



Oregon

Tina Kotek, Governor

Public Utility Commission

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February 20, 2024



BY EMAIL

Sunriver Water LLC

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RE: Advice No. 24-1

At the public meeting on February 20, 2024, the Commission adopted Staff's recommendation in this matter docketed as ADV 1591. The Staff Report and a receipted copy of the sheets in your advice filing are attached.

Nolan Moser

Chief Administrative Law Judge

Public Utility Commission of Oregon

(503) 378-3098

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: February 20, 2024**

REGULAR **CONSENT** **EFFECTIVE DATE** March 4, 2024

DATE: February 7, 2024

TO: Public Utility Commission

FROM: Steph Yamada

THROUGH: Bryan Conway and Marc Hellman **SIGNED**

SUBJECT: SUNRIVER WATER LLC:
(Docket No. ADV 1591/Advice No. 24-1)
Implements a Commodity Power Cost Adjustment.

STAFF RECOMMENDATION:

Staff recommends that the Commission approve Sunriver Water LLC's (Sunriver or Company) filed tariff sheets, which implement a Commodity Power Cost Adjustment (CPCA), to become effective for service rendered on and after March 4, 2024.

DISCUSSION:

Issue

Whether the Commission should allow Sunriver's filed tariff sheets to become effective.

Applicable Rule or Law

Under ORS 757.205(1)-(2), a rate-regulated water utility must file schedules showing all rates, tolls, and charges for any service performed by it within the state and all rules and regulations that in any manner affect its rates. Pursuant to ORS 757.210, the Commission may approve tariff changes if they are deemed to be fair, just, and reasonable. Tariff revisions may be made by filing revised sheets with the information required under the Commission's administrative rules, including OAR 860-036-2010.

Pursuant to ORS 757.220, filings that propose any change in rates, tolls, charges, rules, or regulations must be filed with the Commission at least 30 days before the effective date of the change.

Analysis

Background

Sunriver is a rate- and service-regulated water utility serving approximately 5,000 customers in the vicinity of Sunriver, Oregon. With this filing, Sunriver proposes to implement a CPCA, as allowed under Schedule 9 of the Company's current tariff. The filing was submitted on February 2, 2024, which is more than 30 days prior to the proposed effective date of March 4, 2024, in line with applicable requirements.

Analysis

Schedule 9 of Sunriver's current tariff is an "Automatic Adjustment Clause" as defined in ORS 757.210. This schedule enables Sunriver to revise its rate schedules to reflect increases or decreases in the Company's purchased commodity power cost. The adjustments may be shown in or incorporated directly into the applicable rate schedules. If the Company elects to file for power cost increases, it is also obligated to file for decreases in power costs. The present filing represents Sunriver's first implementation of the Schedule 9 CPCA.

With the present filing, Sunriver proposes to add a CPCA of \$0.05 per unit to its tariff under Schedule 1 (Residential, Commercial, and Multi-Family Metered Rates), Schedule 3 (Irrigation Metered Rates), Schedule 5 (Golf Course Irrigation Rates), and Schedule 6 (Rates for Commercial Water Haulers). Sunriver's water is measured in units of 1,000 gallons.

The Company submitted, and Staff reviewed, workpapers calculating the CPCA at \$0.05 per unit. The Company's calculation is based on the per-unit difference in power cost between 2021 and 2024, as summarized in the following table.

	2021	2024	
Water Units Sold	561,823	512,710	
Power Cost	\$74,477	\$93,044	
Cost per Unit	\$0.13	\$0.18	\$0.05 Difference

Staff performed the calculation differently but arrived at the same result of \$0.05 per unit. Staff's calculation uses figures from the Company's most recent rate case (UW 186) to first calculate the amount of power cost embedded in current rates. Staff then calculated the new per-unit power cost using UW 186 consumption and the

estimated 2024 power cost of \$93,044, which was provided by Sunriver’s electric provider, Midstate Electric Cooperative, Inc. This methodology is similar to that used to calculate the CPCA for Avion Water Company as shown in Docket No. ADV 1579. Staff’s calculation also results in a CPCA adjustment of \$0.05 per unit, as summarized in the following table.

UW 186 Account 615 - Purchased Power	\$ 69,748
UW 186 Consumption Units (1000 Gal)	485,403
Current Power Cost Rate per 1000 Gal	\$ 0.14

Revised Cost	\$ 93,044
UW 186 Consumption Units	485,403
Revised Power Cost Rate per 1000 Gal	\$ 0.19

Difference (CPCA Adjustment)	\$ 0.05
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The \$0.05 CPCA adjustment is added to the Company’s variable rates on the tariff schedules cited previously. The adjustment is incorporated directly into the Company’s variable rates, as allowed by the tariff. This filing results in the following rate changes.

Sunriver Variable Rates per 1,000 Gallons

Tariff Schedule	Current	Revised
1 - Residential, Commercial, Multi-Family	\$1.88	\$1.93
3 - Irrigation Metered Rates	\$1.96	\$2.01
5 - Golf Course Irrigation Rates	\$0.50	\$0.55
6 - Rates for Commercial Water Haulers	\$2.20	\$2.25

For a typical Schedule 1 customer (which includes residential customers) using 6.61 units of water per month, this rate change would increase the monthly bill by approximately \$0.33, or 1.1 percent.

The Company has reviewed a draft of this memo and noted no concerns.

Conclusion

Staff reviewed the Company’s cost documentation and proposed calculation methodologies. Staff finds that Sunriver’s requested CPCA rates are allowed under Schedule 9 of the Company’s current tariff and should be allowed to become effective.

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PROPOSED COMMISSION MOTION:

Allow Sunriver's filed tariff sheets to become effective for service rendered on and after March 4, 2024.

Sunriver ADV 1591 – Power Cost Adjustment



SCHEDULE NO. 1

RESIDENTIAL, COMMERCIAL & MULTI-FAMILY METERED RATES

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

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

Base Rate

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

Commodity Usage Rate

COMMODITY RATE	NO. OF UNITS	MEASURING UNIT
\$1.93	Per Unit	1 unit = 1,000 gallons

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SUNRIVER WATER LLC

SCHEDULE NO. 3 IRRIGATION METERED RATES

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

Applicable: To irrigation customers.

Base Rate

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

Commodity Usage Rate

COMMODITY RATE	NO. OF UNITS	MEASURING UNIT
\$2.01	Per Unit	1 unit = 1,000 gallons

Special Provisions:

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

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**SCHEDULE NO. 5
 GOLF COURSE IRRIGATION RATES**

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

Applicable: To golf course irrigation customers.

Base Rate

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

Commodity Usage Rate

COMMODITY RATE	NO. OF UNITS	MEASURING UNIT
\$0.55	Per Unit	1 unit = 1,000 gallons

Special Provisions:

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

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SCHEDULE NO. 6
RATES FOR COMMERCIAL WATER HAULERS

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

APPLICABLE: To all commercial water haulers.

RATE FOR COMMERCIAL WATER HAULERS

\$2.25 per 1,000 gallons

SPECIAL PROVISIONS:

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

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