ORDER NO. 02-061

ENTERED JAN 29 2002

This is an electronic copy. Attachments may not appear. BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

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In the Matter of the Application of)	
OAKGLEN ESTATE SUBDIVISION for)	ORDER
Allocation of Current Service Territory.)	

DISPOSITION: APPLICATION DENIED

On February 22, 2000, Oakglen Estate Subdivision (Oakglen) filed an application with the Commission for approval of exclusive service territory to provide water service, pursuant to Chapter 695, Oregon Laws 1999.

Sections 2 to 4, Chapter 695, Oregon Laws 1999, provide in relevant part:

Sec. 2. (1)(a) A water utility providing water service shall make application within 120 days of the effective date of this 1999 Act [October 23, 1999] to the Public Utility Commission for an order designating the territory that it served adequately and exclusively on the effective date of this 1999 Act as its exclusive service territory. * * *

* * * * *

(5) The commission may make such investigations respecting an application for the designation of exclusive service territory as the commission deems proper, including physical examination and evaluation of the facilities and systems of the applicant, estimates of their operating costs and revenues, and studies of such other information as the commission deems relevant.

The City of Grants Pass (City) requested a hearing on the application by letter dated March 31, 2000. The City, Commission Staff, and Oakglen engaged in negotiations about the application. On November 6, 2001, Commission Staff received notice by telephone that Oakglen had been absorbed into the City's water system. On November 7, 2001, Staff requested a letter from Oakglen confirming the takeover. Staff made several follow up calls to Oakglen with no response. Staff contacted the City's attorney on December 26, 2001, with a request for written confirmation. Staff received written confirmation of the takeover from the City on January 3, 2002.

Staff wrote a memorandum to Administrative Hearings on January 4, 2002, requesting denial of Oakglen's application because Oakglen is no longer providing water service. Because the application for exclusive service territory was mandatory under 1999 Oregon Laws, Staff counsel has recommended denial rather than dismissal of the application. Because this was a contested case, the Commission must approve the denial.

We conclude that Oakglen's application should be denied.

ORDER

IT IS ORDERED that the application of Oakglen Estates Subdivision for allocation of exclusive service territory is denied.

Made, entered, and effective ______.

Roy Hemmingway Chairman Lee Beyer Commissioner

Joan H. Smith Commissioner

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.