

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UW 120

In the Matter of)	
)	
CROOKED RIVER RANCH WATER)	ERRATA ORDER
COMPANY)	
)	
Request for Rate Increase in Total Annual)	
Revenues from \$806,833 to \$868,453, or)	
8.13 percent.)	

DISPOSITION: ORDER NO. 07-527 CORRECTED NUNC PRO TUNC

In Order No. 07-527, this Commission approved new rate schedules for Crooked River Ranch Water Company (Crooked River). Based on the numerous adjustments made to Crooked River’s rate application, we reported a new revenue requirement for the company of \$502,539, which represents a reduction in revenues of 37.7 percent. *See* Order No. 07-527 at 1. Based on those figures, we also reported a monthly basic charge of \$17.76 and a commodity charge of \$0.82 per hundred cubic feet. *See* Order No. 07-527 at 35.

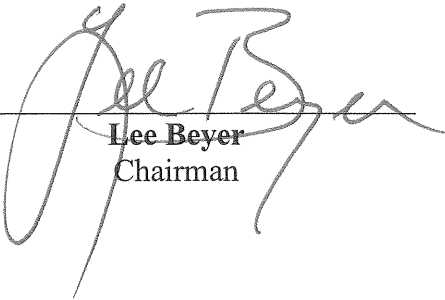
The Commission has determined those reported figures were in error, as they were derived from a spreadsheet that included cost of debt for Crooked River. Such calculations are inconsistent with the Commission’s decision to treat the company as if it has no long-term debt for ratemaking purposes. *See* Order No. 07-527 at 28.

Accordingly, Order No. 07-527 is amended to remove the cost of debt from these reported amounts. This corrected calculation yields a revenue requirement of \$490,605, which represents a reduction in revenues of 39.2 percent. This corrected revenue requirement translates to a monthly base service charge of \$17.34 and a commodity charge of \$0.80 per hundred cubic feet. These corrected figures are shown as

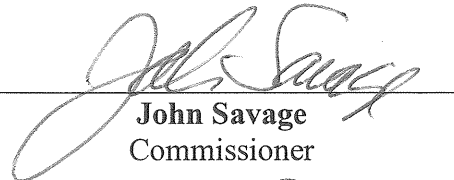
a new results of operation and rate schedule attached as Appendices A and B to this order and incorporated by reference. The remainder of Order No. 07-527 remains unchanged.

IT IS SO ORDERED.

Made, entered, and effective NOV 30 2007.



Lee Beyer
Chairman



John Savage
Commissioner



Ray Baum
Commissioner



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.

CRRWC
UW 120
Test Year: 2006/2007

Company Case
7.6%

Staff
-34.9%

Commission
-39.2%

			A	B	C	D	E	F	G	H
Acct. No.		Balance Per Application Test Year: 2006/2007	Proposed Company Adjustments	Adjusted Results (A+B=C)	Proposed Staff Adjustments	Adjusted Results (A+D=E)	Staff Proposed Rev Changes	Proposed Results (E+F=G)	Commission Ordered Results	
REVENUES										
1	461.1	Residential / Commercial Water Sales	615,657	204,050	819,707	(832)	614,825	(97,607)	517,218	482,505
3	462.1	Fire Department	0	0	0	0	0	0	0	0
4	472	Rental Income (Cell Antenna; Equipment)	0	0	0	8,100	8,100	0	8,100	8,100
5	471	Misc. Revenues	48,746	0	48,746	(48,746)	0	0	0	0
6	468	Special Contracts	142,430	(142,430)	0	(142,430)	0	0	0	0
7										
8		TOTAL REVENUE	806,833	61,620	868,453	(183,908)	622,925	(97,606)	525,319	490,605
OPERATING EXPENSES										
10	601	Salaries and Wages - Employees	313,500	30,000	343,500	(85,683)	227,817		227,817	218,578
11	603	Salaries and Wages - Officers	0	0	0	0	0		0	0
12	604	Employee Pension & Benefits	24,000	9,000	33,000	4,390	28,390		28,390	28,390
13	610	Purchased Water	0	0	0	0	0		0	0
14	611	Telephone/Communications	16,000	0	16,000	(6,922)	9,078		9,078	9,078
15	615	Purchased Power	49,000	0	49,000	5,404	54,404		54,404	54,404
16	618	Chemical / Treatment Expense	0	0	0	0	0		0	0
17	619	Office Supplies	19,600	(3,600)	16,000	(4,319)	15,281		15,281	15,281
18	619.1	Postage	6,500	0	6,500	158	6,658		6,658	6,658
19	620	O&M Materials/Supplies	34,000	0	34,000	(30,334)	3,666		3,666	3,666
20	621	Repairs to Water Plant	82,000	0	82,000	(51,367)	30,633		30,633	30,633
21	631	Contract Svcs - Engineering	0	0	0	0	0		0	0
22	632	Contract Svcs - Accounting	4,427	1,573	6,000	142	4,569		4,569	4,569
23	633	Contract Svcs - Legal	41,000	0	41,000	(34,891)	6,109		6,109	6,109
24	634	Contract Svcs - Management Fees	0	0	0	0	0		0	0
25	635	Contract Svcs - Testing	2,050	150	2,200	2,249	4,299		4,299	4,299
26	636	Contract Svcs - Labor	6,200	3,800	10,000	(6,200)	0		0	0
27	637	Contract Svcs - Billing/Collection	0	0	0	0	0		0	0
28	638	Contract Svcs - Meter Reading	0	0	0	0	0		0	0
29	639	Contract Svcs - Other	0	0	0	0	0		0	0
30	641	Rental of Building/Real Property	0	0	0	0	0		0	0
31	642	Rental of Equipment	1,000	0	1,000	(933)	67		67	67
32	643	Small Tools	5,000	0	5,000	(4,825)	175		175	175
33	648	Computer/Electronic Expenses	8,200	1,800	10,000	(6,910)	1,290		1,290	1,290
34	650	Transportation	17,900	600	18,500	(740)	17,160		17,160	17,160
35	656	Vehicle Insurance	3,884	0	3,884	0	3,884		3,884	3,884
36	657	General Liability Insurance	10,463	0	10,463	(4,151)	6,312		6,312	6,312
37	658	Workers' Comp Insurance	11,000	3,000	14,000	(4,165)	6,835		6,835	6,835
38	659	Insurance - Other	0	0	0	0	0		0	0
39	660	Public Relations/Advertising	800	1,200	2,000	(800)	0		0	0
40	666	Amortz. of Rate Case	0	3,000	3,000	5,676	5,676		5,676	5,676
41	667	Gross Revenue Fee (PUC)	1,895	154	2,049	(338)	1,557	(244)	1,313	1,256
42	668	Water Resource Conservation	0	0	0	0	0		0	0
43	670	Bad Debt Expense	0	0	0	0	0		0	0
44	671	Cross Connection Control Program	0	0	0	0	0		0	0
45	672	System Capacity Dev Program	0	6,000	6,000	0	0		0	0
46	673	Training and Certification	1,000	0	1,000	0	1,000		1,000	1,000
47	674	Consumer Confidence Report	0	0	0	800	800		800	800
48	675	General Expense	500	1,000	1,500	238	738		738	738
49		TOTAL OPERATING EXPENSE	659,919	57,677	717,596	(223,522)	436,397	(244)	436,153	426,857
OTHER REVENUE DEDUCTIONS										
50	403	Depreciation Expense	100,272	0	100,272	(56,281)	43,991		43,991	43,991
51	407	Amortization Expense	0	0	0	0	0		0	0
52	408.11	Property Tax	0	0	0	0	0		0	0
53	408.12	Payroll Tax	0	0	0	19,756	19,756		19,756	19,756
54	408.13	Other Tax	0	0	0	0	0		0	0
55	409.11	Oregon Income Tax	0	0	0	0	0		0	0
56	409.10	Federal Income Tax	0	0	0	0	0		0	0
57		TOTAL REVENUE DEDUCTIONS	760,191	57,677	817,868	(260,046)	500,145	(244)	499,901	490,605
58		NET OPERATING INCOME	46,642	3,943	50,585	76,138	122,780	(97,362)	25,418	0
59	101	Utility Plant in Service	3,610,965	0	3,610,965	(2,659,641)	951,324		951,324	951,324
60		Less:								
61	108.1	Depreciation Reserve	1,571,505	0	1,571,505	(1,979,323)	(407,818)		(407,818)	(407,818)
62	271	Contributions in Aid of Const	1,538,911	0	1,538,911	(1,538,911)	0		0	0
63	272	Amortization of CIAC	0	0	0	0	0		0	0
64	281	Accumulated Deferred Income Tax	0	0	0	0	0		0	0
65		Net Utility Plant	500,549	0	500,549	42,957	543,506	0	543,506	543,506
66		Plus: (working capital)			500,549		543,506		543,506	543,506
67	151	Materials and Supplies Inventory	41,201	0	41,201	(5,621)	35,580		35,580	35,580
68		Working Cash (Total Op Exp /12)	54,993	0	54,993	(18,627)	36,366	0	36,366	35,596
69		TOTAL RATE BASE	596,743	0	596,743	18,710	615,453	0	615,453	614,683
70		Rate of Return	7.82%		8.48%		19.95%		4.13%	0.00%

SCHEDULE NO. 1

RESIDENTIAL / COMMERCIAL METERED RATES

Available: To customers of the Utility at CROOKED RIVER RANCH, Oregon, and vicinity.

Applicable: To residential and commercial premises.

Base Rate

Service Meter Size	Monthly Base Rate	Usage Allowance	Unit of Measure
All Meters	\$17.34	N/A	cubic feet

Commodity Usage Rate

Commodity Rate		Number of Units	Unit of Measure	Base Usage Allowance		Unit of Measure
\$0.80	Per	100	cubic feet		N/A	cubic feet

Special Provisions:

1. These rates are based on continuous service. Discontinuation of service may not be employed to avoid monthly charges for service. See Rule No. 26, Voluntary Discontinuance.
2. Water used during the construction of buildings, etc., shall be metered. Charges shall be made at the rates specified in this schedule. When setting of a meter is impracticable, the amount of water used shall be estimated, and the charges shall be made at specified rates for the amounts so estimated.
3. Water Haulers will be charged the commodity rate of \$0.80 per 100 cf.

Issue Date	NOVEMBER 28, 2007	Effective Date	December 1, 2007
Issued By	CROOKED RIVER RANCH WATER COMPANY		
Signed By			
	J. R. ROOKS	GENERAL MANAGER	

Advice No.
 (FOR PUC USE ONLY)