

ORDER NO. 02-427

ENTERED JUL 01 2002

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**BEFORE THE PUBLIC UTILITY COMMISSION**  
**OF OREGON**

WA 23

In the Matter of Moran Water System        )  
Application for Allocation of                )  
Exclusive Territory to Provide                )  
Water Service, Pursuant to ORS                )                ORDER  
758.300 Through ORS 758.320.                )

**DISPOSITION: APPLICATION GRANTED**

On February 10, 2000, Moran Water System (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 a partnership that provides water service to approximately 7 customers in the vicinity of East Lacomb Road, located approximately 3 1/2 miles northeast of Lacomb, 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

The Commission Consumer Services Division had no record of complaints on Moran. A Commission survey was sent to the six customers listed as current customers by the utility (the owner's household was excluded) to determine the level of service quality being provided. Three responses were received. None contained below average evaluations.

2) Water Quality

The Oregon Department of Human Services Drinking Water Program's website had no violations/enforcements recorded. The system was designed by Worthington Consulting Engineers of Corvallis and received approval from the State Board of Health on October 12, 1965.

3) Water Capacity

Moran is a partially metered system supplied by a single well. The well's daily pumping capacity is 93,357 gallons. The system shows a current average usage of 1,143 gallons daily with yearly peak demand of 1,526 gallons. This low usage is explained by the customers' demographics. These are retired persons on limited incomes with high conservation tendencies. There is also a 1000-gallon hydro-pneumatic storage tank. The water supply is more than adequate.

4) Technical Ability

Moran's owner/manager has three years of experience in testing, chlorination, flushing, metering, and accounting.

5) Exclusive Service

Moran submitted a photocopy of a warranty deed from the previous owners, Milton I. Moran et al recorded in Linn County deeds at Volume 909, Page 950, covering the well and pump house.

6) Reasonable Rates

The rates averaged approximately \$20.00 per household per month over the two years reported on in the application.

**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.

**ORDER**

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

Made, entered, and effective \_\_\_\_\_.

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**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.