

ORDER NO. 02-846

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BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

WA 30

In the Matter of the South Redmond)
Heights Water System's Application for)
Allocation of Exclusive Territory to)
Provide Water Service, Pursuant to)
ORS 758.300 Through ORS 758.320.)

ORDER

DISPOSITION: APPLICATION GRANTED

On February 22, 2000, South Redmond Heights 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 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 83 customers in the South Heights Addition subdivision, Redmond, 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 South Redmond. Using the standard sampling technique, Commission surveys were sent to 68 of the 83 customers listed as current customers by the utility to determine the level of service quality being provided. 42 responses were received with 4 complainants. There do not appear to be system-wide problems. Explanatory letters on official complaint procedures were sent to the 4 customers.

2) Water Quality

The Oregon Department of Human Services Drinking Water Program's website listed four violations from January 1996 through October 2000. There were two nitrate non-reporting items, one insufficient coliform reporting item and one open consumer confidence report item. The latter remains open. No enforcement action has been taken.

3) Water Capacity

South Redmond services 83-metered residences. Average demand is 31,044 gallons per day (gpd). The summertime peak daily demand is estimated at 336,623 gpd. The system currently utilizes a ground water capacity of 6,517,028 gpd with a maximum capacity of 13,359,908 gpd (under water right 8033). There is also a 50,000-gallon concrete reservoir.

4) Technical Ability

The owner sold pipes, valves, and hydrants to cities and contractors for five and one-half years, as well as designed and installed water and sewer systems. He has taken courses in backflow prevention, sanitizing, wellhead protection, system management, turbidity, and biological testing techniques. He takes continuing education courses annually. The billing is contracted out to Oakbay Technologies, Water Solutions.

- 5) Exclusive Service
A copy of the bargain and sale deed conveying all property, easements, and rights of way for the system was submitted.
- 6) Reasonable Rates
The average monthly charges per customer for the two years reported on in the application were \$31.32 and \$33.36.

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 South Redmond Heights Water System 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

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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 South Redmond Heights Water System's exclusive service territory:

Beginning at a point on the West line of the Northwest Quarter, Section 29, Township 15 South, Range 13 East, Willamette Meridian, Deschutes County, Oregon, said point bearing S 00°00'21" E, 600.00 feet from the Northwest corner of said Section 29; thence N 89°39'25" E, 460.00 feet; thence S 00°00'21" E, 300.00 feet; thence N 89°39'25" E, 671.82 feet; thence N 22°07'55" E, 223.08 feet; thence N 8°54'55" E, 297.74 feet thence; N 89°39'25" E, 42.99 feet to the centerline of Lateral "C" of the Central Oregon Irrigation District; thence S 4°20'44" W 157.56 feet to the P.C. of a curve on said Lateral "C"; thence Southwesterly on said curve to the right with a delta angle of 6°5'22", radius of 649.34 feet, the long chord of which bears S 18°02'51" W, 183.62 feet to the P.C. of a second curve on said Lateral 'C'; thence Southwesterly on said curve to the left with a delta angle of 8°48'59", radius of 459.46 feet, the long chord of which bears S 27°14'35" W, 70.63 feet; thence S 21°03'19" W, 346.33 feet to the P.C. of a curve on said Lateral 'C'; thence Southeasterly on said curve to the left with a delta angle of 68°16'26", radius of 117.44 feet the long chord of which bears S 7°22'02" E, 131.81 feet to the P.C. of a second curve on said Lateral 'C' thence Southeasterly on said curve to the left with a delta angle of 14°55'49", radius of 1036.47 feet, the long chord of which bears S 62°57'46" E, 269.32 feet to the intersection with the East Line of the SW1/4NW1/4, Section 29; thence S 00°52'56" E, 1212.69 feet to a point on the Northerly right-of-way of the Old Dalles-California Highway; thence Southwesterly along said Northerly right-of-way on a curve to the right with a delta angle of 8°06'31", radius of 924.93 feet, the long chord of which bears S 60°48'40" W, 130.79 feet; thence S 64°51'56" W, 754.68 feet to the P.C. of a curve on said Northerly right-of-way thence Southwesterly along said Northerly right-of-way on a curve to the right with a delta angle of 1°51'23" radius of 3056.41 feet, the long chord of which bears S 65°47'37" W, 99.02 feet; thence S 66°43'19" W, 678.80 feet to the intersection of said Northerly right-of-way of the old Dalles-California Highway, and a line parallel with, and 30.00 feet westerly of the center line of the most easterly right-of-way line of those Bonneville Power Administration easements lying within said Section 30; thence N 27°15'10" W, along said Parallel Line 718.42 feet to the intersection with the South line of the Northeast Quarter of Section 10, Township 15 South, Range 13 East, Willamette Meridian, Deschutes County, Oregon; thence S 89°39'51" E along said South line of the NE1/4 of Section 30, 485.57 feet to the Southwest corner of the Northwest Quarter of Section 29, Township 15 South, Range 13 East, Willamette Meridian, Deschutes County, Oregon; thence N 00°00'21" W, along the West line of said NW1/4 of Section 29, 2032.98 feet to the Point of Beginning.