

ORDER NO. 02-096

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BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

WA 15

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

ORDER

DISPOSITION: APPLICATION GRANTED

On February 10, 2000, Fall River Water Company (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 15, 2000, as required by Chapter 695, Oregon Laws 1999, Section 2(2). No requests for hearing were filed.

Applicant is an investor owned utility that provides water service to approximately 18 customers in the area along River Loop Drive East in Bend, Oregon.

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

A Commission survey was sent to the eighteen residential customers listed as current by the utility to determine the level of service quality being provided. Thirteen customers responded. The ratings given ranged from average to excellent. Consumer Services had no record of complaints.

2) Water Quality

Oregon Health Division's monitoring and reporting records showed six violations of the coliform standard for lack of reporting. The last violation was dated March 1, 1999. No enforcement action was ever taken. This indicates acceptable water quality.

3) Water Capacity

Fall River's customer usage is not metered. No estimation was furnished for average daily demand or peak demand. Given the customer base, I estimate an average daily demand of 4,374 gallons. Pumping capacity of the two wells supplying the utility is 43,200 gallons per day. Additionally, the system has 650 gallons of storage capacity. It appears that Fall River has sufficient capacity to provide adequate service to its customers.

4) Technical Ability

Joan Bauer is the responsible party for Fall River's operations. She submitted photocopies of certificates showing successful completion of the Oregon Health Division's Water System Operator training course in 1997 and 1999.

5) Exclusive Service

Documentation was submitted showing the purchase of the system on November 12, 1993.

6) Reasonable Rates

Fall River's annual assessment is prorated equally over the customer base to cover operating costs. The last year reported in the application showed a monthly charge of \$10.09.

OPINION

Jurisdiction

ORS 757.005 defines a public utility as “ any corporation, company, individual, association of individuals, or its lessees, trustees, or receivers that owns, 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 Fall River Water Company for exclusive service territory as allocated to the applicant and set forth in Appendix A is granted.

Made, entered, and effective _____.

John Savage
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 Fall River Water Company's exclusive service territory:

Deschutes County, Section Map

Lots 1, 2, 4-20 (19 lots total)

Block 1 Fall River Estates, First Addition