

ORDER NO. 02-287

ENTERED APR 22 2002

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

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

ORDER

DISPOSITION: PART A OF APPLICATION GRANTED

On May 12, 2000, Government Camp 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 6, 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 164 customers on the acreage on both sides of Mt. Hood Highway 26 in the Mt. Hood National Forest in Government Camp, 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.

As stated above, Government Camp Water Company made its filing for service territory on May 12, 2000. As part of this filing, Government Camp Water Company applied for Part B, which includes territory beyond what is currently being serviced by the utility. According to OAR 860.036.0905, in an application for expanded service territory, the company must demonstrate it intends to serve the expanded territory within six months. Government Camp Water Company is not currently serving the

territory as described in Part B of its application. Therefore the Part B of the application is moot and will not be granted at this time.

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 one formal complaint on the applicant from one of the customer survey complainants (as a result, no follow-up letter was sent). A Commission survey was sent to the statistically determined sample of 164 of the 285 customers listed as current customers by the utility to determine the level of service quality being provided. Ninety-four responses were received with eleven customers indicating various dissatisfaction(s) as follows:

	Below Average	Unacceptable
Water Quality	1	1
Water Pressure	4	
Courteous Customer Service	3	
Timely and Accurate Billings	5	3
Customer Confidence in Management/Operator	6	
Communication Between Utility and Customers	3	
Timely Resolution of Service Complaints	3	1

The complaint level represents 4 percent of the customer base and does not constitute a system-wide problem. PUC staff sent explanatory letters on the required procedure for consumer complaints.

2) Water Quality

The Oregon Department of Human Services Drinking Water Program's website listed five coliform violations for Government Camp from April 1991 through October 1997 (not enough routine reporting for the four and exceeding the minimum contamination level for the fifth). No enforcement action was taken.

3) Water Capacity

Government Camp is an unmetered, spring-fed, gravity system. Average demand, peak demand, and pumping capacity figures are unavailable. It has been estimated that the current spring collection system produces a flow of about 720,000 gallons per day (gpd). The company has the right to appropriate up to 969,475 gpd. A 100,000-

gallon tank provides backup storage. Given the low complaint level discussed above, the system appears adequate.

4) Technical Ability

Maryanne Hill, the certified water operator, has over 30 years experience with the system.

5) Exclusive Service

The applicant was founded in 1907 as a subsidiary of Meldrum Flume Company. Meldrum Flume Company documentation was submitted showing an appropriation of the waters of Government Camp Creek "for purposes of irrigation and supplying water for household and domestic consumption" dated September 4, 1908.

Additionally, a copy of a U. S. Department of Agriculture Forest Service special use permit, with improvements noted, granted to Government Camp "issued for the purpose of: the operation and maintenance of a spring intake and transmission pipeline to supply domestic water to residences and businesses in and around the town of Government Camp, Oregon" was furnished. The permit's expiration date is December 31, 2021.

6) Reasonable Rates

The applicant has flat rate schedules. Residential customers pay \$18.00 monthly. The commercial flat rate varies by premise and ranges from \$11.00 to \$30.00 per month.

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.”

ORS 758.300 defines a water utility as " any corporation, company, individual or 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, whether or not such plant or equipment or part thereof is wholly within any town or city. ‘Water utility’ does not include a municipal corporation.”

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.
5. Part B of the application is moot and will not be granted at this time.

ORDER

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

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 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 Government Camp Water Company's exclusive service territory:

The attached map shows the boundaries of the territory currently served as dotted lines.