

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

WJ 6

In the Matter of)	
)	
METOLIUS MEADOWS PROPERTY OWNERS ASSOCIATION)	ORDER
)	
An Investigation Pursuant to ORS 756.515 to Determine Financial Regulation)	

DISPOSITION: FINANCIAL REGULATION ASSERTED

METOLIUS MEADOWS PROPERTY OWNERS ASSOCIATION (Metolius Meadows or Company) is an association providing water service to its membership and to customers who are not members of the association. In Order No. 05-150 entered March 25, 2005, the Commission concluded that Metolius Meadows is a public utility providing water service “to and for” the public. As such, Metolius Meadows is subject to Commission jurisdiction pursuant to ORS 757.005 and ORS 757.061.

Under ORS 757.061, public water utilities serving fewer than 500 customers are exempt from Commission financial regulation unless 20 percent or more of the customers file a petition requesting the utility be rate regulated and the company’s average annual monthly residential rate exceeds a threshold established by the Commission.

As of June 10, 2005, the Commission received petitions from at least 20 percent of Metolius Meadows’ customers requesting that the PUC investigate the Company’s proposed water rate increase. The Company’s notice to its customers states the proposed monthly residential base rate will be \$29.50, which exceeds the Commission’s annual average monthly rate threshold of \$24 per month set forth in OAR 860-036-0030.

On June 28, 2005, the Commission Staff sent a letter notifying Metolius Meadows that pursuant to OAR 860-036-0405 and ORS 757.061, financial regulation would be asserted unless Metolius Meadows requests a hearing within 20 days of the letter, to explain why Metolius Meadows is not subject to financial regulation. A copy of Staff’s letter is attached as Appendix A and incorporated by reference. Metolius Meadows did not request a hearing, and the time for doing so has expired.

FINDINGS OF FACT

Metolius Meadows provides water service to the public. Metolius Meadows meets the definition of a public utility and is subject to financial regulation as a result of petitions from at least 20 percent of the Company's customers.

CONCLUSION OF LAW

Metolius Meadows is a public utility under ORS 757.005 and is subject to service and financial regulation pursuant to ORS 757.061. Metolius Meadows should be classified as a financial regulated public utility.

ORDER

IT IS ORDERED that:

1. Metolius Meadows Property Owners Association is a financial regulated public utility subject to Commission jurisdiction pursuant to ORS 757.005 and 757.061.
2. Metolius Meadows Property Owners Association is hereby directed to file appropriate tariffs pursuant to ORS 757.205 within 60 days of the date of this order.
3. Metolius Meadows Property Owners Association may not increase or revise its rates except as allowed for under this commission.

Made, entered and effective AUG 03 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. 05-889

Public Utility Commission

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June 28, 2005

BILL JOHNSON, PRESIDENT
METOLIUS MEADOWS PROPERTY OWNERS ASSOCIATION
PO BOX 474
CAMP SHERMAN OR 97730

RE: Rate Regulation of Metolius Meadows Property Owners Association

In Order No. 05-150 entered March 25, 2005, the Commission concluded that Metolius Meadows Property Owners Association (Metolius Meadows or Company) is a public utility providing water service "to and for" the public. As such, Metolius Meadows is subject to Commission jurisdiction pursuant to ORS 757.005 and ORS 757.061.

Under ORS 757.061, public water utilities serving fewer than 500 customers are exempt from PUC rate regulation unless 20 percent or more of the customers file a petition requesting the utility be rate regulated and the company's average annual monthly residential rate exceeds the maximum rate established by the Commission.

As of June 10, 2005, the Commission received petitions from over 20 percent of Metolius Meadows' customers requesting that the PUC investigate the Company's proposed water rate increase. The Company's notice to its customers states the proposed monthly residential base rate will be \$29.50, which exceeds the Commission's annual average monthly rate threshold of \$24 per month set forth in OAR 860-036-0030.

Metolius Meadows must file for Commission approval of its rates and charges by filing appropriate tariffs with the Commission within 60 days of the date of this letter. Enclosed are instructions and an application for filing a rate case with the PUC. Please note that Staff's investigation of Metolius Meadows' application may result in revenues that are lower, higher, or the same as the Company requested.

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If you do not believe this information is correct, or would like to request a formal hearing concerning rate regulation, please contact Michael Dougherty at 503-378-3623 or michael.dougherty@state.or.us within 20 days of this letter. In the event the Company does not challenge the above findings within 20 days from the mailing date of this letter, the Commission will issue an order defining Metolius as a rate regulated public utility.



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Enclosures

cc: Marc Hellman, PUC
Kathy Miller, PUC
Renee Sloan, PUC
Jason Jones, DOJ
Petitioners

Appendix A
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