

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

WJ 1

In the Matter of	)	
	)	
ROUND LAKE UTILITIES, INC.	)	ORDER
	)	
An Investigation Pursuant to ORS 756.515	)	
to Determine Jurisdiction	)	

**DISPOSITION: JURISDICTION ASSERTED**

On December 27, 2004, ROUND LAKE UTILITIES, INC. (Round Lake Utilities) sent a notice to its customers that it was raising its annual average monthly residential rate above the Public Utility Commission’s (Commission) established threshold of \$24 (OAR 860-036-0030). On January 10, 2005, the Commission received petitions from 20 percent or more of Round Lake Utilities’ customers requesting rate regulation. On January 28, 2005, the Commission Staff sent a letter notifying Round Lake Utilities that pursuant to OAR 860-036-0405 and ORS 757.061 jurisdiction would be asserted unless Round Lake Utilities requests a hearing by March 1, 2005, to explain why Round Lake Utilities is not subject to jurisdiction. A copy of Staff’s letter is attached as Appendix A and incorporated by reference. Round Lake Utilities did not request a hearing, and the time for doing so has expired.

**FINDINGS OF FACT**

Round Lake Utilities provides water service to the public. Round Lake Utilities meets the definition of a public utility and is subject to rate regulation.

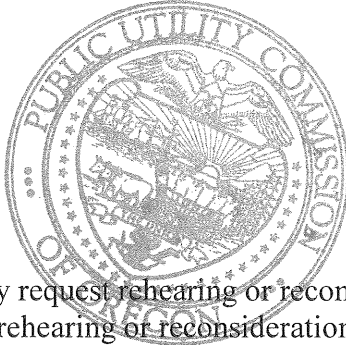
**CONCLUSION OF LAW**

Round Lake Utilities is a public utility under ORS 757.005. Round Lake Utilities is subject to service and rate regulation pursuant to ORS 757.061. Round Lake Utilities should be classified as a rate regulated public utility.

**ORDER**

IT IS ORDERED that Round Lake Utilities is a public utility subject to Commission rate and service jurisdiction under ORS 757.005 and 757.061. Pursuant to OAR 860-036-0410(6), Round Lake Utilities shall file appropriate tariffs pursuant to ORS 757.205 within 60 days from the date of this order.

Made, entered and effective MAR 25 2005.



*Lee Sparling*

**Lee Sparling**  
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 in 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 may appeal this order to a court pursuant to applicable law.



# Oregon

Theodore R. Kulongoski, Governor

ORDER NO. 05-145

**Public Utility Commission**

550 Capitol Street NE, Suite 215

**Mailing Address:** PO Box 2148

Salem, OR 97308-2148

**Consumer Services**

1-800-522-2404

Local: 503-378-6600

**Administrative Services**

503-373-7394

January 28, 2005

Round Lake Sewer Company  
4000 Round Lake Rd  
Klamath Falls, OR 97601

## NOTICE OF INTENT TO ASSERT JURISDICTION

The Public Utility Commission (Commission) is directed by the Legislature to regulate privately-owned water companies providing service directly or indirectly to or for the public. *See Oregon Revised Statutes (ORS) 757.005 (attached).* The Commission regulates service quality (water quality, water pressure, customer service, and plant maintenance) for certain private water companies designated as public utilities. Additionally, the Commission regulates rates of water companies that either: (1) serve over 500 customers; or (2) charge more than an average annual monthly charge of \$24 for water service and whose customers have petitioned for Commission review. *See ORS 757.061.*

Our records show that on January 10, 2005, the Commission received petitions from 45 customers of Round Lake Sewer Company (Round Lake) which represents more than 20 percent of the customers. Therefore, pursuant to ORS 757.061(6)(b), Round Lake is subject to rate regulation.

The Commission established an average annual monthly residential rate threshold of \$24 (OAR 860-036-0030) as a trigger for potential rate regulation. In order to determine if rate regulation authority is asserted, Round Lake was required to provide 60 days written notice to its customers before raising its annual average monthly residential rate above the \$24 threshold (pursuant to OAR 860-036-0405 and ORS 757.061(6)(b)). That notice was sent to customer on December 27, 2004. The Commission intends to designate Round Lake as a public utility subject to rate service regulation and an annual gross revenue fee of .0025 percent of annual revenues.

### HEARING RIGHTS

Round Lake has the right to a hearing to dispute the Commission's assertion of jurisdiction. The Company may formally request a hearing. The notice must be filed within 30 days from the date of this letter. The request for hearing must include information that demonstrates that Round Lake is not subject to Commission jurisdiction. A request for hearing should be mailed to:

Public Utility Commission  
Administrative Hearings Division  
PO Box 2148  
Salem, OR 97308-2148

**DOCKETED**

APPENDIX A  
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**If no request for hearing is filed within 30 days, the Commission will designate the information in its files as the record in this matter and issue an order asserting jurisdiction.**

If you have any questions or do not believe the information is correct, please contact me at the number listed below or Kathy Miller at 503-373-1003 or [kathy.miller@state.or.us](mailto:kathy.miller@state.or.us).



Rebecca Trujillo  
Program Manager  
Corporate Analysis and Water Regulation  
Voice: 503-378-6164; Fax 503-373-7752  
e-mail: [rebecca.trujillo@state.or.us](mailto:rebecca.trujillo@state.or.us)

cc: Chron File  
Kathy Miller