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BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UP 183

In the Matter of the Application of VISTA)
DALE WATER CO. to Abandon its) ORDER
Community Water System.)

DISPOSITION: TERMINATION OF SERVICE ALLOWED

Background Facts

On November 13, 2000, Larry Brown, the owner of Vista Dale Water Co., filed an application to “abandon the current community water system and retain the well for private use only, effective 1/10/01.” Mr. Brown stated that he was willing to negotiate an agreement with an appropriate party to continue providing service until a new water supply could be obtained. On December 14, 2000, an Administrative Law Judge for the Commission (ALJ) issued a Ruling accepting Mr. Brown’s offer to assist in the transition to another water source. The ALJ ruled that the application to abandon service could not be granted at that time. He also ruled that the application would be held in abeyance while interested persons worked to obtain a satisfactory source for water service.

The Vista Dale water system is old and inadequate. It consists of a 30-foot well and a leaky distribution system. It provides water service to between 20 and 27 households. Its proximity to septic systems and location in a subdivision make it extremely unlikely that it can be repaired to provide safe and adequate water service. It will not be able to meet stringent safety standards applicable in the near future.

The area served by the Vista Dale water system is not within the municipal city limits of Junction City, but is completely surrounded by the City. Problems with the Vista Dale water system have been the subject of numerous meetings and proposals for alternative sources of water. The problems are not new and have been discussed for several years. Alternative solutions discussed include annexation into Junction City, which would provide water, sewer and other city services, and building a new water system owned by Vista Dale’s customers. Annexation would be very expensive. However, it may be very difficult to construct a new water system for Vista Dale’s customers and there is no assurance that a new well will provide safe drinking

water. Personnel from the Environmental Protection Agency, the Lane County Water Master, the Department of Human Services Drinking Water Program, the Oregon Association of Water Utilities, the Oregon Health Division, our Staff, and perhaps others, have met with Vista Dale customers and held meetings to address Vista Dale's water problems.

Opinion and Conclusions

OAR 860-036-0705 requires all water utilities seeking to terminate service or abandon a water utility to first obtain the Commission's approval. We addressed Vista Dale's application to abandon or terminate public service at our Public Meeting on January 8, 2002. Our Staff presented a Staff Report in which it recommended that we authorize dissolution of the Vista Dale water system as a public utility. A copy of the Staff Report is attached to this order as Appendix A.¹

It is time to act and allow termination of the public utility water service provided by the applicant. Unfortunately, there is no easy or cheap way to provide adequate and safe water to the customers of Vista Dale. The Vista Dale water system is inadequate and is in danger of providing unsafe service in the near future. The Staff Report did not include a recommendation for a definite date for Vista Dale's termination of public utility service. It will take time to obtain an alternative source of water service for Vista Dale's customers. That is a matter of high importance and must be accomplished as quickly as possible. We will allow Vista Dale to cease public utility water service as of September 30, 2003. That date strikes an appropriate balance between the need to terminate service by Vista Dale and the process required to obtain an acceptable alternative source of public water service. Vista Dale's obligations as a public utility will continue until that date. If an adequate and safe water system for Vista Dale's customers is in place prior to September 30, 2003, Vista Dale may file an application for a new date for termination of its utility water service.

¹ Replace the original Proposed Commission Motion on Page 3 of Staff's December 28, 2001 Public Meeting Report to read as follows:

Vista Dale Water System be authorized to terminate water service to its customers, effective September 30, 2003. Until that time, Vista Dale Water System will be obligated to continue to serve the customers and meet all requirements of a public utility.

ORDER

IT IS ORDERED that the Vista Dale Water Co. is authorized to terminate water service to its customers on September 30, 2003. Until that time, the Vista Dale Water Co. must continue to serve its customers and meet all requirements of a public utility.

Made, entered, and effective _____.

BY THE COMMISSION:

Becky L. Beier
Commission Secretary

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 in 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 may appeal this order to a court pursuant to applicable law.