

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

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In the Matter of the Parkdale Water )  
Company Inc.'s Application for )  
Allocation of Exclusive Territory )  
Provide Water Service, Pursuant to )  
ORS 758.300 Through ORS 758.320. )

ORDER

**DISPOSITION: APPLICATION GRANTED**

On February 24, 2000, Parkdale Water Company Inc. (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 165 customers in the Parkdale Community area in Hood River County, 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 section had a record of 23 informal complaints on Parkdale with all but two resolved. The two open complaints (from the same individual, regarding equipment and charges) were formalized. There are now six open formal complaints and an administrative law judge will resolve the matters. These protests are made up of two meter charges, a rate overcharge, a connection charge, a system development charge, and a claim that the utility's telephone was disconnected with no alternative offered. Under the standard sampling process used, Commission surveys were sent to 116 of the utility's 165 then current customers to determine the level of service quality being provided. Fifty-two responses were received. The following chart shows the negative comments made by 23 respondents. As this group represents only 13% of the customer base (20% is used as a threshold), no qualification of the order will be made.

	<b>Below Average</b>	<b>Unacceptable</b>
Water Pressure	4	4
Courteous Customer Service	6	5
Timely and Accurate Billings	6	1
Customer Confidence in Management/Operator	7	7
Communication Between Utility and Customers	8	4
Timely Resolution of Service Complaints	4	6

Explanatory letters on official complaint procedures were sent to 20 of the respondents. The other three complainants are included in the formal complaint group.

2) Water Quality

The Department of Human Services Drinking Water Program website registered 41 violations for the system from March 1991 through March 1998 (19 insufficient or non-reporting of coliform; 20 reports exceeding the maximum coliform contamination level; and 2 acute coliform reports over the maximum level for fecal or e-coli contamination). Administrative orders have been issued in 1995 and 1996.

There is a return to compliance notation in March 2000. In 2002, there was a single coliform non-reporting violation and two reports exceeding the maximum coliform contamination level. Finally, there was a public notice on coliform in 2003. This history caused me to converse with personnel in the Drinking Water Program and the Hood River County Health Department. The latter's recommendation was that the system has had difficulties but is considered to be improving.

3) Water Capacity

Parkdale had a maximum of 261 connections during the two-year period on the application. The customer base consists of residential, commercial/industrial, farm, and inactive. The system is partially metered (with ongoing metering) and draws surface water under permit 42929. The average and peak daily demands are 360,000 and 720,000 gallons. The daily pumping capacity is 1,440,000 gallons. The system appears to be adequate.

4) Technical Ability

The system began operation in 1922. Since 1996, Tenneson Engineering Corporation has been retained to provide advice. Alpine Bookkeeping Services fulfills the office duties.

5) Exclusive Service

Copies of deeds covering the system were submitted. Boundary overlaps in the originally submitted territory with a contiguous water district (Crystal Springs) were resolved. A signed release from the water district was received together with a revised legal description.

6) Reasonable Rates

The current charges by customer class are as follows:

Residential	\$24.00 (flat rate)	
Commercial/Industrial	\$89.70 (flat rate)	
Farm	Meter Size	Monthly Base Rate
	¾"	\$5.75
	1"	\$9.20
	1½"	\$13.80
	2"	\$21.85
	3"	\$29.90
	4"	\$37.95

Farm water usage is \$1.50 per gallon

## 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 Parkdale Water Company Inc. 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.

APPENDIX A

Description of Parkdale Water Company Inc.'s exclusive service territory:

Township 1 North, Range 10 East

- Section 29: Northwest 1/4 of the Southwest 1/4, excepting the North 330 feet thereof  
South 1/2 of the Southwest 1/4  
South 1/2 of the Southeast 1/4, excepting that portion lying East of the centerline of the Mt. Hood Railroad
- Section 30: East 1/2 of the Southeast 1/4, excepting the North 660 feet thereof and that portion lying West of Trout Creek
- Section 31: East 1/2
- Section 32: West 1/2  
Southeast 1/4  
West 1/2 of the Northeast 1/4
- Section 33: South 1/2 of the Southwest 1/4 lying westerly of the Cooper Spur Road

Township 1 South, Range 9 East

- Section 1: East 1/2
- Section 12: Northeast 1/4

Township 1 South, Range 10 East

- Section 6: The North 660 feet lying Westerly of the Southerly projection of Allen Road of the Northeast 1/4 of the Northeast 1/4  
Northwest 1/4 of the Northeast 1/4  
Southwest 1/4 of the Northeast 1/4  
West 1/2 less and except the Southeast 1/4 of the Southeast 1/4 of the Southwest 1/4
- Section 7: West 1/2 of the Northwest 1/4