

ORDER NO. 02-098

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BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

WA 21

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

ORDER

DISPOSITION: APPLICATION GRANTED

On February 11, 2000, Lunnville Water District (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 February 22, 2001, 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 14 customers in the north side of Highway 240 and north side of Highway 47 and Stiller Mill Road 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
A Commission survey was sent to the fourteen residential customers listed as current by the utility to determine the level of service quality being provided. Eight customers responded. No sub-par ratings were given. Consumer Services had no record of complaints.
- 2) Water Quality
Oregon Health Division's monitoring and reporting records showed twenty-three violations from March 1, 1992 through September 1, 2001 of the coliform standard for lack of reporting. No enforcement action was taken indicating voluntary compliance at a later date. While this history shows acceptable water quality, regular reporting will be made a condition of the approval order.
- 3) Water Capacity
Lunnville's average daily demand and peak demand are 1,767 gallons and 81,400 gallons respectively. The City of Yamhill furnishes the water under an agreement signed February 20, 1986 that restricts the residential connections to fourteen.
- 4) Technical Ability
Lunnville bills and collects the charges imposed by the City of Yamhill on an equally prorated basis.
- 5) Exclusive Service
A statement was provided that the distribution system was installed in the late 1940s and replaced and/or updated in 1971.
- 6) Reasonable Rates
The last year reported in the application showed a monthly charge of \$39.45 per household.

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 Lunnville Water District for exclusive service territory as allocated to the applicant and set forth in Appendix A is granted. Regular reporting to the Oregon Health Division is required.

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 Lunnville Water District's exclusive service territory:

Starts at State Highway 240 and Stiller Mill Road and runs the full length of Stiller Mill Road to State Highway 47. Crosses State Highway 47 to its north side and runs along the north leg of Stiller Mill Road to Bony Road.

The remainder runs from the north side of State Highway 47 and Stiller Mill Road along State Highway 47 to Cove Orchard Road then to the railroad tracks.