

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

WJ 7

In the Matter of	)	
	)	
MORAN WATER SYSTEM	)	ORDER
An Investigation Pursuant to ORS 756.515	)	
to Determine Jurisdiction	)	

**DISPOSITION: JURISDICTION WITHDRAWN**

MORAN WATER SYSTEM was a privately-owned public utility that provided water service to approximately nine residential dwellings in the Lebanon area. In 1998, Moran Water System (Moran) became a public utility because it began charging in excess of the average annual monthly residential rate threshold of \$18. In September of 2002, Moran raised its rates above the average annual monthly residential rate threshold of \$24 and notified customers that they had the right to petition the Public Utility Commission of Oregon (PUC) for rate regulation. PUC did not receive petitions from 20 percent or more of the customers.

On October 10, 2005, MORAN WATER SYSTEM notified PUC Staff it was taking steps to change the organization of the water system from a private system to an association. On December 2, 2005, PUC Staff received notification that Moran Water System was now an association and had changed its name to Moran Water System Association (Association). The Association provided PUC with a copy of its Bylaws, the signatory sheet signed by the property owners of nine tax lots, and a list of the Board of Directors. The Commission has reviewed the materials provided by the Association. The Bylaws indicate that the Association’s purpose is to provide water from a common well to members of the Association.

Generally, associations that serve only their members do not meet the legal definition of a public utility because they do not provide service “directly or indirectly to or for the public.” (See ORS 757.005) Instead, associations are considered self governing where the customers are the members who elect the Board of Directors to run the association on behalf of its members.

**FINDINGS OF FACT**

MORAN WATER SYSTEM ASSOCIATION does not provide water service directly or indirectly to or for the public because water service is provided only to its membership.

**CONCLUSIONS OF LAW**

MORAN WATER SYSTEM ASSOCIATION is not a public utility as defined in ORS 757.005.

**ORDER**

IT IS ORDERED that MORAN WATER SYSTEM ASSOCIATION is not a public utility subject to Commission jurisdiction under ORS 757.005 and 757.061.

Made, entered and effective JAN 31 2006



  
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**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 by filing a petition for review with the Court of Appeals in compliance with ORS 183.480-183.484.