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BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

WA 76

In the Matter of the Hillview Water's)
(Division of Hiland Water Corporation))
Application for Allocation of Exclusive)
Territory to Provide Water Service,)
Pursuant to ORS 758.300 Through)
ORS 758.320.)

ORDER

DISPOSITION: APPLICATION GRANTED

On April 25, 2002, Hillview Water (Division of Hiland Water Corporation) (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 August 30, 2002, 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 11 customers in the Hillview Acres Subdivision 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

The Commission Consumer Services Division recorded two customer complaints for Hillview Water (Hillview) from the same customer in 1999 and 2001. There was one complaint filed in 2002. These grievances were satisfactorily resolved.

2) Water Quality

The website for the Oregon Department of Human Services Drinking Water Program listed twelve violations from October 1995 through June 1998. Eleven of these citations were made for the failure to report coliform sampling with the twelfth for insufficient reporting of coliform sampling. No enforcement action was necessary.

3) Water Capacity

Hillview has a completely residential customer base. Average demand is 9,500 gallons per day (gpd). Peak demand is 14,250 gpd. The pumping capacity is 43,200 gpd. The utility has water right permit number G-13605 for a well with maximum capacity of 103,411 gpd. There are also two 4,000-gallon underground storage tanks. The system is more than adequate.

4) Technical Ability

Hillview has a Water Distribution Level II certified operator with 10 years experience in the field. He is also certified as a cross connection inspector. The office staff has worked in water billings for four years and uses computerized billing programs and makes meter readings.

5) Exclusive Service

There is a perpetual easement covering this system. Further, Order No. 99-522, dated August 26, 1999, conveyed title to all utility property from Hillview Acres Water District to Hiland Water Corporation.

6) Reasonable Rates

Hillview is a rate-regulated entity with current authorization under Docket UW 83, Order No. 02-349.

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 Hillview Water (Division of Hiland Water Corporation) 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 Hillview Water's (Division of Hiland Water Corporation) exclusive service territory:

All the tracts of land located in Hillview Acres Subdivision as filed in the Southeast Quarter of Section 24, and the Northeast Quarter of Section 25, T3S, R3W WM, in Yamhill County, Oregon AND

Assessor's Tax Lots 1400 thru 1403 lying North of Hagey Road in Section 25, T3S, R3W WM in Yamhill County, Oregon AND

Assessor's Tax Lots 200 and 201, being land partitioned by Yamhill County No. 1993-26, in Section 25, T3S, R3W WM in Yamhill County, Oregon.