

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UW 117

In the Matter of)
)
PETES MT WATER COMPANY INC) ORDER
)
Proposed Tariff for Water Service.)
Advice No. 06-21)

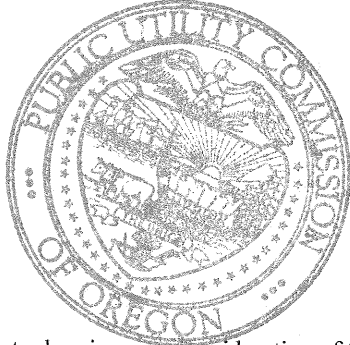
DISPOSITION: TARIFF SHEETS SUSPENDED

On May 5, 2006, PETES MT WATER COMPANY INC filed tariff sheets in Advice No. 06-21 to be effective June 5, 2006. The terms of the proposed tariff sheets are set forth in the Staff Report dated May 10, 2006, attached as the Appendix to this order.

At its May 23, 2006, public meeting, the Public Utility Commission of Oregon found good and sufficient cause exists to investigate the propriety and reasonableness of the tariff sheets pursuant to ORS 757.210 and 757.215. The Commission ordered suspension of the advice pending that investigation.

IT IS ORDERED that Advice No. 06-21 filed by PETES MT WATER COMPANY INC is suspended for a period of time not to exceed six months from June 5, 2006, the effective date of the tariff sheets.

Made, entered, and effective MAY 24 2006.



BY THE COMMISSION:

Becky L. Beier
Becky Beier
Commission Secretary

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.

ITEM NO. 3

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: May 23, 2006

REGULAR X CONSENT _____ EFFECTIVE DATE June 5, 2006

DATE: May 10, 2006

TO: Public Utility Commission

FROM: Renee Sloan *RS*

THROUGH: Lee Sparling *LS*, Marc Hellman *MH*, and Michael Dougherty *MD*

SUBJECT: PETES MT WATER COMPANY INC: (Docket No. UW 117/Advice No. 06-21) Requests a general rate increase of \$101,221.

STAFF RECOMMENDATION:

Pursuant to ORS 757.215, Staff recommends the proposed tariffs filed with Petes Mt Water Company Inc's (Company) request for a general rate increase of \$101,221 be suspended for six months effective June 5, 2006.

DISCUSSION:

Pete's Mt Water Company Inc provides water service to 90 residential customers in an area of West Linn, Oregon, locally known as Pete's Mountain.

On May 5, 2006, the Company filed a general rate case requesting to increase total annual revenues from \$111,079 to \$212,300. The Company notified its customers in writing of its proposal to increase the monthly base rate from \$30 to \$75 and increase the variable rate from \$3.25 to \$5.50 for every 100 cubic feet over the 600 cubic feet included in the base rate. The application states that the average monthly consumption is 2,857 cubic feet.¹ Based on the average consumption and the Company's proposed rates, the average monthly bill would increase from \$103.35 to \$199.14 (92.68 percent).

The Company's last rate increase was granted in Order No. 87-604 (UW 13), entered June 1, 1987. At that time the Company served 37 customers. The Company states the proposed rate increase is necessary to recover the cost of drilling a new well and to cover increased expenses, such as power.

¹ 2,857 cubic feet equals 21,372 gallons.

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Staff requests a six-month suspension of the tariffs to allow sufficient time to analyze the Company's filing.

PROPOSED COMMISSION MOTION:

Pursuant to ORS 757.215, proposed tariffs filed by Pete's Mt Water Company Inc be suspended for six months, effective June 5, 2006.

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