed.

Issue Date		Effective for Service on or after	8/1/2020
Issued By	AVION WATER COMPANY, INC.		

Refunds - Ten year Line share Agreement: The estimated amount of new lots that will be added in 10 years after completion of the line improvement is 100 lots.

The System Impact Fee for next 100 lots (1 inch meter) would equal \$2,500 (Avion Schedule 7 cost).

These system impact fees will be divided as follows: \$2,041.36 to Avion that will be used as contributions in aid of construction and \$458.64 distributed evenly among the original participants. As a result of the advance and refund provisions, the original participants will at full build out, pay the Avion Schedule 7 Residential Unit Equivalent for a 1 inch meter (\$2,500).

Refunds will only occur for the ten year period following completion of the project or when 120 units are developed.

WOODRIVER VILLAGE SYSTEM IMPACT FEE - SCHEDULE B:

RESIDENTIAL UNIT EQUIVALENTS BY SERVICE METER SIZE

Service	Fee
Standard Meter Connection – 1”	\$2,500
Less than 4 inch fire	\$2,000
6 inch and greater fire	\$4,000

The residential unit equivalents by meter size fees will return to the rate listed on Schedule No. 7 after the first 120 lots or 10 years after completion of the new service main.

Any contribution received over the initial construction costs will be recorded as contributions in aid of construction and used for future system capacity costs.

SPECIAL CONDITIONS:

1. All Woodriver Village funds will be maintained in a separate account.
2. Avion will provide annual construction / construction funds update to Commission Staff by February 1 of each year for the ten-year line share agreement duration.

Issue Date		Effective for Service on or after	8/1/2020
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SCHEDULE NO. 13

NOTTINGHAM IRRIGATION CUSTOMERS

AVAILABLE: To all bulk irrigation customers in Nottingham subdivision, Bend, Oregon

APPLICABLE: To those irrigation customers who do not have water rights adjudicated to their land yet, still receive bulk irrigation service.

BILLING PERIOD: Monthly rates for irrigation service are charged throughout the year.

FLAT RATE

Bulk Water	Monthly Base Rate	Usage Allowance
Nottingham Square Residential	\$36.57	N/A
Nottingham Square HOA (17 Residential Equivalents)	\$621.69	N/A

Issue Date		Effective for Service on or after	8/1/2020
Issued By	AVION WATER COMPANY, INC.		

SCHEDULE NO. 14

INTERRUPTABLE LARGE IRRIGATION CUSTOMERS

AVAILABLE: To all irrigation customers using domestic water with 4- or 6-inch meters, Bend, Oregon

APPLICABLE: To those irrigation customers who irrigate with 4- or 6-inch meters and agree to be the first accounts interrupted in the event of Avion exceeding their water rights maximum.

BILLING PERIOD: Monthly rates for irrigation service are charged throughout the year.

BASE RATE

Service Meter Size	Monthly Base Rate	Usage Allowance
4 inches	As per Schedule No. 1	None
6 inches	As per Schedule No. 1	None

COMMODITY USAGE RATE

Commodity Rate	Per	No. of Units	Unit of Measure	Base Usage Allowance	Unit of Measure
\$.40	Per	100	Cubic Feet	None	Cubic Feet

SPECIAL PROVISIONS:

1. Avion will provide 30 days notice prior to each curtailment event, unless circumstances don't allow notice.
2. Non-compliance will result in removal of meter at customers expense.
3. Damages – Avion is not liable for damages etc. due to interruption of service pursuant to this schedule.

Issue Date		Effective for Service on or after	8/1/2020
Issued By	AVION WATER COMPANY, INC.		

SCHEDULE NO. 15

West Pilot Butte Airport Tariff – System Impact Fee

Purpose: To provide funding to upgrade the main service lines in the applicable area to accommodate development without causing undue financial burden upon any one developer.

Available: To customers of the Utility at Deschutes and Crook Counties, Oregon, and vicinity. Not available to customers served by 1-1/2” or smaller mainlines.

Applicable: To developers of Accessory Dwelling Unit (ADU), duplex, and two-parcel partition projects in Bend, Oregon using the Company’s water service, in the Utility’s service territory, located north and west of the Pilot Butte Airport and south of Bear Creek Road, in Township 18 South, Range 12 East, Section 3.

Cost Estimate of installing main service line:

Phase 1 (12” line across airstrip) = \$90,000
Phase 2 (8” line up Craven and Myrtlewood) = \$88,000
Phase 3 (8” line continuing up Craven) = \$76,000
Phase 4 (8” line up Waco) = \$34,000
Total = \$288,000

Estimated number of new connections in the applicable area is 30 (20% of 150).

West Pilot Butte Airport System Impact Fee - Schedule A:

RESIDENTIAL UNIT EQUIVALENTS BY SERVICE METER SIZE

SERVICE	FEE
Standard Meter Connection – 5/8”x3/4”	\$9,600

Issue Date		Effective for Service on or after	8/1/2020
Issued By	AVION WATER COMPANY, INC.		

As a result, the 5/8"x3/4" inch system impact fee will equal = \$9,600 per service (\$288,000 / 30 connections). This amount is subject to refunds pursuant to Oregon Administrative Rule 860-036-1310 and Avion Rules 10 and 11 as contained in Avion's tariffs. The system impact fees collected for this area will be deposited into a separate account. The impact fees are also subject to Schedule 8 of the Avion Tariff, and fees collected under Schedule 8 will be subject to the associated conditions and refundable as described in Schedule 8.

When the target amount of \$90,000 for Phase 1 is reached, the project will be re-estimated and providing the cost is within the budget limits of collections, the Phase 1 line will be installed. When the target amount of \$88,000 is collected for Phase 2, the project will be re-estimated and providing the cost is within the budget limits of collections, the Phase 2 line will be installed. This process will be repeated for Phases 3 and 4. If the pattern of development dictates a change in the implementation order for phases 2-4, such change shall be made to maximize the improvement in service provided by the available funds. If the cost of installation is above the collected amount, additional system impact fees will be collected at the rates listed in the above West Pilot Butte Airport System Impact Fee - Schedule A until the new target is reached. This procedure will be repeated until the project is able to be completed.

SDC charges under Schedule 7 of the Avion tariff will be waived for developers contributing under this Schedule 15 tariff, including those contributing under the follow-on line share agreement below.

In the event that development: 1) for an area outside the applicable area; or 2) for a project that is not eligible for this tariff; requires completion of one of the phases as an offsite improvement:

1. That phase will be removed from consideration under this tariff.
2. The next phase will commence as previously outlined.
3. The amount collected from each developer will not change; the refund period will simply start sooner.

Refunds - Ten year Line share Agreement:

For a period of ten years following the completion of the final phase as outlined above a line share agreement shall be in effect for subsequent developers. Developers will be charged a fee, and the proceeds will be refunded to those who already paid the fee. The amount paid during the line share period will be calculated according to the following formula:

$$Fee_n = \frac{Total\ Project\ Cost}{n}$$

$$Refund = \frac{Fee_n}{n - 1}$$

Where n is the new total number of contributors to the project.

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The intention is that at the termination of the line share period, all developers will have contributed an equal amount. Refunds will be distributed annually. Developers shall maintain a current mailing address with Avion Water Company. Refunds due to those developers without an updated mailing address will be turned over the state unclaimed property division.

Special Conditions:

1. All West Pilot Butte Airport funds will be maintained in a separate account.
2. Avion will provide annual construction / construction funds update to Commission Staff by February 1 of each year for the ten-year line share agreement duration.

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SCHEDULE NO. 16

RESERVED FOR FUTURE USE

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RESERVED FOR FUTURE USE

Issue Date		Effective for Service on or after	8/1/2020
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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: AVION WATER COMPANY, INC.
- I. "Water service connection" is defined as the facilities used to connect a water utility's distribution network to the point of connection at the customer's service line. The water utility owns and maintains the water service connection.

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

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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.

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](#).

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

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

Rule 7: Separate Control of Service

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

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

The water service connection is defined as the facilities used to connect the Utility's distribution network to the point of connection at the customer's service line. 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.

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.

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

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

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

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

Rule 11: Types of Use

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

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Rule 12: Multiple Residences/Commercial Users

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

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

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

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

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

REFUSAL OF SERVICE

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

The Utility may refuse to provide service if:

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

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

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.

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

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

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

The details will include, but not be limited to:

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

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

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

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

METERS

Rule 18: Utility Meters ([OAR 860-036-1350](#))

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

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

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

Customers whose meters are blocked by barriers including vehicles, fences, rocks, bushes, trees, or other objects will be notified by mail. Failure to remove the barrier after the Utility provides reasonable written notice to the customer is grounds for disconnection of service (OAR 860-036-1500). In general, 24" is considered sufficient clearance from obstacles to allow meter access.

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Rule 19: 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 20: Customer-Requested Meter Test (OAR 860-036-1360)

A customer may request that the Utility test the service meter once every 12 months at no cost. 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;
- 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 21: 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

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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.

When there is good reason for doing so, bills may be rendered based upon estimated meter reads. Estimates are expected to be used during winter months. Any estimated reads shall be clearly designated as such. Estimated reads shall be as follows:

Residential usage will be estimated at 700 cubic feet per month.

Commercial usage will be estimated from the previous actual meter reading or 700 cubic feet, whichever method provides the most consistent billing for the commercial customer.

All water service bills will show:

- A. Separate line items for past due balance, payments and credits, new charges, late fees, and total account balance;
- B. The date new charges are due;
- C. Calculation of new charges including base or flat rate, usage billing tiers and rates, beginning and ending meter readings, the dates the meter was read, rate schedule, billing period, and number of days in the billing period;
- D. The date any late payment charge was applied and an explanation of the terms of the late payment charge; and
- E. Any other information necessary for the 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 Rules 28 & 29, prior to or after the Utility assesses the late payment charge.

Rule 22: Returned Payment Charge

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

Rule 23: Prorating of Bills

Initial and final bills will be prorated according to the number of days service was rendered and on the basis of a 31-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.

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Rule 24: 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.

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

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

The Utility will give the customer 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.

Rule 26: 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.
(OAR 860-036-1590).

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'

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

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

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

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

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 Charge for Cause (OAR 860-036-1500, -1510, -1520, -1530, and 1550)

The Utility may disconnect service when:

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

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

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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.

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.

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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.

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 860-036-1510](#).

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

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

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

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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.

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

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- date;
- F. A warning to the customer that failure to immediately comply with the restrictions may result in disconnection of service; and
 - G. A statement that the customer may dispute disconnection by contacting the Consumer Services Section. The notice must include the Consumer Services Section's contact information provided in [OAR 860-001-0020\(2\)](#).

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

SERVICE QUALITY

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

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

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

Rule 36: Trouble Call

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

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

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

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

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

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

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

The Utility will maintain permanent pressure recording gauges at various locations to measure the

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

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

Upon customer request, the Utility will perform a water pressure test within seven calendar days of the request. The first pressure test in any 12- month period will be at no charge. If the customer requests an additional pressure test within any 12-month period at the same premises, the Utility will assess the customer a charge in accordance with the service charges set forth in Schedule 3 of 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 41: Utility Line Location (One Call Program)

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

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

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

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

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Avion Water Company, Inc.

Application for Utility Rate Increase Decrease

Question 5: Name, address, telephone numbers of all the utility owners – continued

Name: David Nelsen
Address: 60813 Parrell Road
City, State, Zip: Bend, OR 97702
Telephone: (541) 382-5342

Name: Jordan Wick
Address: 60813 Parrell Road
City, State, Zip: Bend, OR 97702
Telephone: (541) 382-5342

Name: Megan Wick
Address: 60813 Parrell Road
City, State, Zip: Bend, OR 97702
Telephone: (541) 382-5342

Name: Leah E. Wick
Address: 60813 Parrell Road
City, State, Zip: Bend, OR 97702
Telephone: (541) 382-5342

Name: Adam Wick
Address: 60813 Parrell Road
City, State, Zip: Bend, OR 97702
Telephone: (541) 382-5342

Name: Joseph Wick
Address: 60813 Parrell Road
City, State, Zip: Bend, OR 97702
Telephone: (541) 382-5342

Avion Water Company, Inc.
 Application for Utility Rate Increase Decrease
 Question 21: Provide information for all employees

[Begin
 Confidential]

Name	Position	Responsibilities	Schedule	Wage/Salary
Jan M. Wick	Exec. Vice Pres.	Operational and financial oversight, long term planning and special project supervision.	173.3 hrs./mo.	\$ [REDACTED]/mo.
Jason J. Wick	President	Operational and financial oversight, long term planning, construction management and daily supervision.	173.3 hrs./mo.	\$ [REDACTED]/mo.
Richard C. Bailey	Sec.-Treas.	Accounting, financial and regulatory reporting, human resources and office manager.	173.3 hrs./mo.	[REDACTED]/mo.
James Abbott	Crew	Well, pump house, water line and booster station maintenance and repairs, landscape maintenance and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED]/hr.
Zachry Abbott	Electrician	Well, pump house and booster station electrical maintenance, repair, new construction, documentation and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED]/hr.
Eileen Bailey	SCR/Records management	Customer service, records management, purchasing	80 hrs./mo.	\$ [REDACTED]/hr.
Johanna Bailey	GIS/CCCP	Mapping, SCADA, DCVA program support, meter maintenance, and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED]/hr.
Steven Bryant	GIS/SCADA	Mapping, SCADA operator, IT troubleshooting and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED]/hr.
Jackie Buckles-Henderson	Assistant Office Manager	Customer service, payroll and human resources, billing, scheduling, and other duties as assigned.	173.3 hrs./mo.	[REDACTED]/mo.
Karman Burnett	CCCP	Coordinates DCVA testing, maintenance, reporting and record keeping, meter reading and maintenance and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED]/hr.
Easton Caldwell	Crew	Well, pump house, water line and booster station maintenance and repairs, landscape maintenance and other duties as assigned.	173.3 hrs./mo.	[REDACTED]/hr.
Marc Caldwell	Service Manager	Daily operational management, construction/project bidding, crew	173.3 hrs./mo.	\$ [REDACTED]/mo.

		supervision, customer relations, and other duties as assigned.		
Sarah Chambers	CSR/Receivables	Customer service, cash receipts and A/R processing, bill pay and lockbox management work order processing bookkeeping and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED]/hr.
Brian Clancy	Crew	Well, pump house, water line and booster station maintenance and repairs, landscape maintenance and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED]/hr.
Jared Dixon	Crew	Well, pump house, water line and booster station maintenance and repairs, landscape maintenance and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED]/hr.
Andrew Griggs	Crew	Well, pump house, water line and booster station maintenance and repairs, landscape maintenance and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED]/hr.
Anthony Haines	Crew	Well, pump house, water line and booster station maintenance and repairs, landscape maintenance and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED]/hr.
Michael Heffernan	Engineering	Plan review and on-site inspections. Utilities coordinator, project estimator and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED]/mo.
Tanner Hester	Crew	Well, pump house, water line and booster station maintenance and repairs, landscape maintenance and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED]/hr.
Stephanie Howland	CSR/plant specialist	Customer Service, payroll, asset tracking, banking services, work order processing and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED]/hr.
Gene Hubbard	Water quality	Water sampling and water quality specialist and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED]/hr.
Adam Jackson	Engineering	Plan review and on-site inspections. Utilities coordinator, project estimator, short and long term planning and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED]/mo.
Mark Kerns	Crew	Cross country transmission line monitoring.	40 hrs./mo.	\$ [REDACTED]/hr.
Tanner Lemmon	Engineering	Plan review and on-site inspections. Utilities coordinator,	173.3 hrs./mo.	\$ [REDACTED]/hr.

		project estimator and other duties as assigned.		
Erik Lisle	Crew	Well, pump house, water line and booster station maintenance and repairs, landscape maintenance and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED] /hr.
Cody McGhehey	Crew	Well, pump house, water line and booster station maintenance and repairs, landscape maintenance and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED] /hr.
Dennis Medeiros	Crew	Cross country transmission line monitoring.	40 hrs./mo.	\$ [REDACTED] /hr.
Roger Merrill	Safety mgr./crew	Well, pump house, water line and booster station maintenance and repairs, landscape maintenance, locator, safety coordinator and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED] /mo.
Greg Oldfield	Electrician	Well, pump house and booster station electrical maintenance, repair, new construction, documentation and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED] /hr.
Debra Reynolds	GIS/SCADA/IT	Mapping, SCADA designer and supervisor, IT troubleshooting, annual consumer confidence report, website management, communications coordinator and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED] /mo.
Abel Santos-Garcia	Crew	Well, pump house, water line and booster station maintenance and repairs, landscape maintenance and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED] /hr.
Eric Scott	CSR/Billing/Accounts Payable	Customer service, inventory processing, billing, accounts payable and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED] /hr.
Kristopher Smith	Asst. Svce. Mgr.	Daily operational management, construction/project bidding, crew supervision, customer relations, inventory management and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED] /mo.
Steven Smith	Crew	Well, pump house, water line and booster station maintenance and repairs, landscape maintenance and other duties as assigned.	173.3 hrs./mo.	\$ [REDACTED] /hr.
Jon Wallace	Electrician/crew	Well, pump house, water line and booster station maintenance and	173.3 hrs./mo.	\$ [REDACTED] /hr.

		repairs, landscape maintenance, irrigation pond and pump house maintenance, and other duties as assigned.		

[End
confidential]

Avion Water Company, Inc. Water Rights – June 2020

Application Number	Permit Number	Certificate	Authorized Rate of Diversion (cfs)	Source	Authorized Use	Priority Date	Comment
Greater Avion Service Area							
G-10184	G-9946	82418	4.22	GW	QM	2/1981	Modified by T-10205
G-10421	G-9948	82419	2.50	GW	QM	7/1981	Modified by T-10205
G-10378	G-9975	82420	2.15	GW	QM	6/1981	Modified by T-10205
G-10154	G-9217	82414	1.11	GW	QM	2/1981	Modified by T-10205
G-10242	G-9269	82415	0.32	GW	QM	4/1981	Modified by T-10205
G-10310	G-9320	82416	0.04	GW	QM	5/1981	Modified by T-10205
G-10445	G-9976	82417	0.03	GW	QM	7/1981	Modified by T-10205
G-10348	G-9971	-	0.48	GW	GD	5/1981	Modified by T-7778
G-10599	G-9981	87382	0.18	GW	GD	11/1981	Modified by T-7778
G-10440	G-10000	86161	0.56	GW	GD	7/1981	Modified by T-7778 and T-10918
G-10263	G-9341	91068	0.66	GW	QM	4/1981	Modified by T-7778
G-10208	G-16949	88551	0.37	GW	QM	5/1981	Conestoga Hills
G-10347	G-11972	-	0.24	GW	GD	1/1983	
G-11741	G-11389	93364	1.00	GW	QM	11/1987	Modified by T-11994
G-12924	G-12788	84975	25.2	GW	QM	12/1992	Modified by T-7778, T-10407 and T-13353
G-15851	G-16025	-	5	GW	QM	10/2002	Modified by T-10204 and T-10488
G-16060	G-17539	-	10	GW	QM	7/2003	Modified by T-10204 and T-10488
G-17606	G-17551	-	10	GW	QM	12/2012	Modified by T-13352
G-12033	G-11091	93055	2.7	GW	QM	2/1990	Temp. Transfer T-13140 from Gold Ring
Satellite Areas							
G-8754	G-8258	84898	0.04	GW	GD	4/1978	Tetherow
G-10371	G-9999	84899	0.27	GW	DI	6/1981	Tetherow
G-10207	G-9283	-	0.577	GW	QM	3/1981	Cinder Butte
G-10617	G-9982	-	0.1	GW	GD	12/1981	Odin Falls I
G-12757	G-12330	-	0.46	GW	QM	1/1992	Odin Falls II
G-10290	G-9398	86874	0.59	GW	QM	4/1981	Red Cloud- modified by T-12732
G-13616	G-12936	87594	0.53	GW	QM	2/1994	Red Cloud- modified by T-12732
G-13446	G-18151	-	0.29	GW	DI	6/1993	Powell Butte View Estates, modified by T-12839
G-10349	G-9972	-	0.57	GW	DI	5/1981	Wildriver
G-10466	G-10019	86875	0.63	GW	DI	7/1981	Modified by T-10828
G-13726	G-13136	81805	0.238	GW	DN	6/1994, 11/1996	Tumalo Rim
G-18608	G-18198	-	0.7	GW	QM	2/2018	Squaw Creek Canyon Estates

AVION WATER
WELLS

Avion Water Company, Inc.
Attachment to Question 41: Please describe the utility's source of water supply.
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SITE	WELL ID	TYPE WELL	SIZE HP	STINGER HP	GPM	GPD	DEPTH ft	temp- date
GREATER AVION - PWS 4100091								
CHINA HAT 1 (GOLDIE)	DESC 50740	LINESHAFT	250		1300	1,872,000.00	622	54d - july
CHINA HAT 2 (DAISY)	DESC 52881	LINESHAFT	300		1635	2,354,400.00	624	43d - march
CHINA HAT 3 (IRIS) DESC 61639	DESC 61639	LINESHAFT	300		1781	2,564,640.00	640	52- JUN
DRW (TIGER)	DESC 55124	LINESHAFT	300		1865	2,685,600.00	520	48d - march
DYER	DESC 58007	LINESHAFT	600		1750	2,520,000.00	854	56d - may
PARRELL RD	DESC 50986	LINESHAFT	250		1339	1,928,160.00	470	53d - july
RIVERBEND ROCK	DESC 57658	SUBMERSIBLE	175	75	1132	1,630,080.00	472	57d - january
RIVERBEND SOUTH	DESC 4143	SUBMERSIBLE	100	50	882	1,270,080.00	440	53d - feb
TEKAMPE RED	DESC 5659	SUBMERSIBLE	175	75	1300	1,872,000.00	430	52d - march
TEKAMPE WHITE	DESC 58949	SUBMERSIBLE	100	40	595	856,800.00	442	52d - march
TEKAMPE BLUE	DESC 5660	SUBMERSIBLE	175	75	1420	2,044,800.00	435	52d - may
SUNDANCE	DESC 5725	SUBMERSIBLE	40		120	172,800.00	925	52d - may
TOTAL PRODUCTION					15469	21,771,360.00		
BRASADA - PWS 4101506								
BRASADA 1	CROO 51956	SUBMERSIBLE	50	30	200	288,000.00	673	64d - june
BRASADA 2	CROO 51956	SUBMERSIBLE	150	50	480	691,200.00	702	66d - oct
PBVE	CROO 50194	SUBMERSIBLE	50		75	108,000.00	702	64d - june
TOTAL PRODUCTION					755	1,087,200.00		
CHAPPARALL - PWS 4100094								
58TH AND JAG 2	DESC 56939	SUBMERSIBLE	40		250	360,000.00	590	53d - aug
58TH AND JAG 3	DESC 57037	SUBMERSIBLE	30		250	360,000.00	735	52d - may
MESA	DESC 4006	SUBMERSIBLE	10		100	144,000.00	400	54d - june
TOTAL PRODUCTION					600	864,000.00		
CINDER BUTTE - PWS 4100122								
LYNCH	DESC 58435	SUBMERSIBLE	10		100	144,000.00	310	54d - may
MONTGOMERY	DESC57790	SUBMERSIBLE	30		130	187,200.00	215	54d - jan
TOTAL PRODUCTION					230	331,200.00		
DESERT SPRINGS - PWS 4101259								
DESERT SPRINGS	DESC 5107	SUBMERSIBLE	20		105	151,200.00	605	51d - apr
TOTAL PRODUCTION					105	151,200.00		
DESCHUTES RIVER RANCH - PWS 4101366								
DRID WELL	DESC 54655	SUBMERSIBLE	10		46.5	66,960.00	485	54d - apr
TOTAL PRODUCTION					46.5	66,960.00		
HIGHLAND ESTATES -PWS 4101346								
HIGHLAND	DESC 61416	SUBMERSIBLE	7.5		29	41,760.00	577	51d - may
TOTAL PRODUCTION					29	41,760.00		
ODIN FALLS - PWS 4101382								
ODIN FALLS	DESC 2123	SUBMERSIBLE	30		100	144,000.00	320	49d - sep
TOTAL PRODUCTION					100	144,000.00		
POWELL BUTTE RED CLOUD - PWS 4101203								
POWELL BUTTE WELL 1	CROO 51975	SUBMERSIBLE	175 HP		500	720,000.00	557	68d - july
POWELL BUTTE WELL 2	CROO 54458	SUBMERSIBLE			500	720,000.00	553	53 - Apr
TOTAL PRODUCTION					300	720,000.00		
SQUAW CREEK CANYON ESTATES- PWS 4101305								
WELL 2 - L99882	DESC 56694	SUBMERSIBLE	15		40	57,600.00	650	52d - Apr
WELL 3 - L42967	DESC 59678	SUBMERSIBLE	25		150	216,000.00	750	59d - May
WELL 1 - L91141	DESC 58167	SUBMERSIBLE	45		250	360,000.00	844	August
TOTAL PRODUCTION					440	633,600.00		
S REDMOND HIEGHTS - PWS 4101230								
S REDMOND HIEGHTS	DESC 58443	SUBMERSIBLE	30		400	576,000.00	525	52d - may
TOTAL PRODUCTION						576,000.00		
TETHEROW CROSSING - PWS 4101160								
ATKINSON	DESC 3438	SUBMERSIBLE			75	108,000.00		
ZAMIA	DESC 2201	SUBMERSIBLE	10		60	86,400.00	187	51d - march
52ND	DESC 2199	SUBMERSIBLE	5		100	144,000.00	177	51d - march
TOTAL PRODUCTION					235	338,400.00		
TUSCARORA - PWS 4101155								
TUSCARORA	DESC 5482	SUBMERSIBLE	10		100	144,000.00	287	56d - march
TOTAL PRODUCTION					100	144,000.00		
TUMALO RIM - PWS 4101351								
TUMALO RIM W1	DESC 4769	SUBMERSIBLE	5		2.8	4,032.00	458	52d - july
TUMALO RIM W2	DESC 60863	SUBMERSIBLE	10		58	83,520.00	414	51d - may
TOTAL PRODUCTION					60.8	87,552.00		
WILD RIVER - PWS 4100975								
WILD RIVER 1 S	DESC 6503	SUBMERSIBLE	3		100	144,000.00	108	44d - march
WILD RIVER 2 N	DESC 6504	SUBMERSIBLE	5		120	172,800.00	120	48d - dec
TOTAL PRODUCTION					220	316,800.00		

TOTAL

38,260.60 26,640,432.00

GPM

AVION WATER
WELLS

Avion Water Company, Inc.

Attachment to Question 41: Please describe the utility's source of water supply.

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RESERVOIRS	GROUND ELEVATED / COND	CAPACITY	GAL / FT	TYPE	BOOSTERS HP	HIGHT	DIMENSIONS	IN USE
CINDER BUTTE	GROUND LEVEL / FAIR	20,000.00	2,250.00	CONCRETE		8	20 X 20	YES
DESERT SPRINGS	GROUND LEVEL / FAIR	40,000.00	4,000.00	CONCRETE	5, 7.5	10	24 X 24	YES
DRID	GROUND LEVEL / FAIR	20,000.00	2,500.00	CONCRETE	7.5 , 3	8	18 X 20	YES
GA-CHINA HAT 1	GROUND LEVEL / FAIR	2,900,000.00	178,580.00	CONCRETE-METAL ROOF		16	154 X 154	YES
GA-CHINA HAT 2	GROUND LEVEL / FAIR	4,600,000.00	300,000.00	CONCRETE-METAL ROOF		16	200 X 200	YES
GA-CONESTOGA	GROUND LEVEL / FAIR	125,000.00	5,208.00	STEEL ROUND		24	D.29.77	YES
GA-DRW	GROUND LEVEL / GOOD	2,500,000.00	96,000.00	STEEL ROUND	30, 60, 60, 75	33	D 124	YES
GA-DYER	GROUND LEVEL / GOOD	2,295,000.00	91,500.00	STEEL ROUND	40, 75, 100	37	D 125	YES
GA-SUNDANCE MIDDLE	GROUND LEVEL / FAIR	20,000.00	2,500.00	CONCRETE		8.5	24 X 24	YES
HAPPY ACRES	GROUND LEVEL / FAIR	13,464.00		CONCRETE		8	15 x15	YES
HIGHLAND ESTATES	GROUND LEVEL / GOOD	18,000.00	3,600.00	CONCRETE	3, 7.5	5	23 X 21	YES
ODIN FALLS	GROUND LEVEL / GOOD	21,500.00		CONCRETE	5, 10, 20	8	18 X 20	YES
PB-BRASADA	GROUND LEVEL / GOOD	737,000.00	37,800.00	STEEL ROUND	20,20,40	24	D 80	YES
PB- REDCLOUD	GROUND LEVEL / GOOD	105,000.00	13,125.00	CONCRETE	5, 10	8	IRREGULAR	YES
PB- SURPLUS	GROUND LEVEL / GOOD	33,000.00		STEEL ROUND	20/30, 60	10	D 24	YES
PB- VIEW ESTATES N	GROUND LEVEL / FAIR	45,960.00	5,745.00	CONCRETE	3	8	33 X 24	YES
PB- VIEW ESTATES S	GROUND LEVEL / GOOD	64,384.00	8,048.00	CONCRETE		8	33 X 33	YES
SCCE	GROUND LEVEL / FAIR	40,000.00		CONCRETE		8	31 X 25	YES
S REDMOND HEIGHTS	GROUND LEVEL / GOOD	50,000.00	6,250.00	CONCRETE	10, 7.5	7	30X X30	YES
TETHEROW 52ND STR	GROUND LEVEL / GOOD	30,000.00	4,550.00	STEEL ROUND	10, 7.5	24	D 10	YES
TUMALO RIM	GROUND LEVEL / FAIR	60,000.00	0:00	CONCRETE	7.5, 7.5, 7.5	8	60 X 24	YES
TUSCARORA	GROUND LEVEL / FAIR	33,000.00		CONCRETE	3.5, 5	8.5	22 X 24	YES
WHISPERING PINES	GROUND LEVEL / FAIR	20,000.00	2,000.00	CONCRETE		10	27 X 27	YES
WILD RIVER	GROUND LEVEL / FAIR	10,000.00	625.00	STEEL ROUND	5, 5, 5	16	D 9	YES

Attachment to Q. 42: Please describe the utility's pumping system for distribution, including the range of pressure at which the water is pumped into the distribution system and delivered to the customers.

Greater Avion 4100091

Average Daily Demand		7,288,382.28
Annual Peak Demand	July	476,652,581.40
Maximum Pumping Capacity GPD		21,771,360.00
Range of pressure at pumps	min 5	max 90
Range of pressure at customers Property	min 30	max 85

Greater Avion

	gallons
january	89,201,625.30
february	79,018,161.60
march	89,967,573.90
april	122,774,120.50
may	290,532,050.00
june	409,888,079.10
july	476,652,581.40
august	473,527,586.20
september	299,343,560.20
october	150,456,458.30
november	91,729,306.00
december	87,168,428.10
Year End Total	2,660,259,530.60

Brasada PBVE 4101506

Average Daily Demand		266,901.53
Annual Peak Demand	July	15,087,161.00
Maximum Pumping Capacity GPD		1,087,200.00
Range of pressure at pumps	min 100	max 150
Range of pressure at customers Property	min 30	max 85

Brasada PBVE

	gallons
january	2,611,562.00
february	2,728,775.00
march	6,474,434.00
april	8,127,631.00
may	12,270,432.00
june	12,461,274.00
july	15,087,161.00
august	14,588,545.00
september	10,896,709.00
october	6,514,641.00
november	3,071,022.00
december	2,586,874.00
Year End Tota	97,419,060.00

Chaparral 4100094

Average Daily Demand		11,760.15
Annual Peak Demand	august	1,107,558.00
Maximum Pumping Capacity GPD		864,000.00
Range of pressure at pumps	min 5	max 85
Range of pressure at customers Property	min 30	max 85

Chaparral

	cuboc feet
january	169,257.00
february	151,228.00
march	203,448.00
april	295,543.00
may	10,605.00
june	512,768.00
july	779,627.00
august	1,107,558.00
september	554,939.00
october	10,628.00
november	338,853.00
december	158,002.00
Year End Total	4,292,456.00

Attachment to Q. 42: Please describe the utility's pumping system for distribution, including the range of pressure at which the water is pumped into the distribution system and delivered to the customers.

Cinder Butte 4100122

Average Daily Demand		2,762.19
Annual Peak Demand	august	345,900.00
Maximum Pumping Capacity GPD		331,200.00
Range of pressure at pumps	min 100	max 150
Range of pressure at customers Property	min 30	max 85

Cinder Butte

	cubic feet
january	296.00
february	32,200.00
march	32,204.00
april	41,300.00
may	128,700.00
june	-
july	170,600.00
august	345,900.00
september	121,500.00
october	-
november	83,800.00
december	51,700.00
Year End Total	1,008,200.00

DESCHUTES RIVER RANCH 4101366

Average Daily Demand		1,198.41
Annual Peak Demand	August	77,000.00
Maximum Pumping Capacity GPD		66,960.00
Range of pressure at pumps	min 5	max 100
Range of pressure at customers Property	min 30	max 85

DRID

	cubic feet
january	8,000.00
february	14,088.00
march	14,700.00
april	(5,680.00)
may	15,800.00
june	49,500.00
july	64,300.00
august	77,000.00
september	72,611.00
october	68,500.00
november	43,900.00
december	14,700.00
Year End Total	437,419.00

DESERT SPRINGS - 4101259

Average Daily Demand		26,316.37
Annual Peak Demand	July	1,916,244.00
Maximum Pumping Capacity GPD		151,200.00
Range of pressure at pumps	min 5	max 75
Range of pressure at customers Property	min 30	max 85

Desert Springs

	gallons
january	278,289.00
february	247,995.00
march	324,324.00
april	555,192.00
may	1,027,818.00
june	1,540,638.00
july	1,916,244.00
august	1,601,028.00
september	1,249,578.00
october	314,127.00
november	275,121.00
december	275,121.00
Year End Total	9,605,475.00

Attachment to Q. 42: Please describe the utility's pumping system for distribution, including the range of pressure at which the water is pumped into the distribution system and delivered to the customers.

HIGHLAND ESTATES - 4101346

Average Daily Demand		11,771.01
Annual Peak Demand		944,307.00
Maximum Pumping Capacity GPD		41,760.00
Range of pressure at pumps	min 5	max 75
Range of pressure at customers Property	min 30	max 85

Highland

	gallons
january	141,261.60
february	139,330.40
march	180,682.00
april	241,878.00
may	530,322.00
june	778,869.00
july	852,696.00
august	944,307.00
september	239,616.00
october	98,904.00
november	71,682.00
december	76,869.00
Year End Total	4,296,417.00

ODIN FALLS - 4101382

Average Daily Demand		4,298.63
Annual Peak Demand	August	612,760.00
Maximum Pumping Capacity GPD		144,000.00
Range of pressure at pumps	min 5	max 80
Range of pressure at customers Property	min 30	max 85

Odin Falls

	cubic feet
january	-
february	32,900.00
march	16,700.00
april	55,500.00
may	178,800.00
june	-
july	329,940.00
august	612,760.00
september	191,600.00
october	200.00
november	115,092.00
december	35,508.00
Year End Total	1,569,000.00

PB RED CLOUD - 4101203

Average Daily Demand		139,265.92
Annual Peak Demand-	July	8,754,350.00
Maximum Pumping Capacity GPD		720,000.00
Range of pressure at pumps	min 65	max 125
Range of pressure at customers Property	min 30	max 85

Red Cloud

	gallons
january	1,864,500.00
february	1,808,250.00
march	2,109,200.00
april	2,970,950.00
may	6,197,700.00
june	7,511,250.00
july	8,754,350.00
august	8,290,150.00
september	5,330,050.00
october	2,649,900.00
november	1,606,220.00
december	1,739,540.00
Year End Total	50,832,060.00

Attachment to Q. 42: Please describe the utility's pumping system for distribution, including the range of pressure at which the water is pumped into the distribution system and delivered to the customers.

SQUAW CREEK CANYON ESTATES - 4101305

Average Daily Demand		21,694.87
Annual Peak Demand	August	1,461,196.00
Maximum Pumping Capacity GPD		633,600.00
Range of pressure at pumps	min 5	max 90
Range of pressure at customers Property	min 30	max 85

Squaw Creek Canyon

	cubic feet
january	114,257.00
february	114,800.00
march	116,200.00
april	539,631.00
may	855,961.00
june	1,034,874.00
july	995,738.00
august	1,461,196.00
september	1,040,077.00
october	1,230,662.00
november	262,023.00
december	153,210.00
Year End Total	7,918,629.00

21,694.87

S REDMOND HIEGHTS - 4101230

Average Daily Demand		5,587.81
Annual Peak Demand	August	854,100.00
Maximum Pumping Capacity GPD		576,000.00
Range of pressure at pumps	min 5	max 90
Range of pressure at customers Property	min 30	max 85

South Redmond Heights

	cubic feet
january	679.00
february	62,300.00
march	81,921.00
april	86,036.00
may	262,764.00
june	-
july	398,400.00
august	854,100.00
september	-
october	3,833.00
november	183,017.00
december	106,500.00
Year End Total	2,039,550.00

TETHEROW CROSSING 4101160

Average Daily Demand		37,007.40
Annual Peak Demand	August	2,362,491.00
Maximum Pumping Capacity GPD		338,400.00
Range of pressure at pumps	min 5	max 70
Range of pressure at customers Property	min 30	max 85

Tetherow Crossing

	gallons
january	465,060.00
february	411,654.00
march	548,550.00
april	606,771.05
may	1,542,702.00
june	2,200,893.00
july	2,315,019.00
august	2,362,491.00
september	1,318,176.00
october	641,769.00
november	641,769.00
december	452,847.00
Year End Total	13,507,701.05

Attachment to Q. 42: Please describe the utility's pumping system for distribution, including the range of pressure at which the water is pumped into the distribution system and delivered to the customers.

TUMALO RIM - 4101351

Average Daily Demand		26,435.68
Annual Peak Demand	August	1,888,656.00
Maximum Pumping Capacity GPD		87,552.00
Range of pressure at pumps	min 5	max 85
Range of pressure at customers Property	min 30	max 85

Tumalo Rim

	gallons
january	205,590.00
february	216,986.00
march	273,658.00
april	335,104.00
may	1,173,942.00
june	1,662,738.00
july	1,662,738.00
august	1,888,656.00
september	1,188,880.00
october	518,210.00
november	277,816.00
december	244,706.00
Year End Total	9,649,024.00

TUSCARORA - 4101155

Average Daily Demand		1,970.36
Annual Peak Demand	August	134,700.00
Maximum Pumping Capacity GPD		144,000.00
Range of pressure at pumps	min 5	max 70
Range of pressure at customers Property	min 30	max 85

Tuscarora

	cubic feet
january	35,000.00
february	34,461.00
march	34,300.00
april	11,613.00
may	48,853.00
june	97,747.00
july	94,607.00
august	134,700.00
september	88,000.00
october	67,565.00
november	35,000.00
december	37,335.00
Year End Total	719,181.00

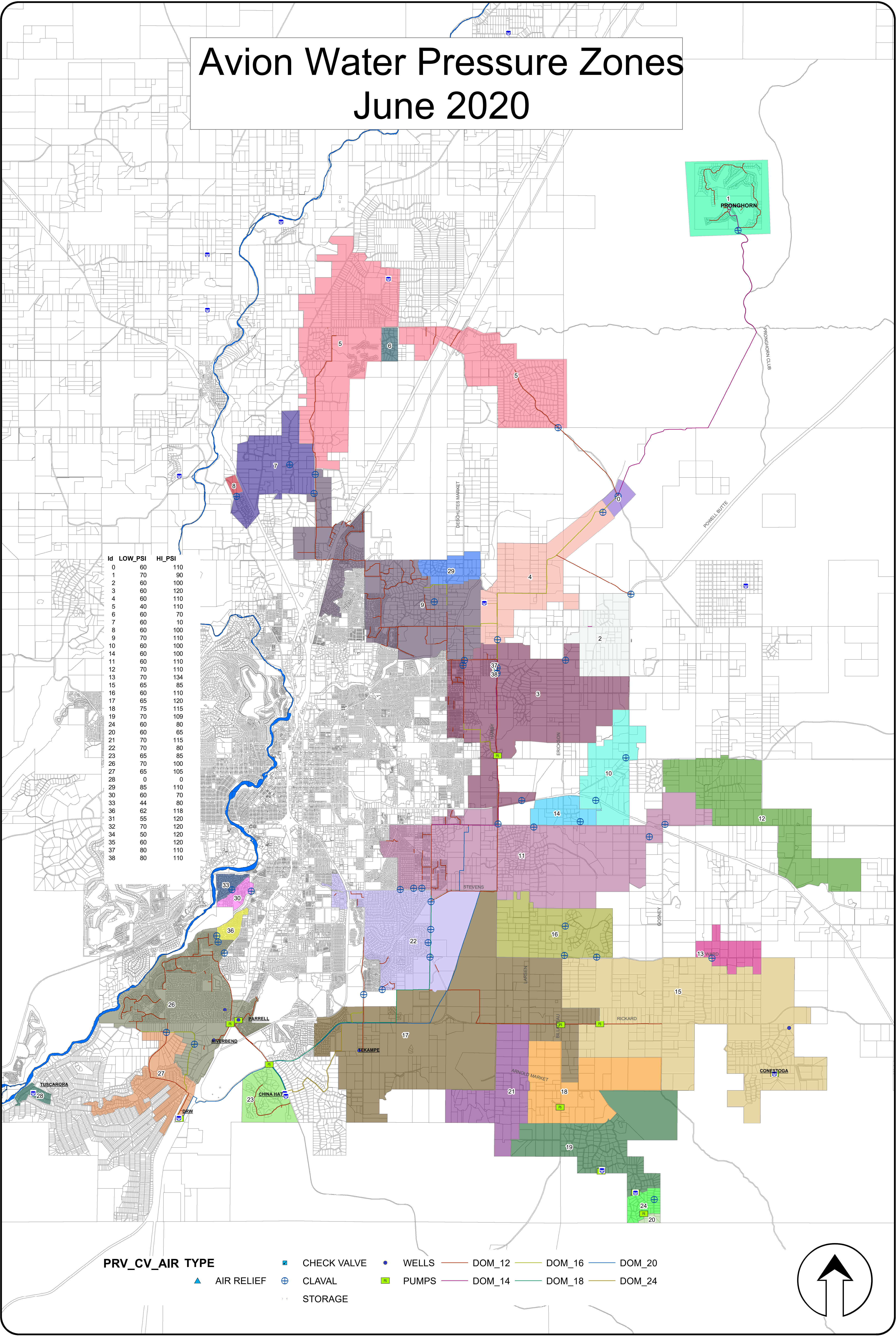
WILD RIVER - 4100975

Average Daily Demand		26,429.87
Annual Peak Demand	August	1,358,916.00
Maximum Pumping Capacity GPD		316,800.00
Range of pressure at pumps	min 5	max 70
Range of pressure at customers Property	min 30	max 85

Wild River

	gallons
january	368,777.00
february	560,942.00
march	1,206,648.00
april	378,815.00
may	789,942.00
june	1,011,206.00
july	1,259,254.00
august	1,358,916.00
september	901,344.00
october	604,668.00
november	452,910.00
december	753,481.00
Year End Total	9,646,903.00

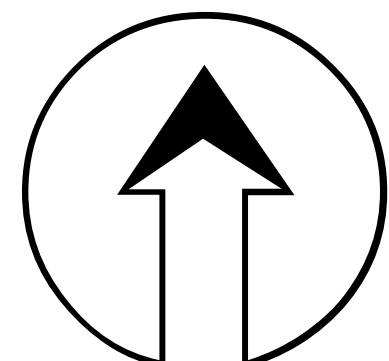
Avion Water Pressure Zones June 2020



Id	LOW_PSI	HI_PSI
0	60	110
1	70	90
2	60	100
3	60	120
4	60	110
5	40	110
6	60	70
7	60	10
8	60	100
9	70	110
10	60	100
11	60	100
12	70	110
13	70	134
15	65	85
16	60	110
17	65	120
18	75	115
19	70	109
24	60	80
20	60	65
21	70	115
22	70	80
23	65	85
26	70	100
27	65	105
28	0	0
29	85	110
30	60	70
33	44	80
36	62	118
31	55	120
32	70	120
34	50	120
35	60	120
37	80	110
38	80	110

PRV_CV_AIR TYPE

- ▲ AIR RELIEF
- ⊕ CLAVAL
- STORAGE
- CHECK VALVE
- WELLS
- PUMPS
- DOM_12
- DOM_14
- DOM_16
- DOM_18
- DOM_20
- DOM_24



BEFORE THE
PUBLIC UTILITY COMMISSION OF OREGON

UW ____

Avion Water Company, Inc.

Direct Testimony of Jan M. Wick

EXHIBIT 100

NEW SERVICE CENTER

June 2020

EXHIBIT 100 – DIRECT TESTIMONY

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I. INTRODUCTION

1 **Q. Please state your name and position with Avion Water Company, Inc. (“Avion”**
2 **or “the Company”).**

3 A. My name is Jan M. Wick. My business address is 60813 Parrell Road, Bend, Oregon
4 97702. I am Board Chairman and Executive Vice President for Avion. I am responsible
5 for operational and financial oversight, long term planning and special project
6 supervision.

7 **Q. Please describe your education and employment background.**

8 A. I hold an engineering degree and am a licensed Professional Engineer. I have owned
9 and operated Avion Water Company since November 1987. In that time, I have been
10 involved in all aspects of the Company’s operations and management.

11 **Q. What is the purpose of your testimony?**

12 A. The purpose of my testimony is to supplement the testimony accompanying the rate
13 increase application by describing the Company’s new service center and related
14 expenses.

15 **Q. Please provide a summary of your testimony.**

16 A. In my testimony, I explain that Avion’s current service center no longer meets the
17 Company’s needs for front office, back office, shop and storage, and Avion has
18 planned a new service center that will be located on the two acres immediately to the
19 south of its current service center. The Company has engaged with a developer to
20 build a new, efficient service center which will provide adequate room for the front and
21 back offices and plans to convert the current building to a warehouse for shop and
22 storage uses.

23

II. NEW SERVICE CENTER

1 **Q. Please describe the Company's current service center.**

2 A. Avion's current service center is located at 60813 Parrell Road in Bend, Oregon. The
3 service center houses the front and back offices, shop area and storage area. All
4 aspects of Avion's operations are conducted from this service center, including
5 customer relations, meeting with developers, radio-controlled operations of wells and
6 system monitoring via supervisory control and data acquisition ("SCADA") system,
7 mapping, backflow program, field operations, as well as storage of smaller parts.

8 **Q. Why is the Company moving to a new service center?**

9 A. Avion is moving to the new service center because (1) the current service center is too
10 small to support the Company's operations, and (2) due to its age, the current service
11 center does not meet current building code requirements, and thus could not be
12 remodeled without significant upgrades.

13 First, Avion has grown a great deal since it moved into the current facilities in
14 1974. In 1974 there were four employees and about 770 accounts. Avion now
15 employs thirty-five people and has over fourteen thousand accounts. It is my
16 understanding that the building was built in two stages. The western, two-story portion
17 of the building was built first in the late 1960s or very early 1970s and had office space
18 down stairs and living quarters above. The second or eastern part of the building was
19 built shortly thereafter and was for some sort of mill operation. Avion used the building
20 in its original configuration from 1974 to the early 1990s when the building was
21 remodeled to its current configuration. At that time, the front office was moved from
22 the eastern part of the building to the western part and the upstairs living quarters were
23 converted to office space and the upstairs was expanded into the shop area. Avion
24 has continued to grow since then and the building does not have adequate room for

1 the front and back office staffs, a meeting room large enough for crew meetings or any
2 rooms to meet with developers, or adequate storage for records or inventory.

3 Second, because the building was designed and built several decades ago, it
4 does not meet current building code requirements in many areas, such as staircase
5 construction and ceiling heights in the ground level and upstairs areas in the western
6 part of the building. Remodeling the building would require significant updating to
7 meet current building codes, and reconfiguring the staircases and ceiling heights to
8 meet current building codes would be very expensive and difficult to build. The
9 building's uses are also limited by its age. For example, the electrical system was not
10 designed to run computers, servers and all the electronic equipment required to
11 support a modern utility office.

12 **Q. Please describe the new service center.**

13 A. The new service center will be a 6,700 square foot, single story building with adequate
14 office and meeting spaces for Avion's current operations. It will have the electric and
15 computer networking capacities needed to support both the operations and office
16 work.

17 **Q. How did the Company select its new service center location and building
18 design?**

19 A. The new location was selected because of its proximity to the current service center
20 and well and reservoir sites, access to major roads such as Highway 97 and Knott
21 Road, and being able to keep the current radio tower and radio pathways that are used
22 to run the SCADA system.

23 **Q. What is the Company's anticipated schedule for completing its move to the new
24 service center?**

1 A. Avion is planning on breaking ground no later than September 1, 2020, construction
2 completed by Jan. 1, 2021 and move in, including moving SCADA systems, radios
3 systems and computer systems by March 31, 2021.

4 **Q. Did the Company consider alternatives to developing the new service center
5 facility?**

6 A. Avion considered leasing an existing building for its service center needs, but when
7 Avion reviewed the market, there were no facilities available that could house a
8 complete service center (including both office and shop activities). Also, a move to a
9 new location would require a new radio tower and the creation of new radio pathways
10 to operate the system. Creation of these pathways is both technically and physically
11 problematic due to challenging topography in the Bend area. Nor were spaces
12 available with easy access to major roads such as Highway 97 or Knott Road.

III. COSTS ASSOCIATED WITH NEW SERVICE CENTER

13 **Q. What costs are associated with the new service center?**

14 A. The Company is seeking recovery for O&M expense associated with the lease (rent)
15 and other O&M expenses associated with the new facility. Additionally, the Company
16 is requesting recovery for capital costs associated with the Company's investment in
17 the land on which the facility is located and the planned leasehold improvements of
18 the building, which are planned at about \$150,000.

Lease Expense

19 **Q. Please describe the amount of annual lease expense.**

20 A. The lease payments will be about \$12,000 per month for a 6,700 square foot building,
21 which is approximately \$21.49 per square foot, with no common area maintenance
22 charges. The cost of \$21.49 per square foot is comparable to other leased space in
23 the vicinity of the service center, which generally exceed \$22.00 per square foot and

1 may include additional charges for common area maintenance which generally runs
2 about \$2.00 per square foot per year.

3 **Q. When will the Company begin making payments on the lease?**

4 A. Avion anticipates lease payments to start around January 1, 2021.

Other O&M Expense

5 **Q. What types of recurring operating costs will the Company incur in connection**
6 **with the new headquarters?**

7 A. Avion expects ordinary and necessary costs to be incurred, such as janitorial services,
8 landscaping, utilities including electricity and sewer.

9 **Q. Has the Company estimated these costs?**

10 A. No, these costs have not been estimated, but the Company expects these costs will
11 be similar to those incurred in the old service center.

12 **Q. When will the recurring operating costs begin to be incurred?**

13 A. Avion expects to begin incurring these recurring operating costs around the time that
14 it moves in to the new service center, which will be on or around January 1, 2021 .

Capital Costs

15 **Q. Please describe the estimated capital costs for the new service center facility.**

16 A. Avion has an option to purchase 2.4 acres of land for \$375,000, which it intends to
17 exercise. Avion also estimates leasehold improvements costing about \$150,000 at
18 this time.

19 **Q. When will Avion begin using the new service center?**

20 A. Avion anticipates that the new service center would be in operation about January 1,
21 2021.

22 **Q. Does this conclude your testimony?**

23 A. Yes.