

ORDER NO. 01-991

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**BEFORE THE PUBLIC UTILITY COMMISSION**  
**OF OREGON**

WA 60

In the Matter of the Application by )  
Sunriver Water LLC for Allocation of )  
Exclusive Territory to Provide Water )  
Service, Pursuant to ORS 758.300 )  
Through ORS 758.320. )

ORDER

**DISPOSITION: APPLICATION GRANTED**

On March 2, 2000, Sunriver Water LLC (applicant) filed under Oregon Administrative Rule 860-036-0900 an application with the Public Utility Commission (Commission) for an allocation of exclusive territory for the provision of water service. Applicant is requesting allocation of the service territory it adequately and exclusively served on October 23, 1999. See ORS 758.300 and Section 2 to 4 Chapter 695, Oregon Laws 1999. The territory sought is described in Appendix A. The Commission gave notice of the application on March 1, 2001, as required by Chapter 695, Oregon Laws 1999, Section 2(2). Sunriver Owners Association requested a hearing and later rescinded that request prior to the hearing being held.

Applicant is an investor owned water utility that provides water service to approximately 4,000 customers in the Sunriver Lodge and Resort area.

Based on its investigation, the Commission finds that the applicant was adequately and exclusively serving the territory described in Appendix A and covered by the current service territory application on October 23, 1999.

## FINDING OF FACTS

### Merits of the Application

Staff's analysis of the company's application indicates that the company has met the criteria required to demonstrate that the company adequately and exclusively provided water service to its current service territory as required in OAR 860-036-0900 through OAR 860-036-0930.

The criteria are:

1) Service Quality

The Commission Consumer Services Division had a record of five complaints on Sunriver in the period from February 1994 through June 2000. All complaints were satisfactorily resolved.

2) Water Quality

The Oregon Health Division had eleven violations listed from March 1991 through August 2000 (not enough reporting, for the first seven; and unacceptable coliform or e.coli levels for the last four) but had no current violations.

3) Water Capacity

Sunriver has nearly four thousand residential, commercial/industrial, resale and irrigation customers. Average demand is 1,500,000 gallons per day (gpd). August peak demand is 5,182,000 gpd. The utility's pumping capacity is 7,531,200 gpd. Sunriver owns the water rights (permits T-8260 and G-13249) to sufficient gallons of ground water to accommodate continual daily maximum pumping, drawn from three wells. Finally, there are three storage tanks, with a 2,000,000-gallon capacity, in the system.

4) Technical Ability

Sunriver has a twelve person staff with collective total experience in water utility operations in excess of one hundred-fifty years. Staff credentials include Water Distribution Levels 1 and 2, Cross Connection Control Inspector and/or Tester, and Water Treatment Level 1.

Exclusive Service

Sunriver submitted photocopies of easements dating back to 1985. The utility appears to have the authority necessary to serve the territory exclusively.

5) Reasonable Rates

Sunriver is a fully regulated public utility with tariffs on file with the Commission.

**OPINION**

**Jurisdiction**

ORS 757.005 defines a public utility as “ any corporation, company, individual, association of individuals, or its lessees, trustees, or receivers that own, operates, manages or controls all or a part of any plant or equipment in this state for the production, transmission, delivery or furnishing of . . . water . . . directly or indirectly to or for the public.”

**Applicable Law**

The 1999 Oregon Legislature enacted ORS 758.300 through 758.320, which provide that all public water utilities must file an application with the Commission seeking an order designating the service territory that the utility served adequately and exclusively on October 23, 1999, as exclusive service territory.

On April 11, 2000, the Commission adopted rules (AR 370) governing the allocation of exclusive service territory to water utilities. Oregon Administrative Rules 860-036-0900 through OAR 860-036-0930 specify the service territory application requirements and processes necessary to meet the requirements of ORS 758.300 through ORS 758.320.

**Disposition**

Applicant has met the service territory requirements and processes set out in OAR 860-038-0900 through OAR 860-036-0930 and is entitled to the exclusive territory described in Appendix A.

**CONCLUSIONS**

1. The Company is a public utility subject to the service territory jurisdiction of the Public Utility Commission.
2. The utility meets the requirements set out in OAR 860-036-0900 through OAR 860-036-0930.
3. The Company meets the requirements of ORS 758.300 through ORS 758.320.
4. The Application should be granted.

**ORDER**

IT IS ORDERED that the application of Sunriver Water LLC for exclusive service territory as allocated to the applicant and set forth in Appendix A is granted.

Made, entered, and effective \_\_\_\_\_.

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**Phil Nyegaard**  
Acting Director  
Utility Program

A party may request rehearing or reconsideration of this order pursuant to ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements of OAR 860-014-0095. A copy of any such request must also be served on each party to the proceeding as provided by OAR 860-013-0070(2). A party to a hearing may appeal this order to a court pursuant to applicable law.

APPENDIX A

Description of Sunriver Water LLC's exclusive service territory:

Located in Sections 6, 7, and 8, Township 20 S, Range 11 E, in the Sunriver service area and Crosswater and Vandever Ranch service area within Deschutes County, OR.