



**AVION WATER CO INC.**

**60813 Parrell Rd • Bend, OR 97702 •**  
Ph: 541-382-5342 • fax: 541-382-5390 • Email: [avion@avionwater.com](mailto:avion@avionwater.com)

February 8, 2021

ADV 1232, Advice Letter No. 21-01, Schedule 8 Replacement Sheet with LSN

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

RE: Revised Schedule 8 Fee Replacement Sheet

Avion Water Company submitted Advice 21-01 (Schedule 8) to the Public Utility Commission on 01/21/2021, which became ADV1232. A replacement sheet for the previously submitted advice was filed 2/8/2021 to incorporate suggested edits provided by PUC staff. An LSN application accompanied this filing.

Please direct any questions or notifications of action taken on this filing to Adam Jackson at (541) 382-5342 or [adam@avionwater.com](mailto:adam@avionwater.com).

Sincerely,

/s/

Adam Jackson  
Avion Water Company, Inc.

**SCHEDULE NO. 8**

CIAC TAX FEE

AVAILABLE: To customers of the Utility and developers of projects using the Utility’s water service.

APPLICABLE: To customers of the Utility and developers of projects using the Utility’s water service.

Any individual or entity (CIAC Contributor) 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:

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

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

The fee shall be based upon the actual tax rate that Avion pays on the contributed plant.

If a tax rate change occurs following collection of this Schedule 8 fee, and has a retroactive effective date such that an amount previously collected is not consistent with the tax rate that will actually be paid on the CIAC:

1. Avion will refund to the CIAC Contributor any excess portion of the CIAC tax collected.
2. The CIAC Contributor shall pay any additional monies required to pay the taxes on the contributed plant based on the new tax rate.

Avion will refund to the CIAC Contributor 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	February 28, 2021
Issued By	AVION WATER COMPANY, INC.		

# LESS THAN STATUTORY NOTICE APPLICATION

This document may be electronically filed by sending it as an attachment to an electronic mail message addressed to the Commission's Filing Center at [puc.filingcenter@state.or.us](mailto:puc.filingcenter@state.or.us).

## BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

IN THE MATTER OF THE APPLICATION OF	)	UTILITY L.S.N. APPLICATION
AVION WATER COMPANY INC.	)	NO. _____
(UTILITY COMPANY)	)	(LEAVE BLANK)
TO WAIVE STATUTORY NOTICE.	)	

**NOTE:** ATTACH EXHIBIT IF SPACE IS INSUFFICIENT.

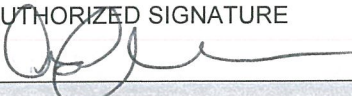
1. GENERAL DESCRIPTION OF THE PROPOSED SCHEDULE(S) ADDITION, DELETION, OR CHANGE. (SCHEDULE INCLUDES ALL RATES, TOLLS AND CHARGES FOR SERVICE AND ALL RULES AND REGULATIONS AFFECTING THE SAME)  
 The proposed changes to Schedule 8 are requested to ensure that Avion and its ratepayers are neither benefitting from nor harmed by retroactive changes to the tax code specifying tax rates on contributed plant and cash CIAC. There are no changes to the rates, tolls, and charges for service specified in the current Schedule 8.

2. APPLICANT DESIRES TO CHANGE THE SCHEDULE(S) NOW ON FILE KNOWN AND DESIGNATED AS: (INSERT SCHEDULE REFERENCE BY NUMBER, PAGE, AND ITEM)  
 ADV 1232, WHICH WAS ORIGINALLY FILED AS AVION ADVICE FILING 21-01 MODIFYING AVION TARIFF NUMBER 7, ORIGINAL SHEET 11 (SCHEDULE 8).

3. THE PROPOSED SCHEDULE(S) SHALL BE AS FOLLOWS: (INSERT SCHEDULE REFERENCE BY NUMBER, PAGE AND ITEM) AS PROVIDED IN ADV 1232, WHICH WAS ORIGINALLY FILED AS AVION ADVICE FILING 21-01 MODIFYING AVION TARIFF NUMBER 7, ORIGINAL SHEET 11 (SCHEDULE 8).

4. REASONS FOR REQUESTING A WAIVER OF STATUTORY NOTICE:  
 The substantive changes to Schedule 8 were previously filed January 21, 2021, with an effective date of 2/28/2021. The changes to this replacement sheet are editorial in nature and made at the suggestion of PUC staff. Avion wishes to incorporate Staff's suggestions while maintaining the original effective date.

5. REQUESTED EFFECTIVE DATE OF THE NEW SCHEDULE(S) OR CHANGE(S):    2/28/2021

AUTHORIZED SIGNATURE 	TITLE Engineer	DATE 2/8/2021
PUC USE ONLY		
<input type="checkbox"/> APPROVED <input type="checkbox"/> DENIED	EFFECTIVE DATE OF APPROVED SCHEDULE(S) OR CHANGE	
AUTHORIZED SIGNATURE	DATE	