

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UW 124

In the Matter of	)	
	)	
SEVENTH MOUNTAIN GOLF VILLAGE	)	ORDER
WATER COMPANY	)	
	)	
Application for a General Rate Increase.	)	

**DISPOSITION: MOTION TO EXTEND SUSPENSION PERIOD  
GRANTED**

On November 20, 2007, Seventh Mountain Golf Village Water Company (SMGV or Company) filed an application with the Public Utility Commission of Oregon (Commission), requesting a general rate increase in the amount of \$23,812, resulting in annual revenues of \$74,603.

At its December 18, 2007, regular public meeting, the Commission found good cause to suspend the proposed rate increase for a period of six months pursuant to ORS 757.215(1). The six-month suspension period expires on June 19, 2008.

On March 21, 2008, the Commission Staff (Staff) filed a motion to further suspend the proposed rate increase for an additional three months pursuant to ORS 757.215. In support of the motion, Staff states that it was recently informed by Deschutes County (County) that it has foreclosed on a judgment lien on the property of SMGV for failure to pay approximately \$40,000 in personal property taxes. Because of this development, Staff states that it will be unable to complete its investigation of SMGV's revenue and rates as originally scheduled.

Staff states that numerous scenarios<sup>1</sup> could result as a result of the foreclosure by the County, any of which could affect the cost basis<sup>2</sup> of SMGV. Because of these uncertainties, it is premature for Staff to recommend revenue and rates based on SMGV's cost of service.

<sup>1</sup> These include (a) right of redemption by SMGV before a mandatory expiration date; (b) SMGV being the successful bidder at the property auction; (c) another entity being the successful bidder at the property auction; or (d) the County being initially unable to sell the property.

<sup>2</sup> The Company's cost basis includes plant investment, depreciation expense, cost of capital, future property taxes, and income taxes.

On March 18, 2008, the County informed Staff that it expects issues relating to the foreclosure to be resolved within 30-60 days. The County will not restrict SMGV's access to the property for service and required maintenance. SMGV will also continue to receive water revenues during this period.


Staff represents that its motion is not opposed by the Intervenor in this proceeding, but is opposed by SMGV. OAR 860-013-0050(3)(d) requires a response to a motion to be filed within 15 days of the service of the motion. SMGV did not file a response to the motion.


Based on the information set forth in the motion, the Commission finds that the investigation of SMGV's rates cannot be completed by the end of the initial suspension period. Accordingly, good and sufficient cause exists to extend the suspension period by an additional three months, or until September 19, 2008, pursuant to ORS 757.215(1).

**ORDER**

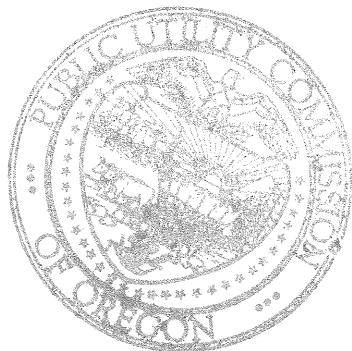
IT IS ORDERED that the tariff schedules filed by Seventh Mountain Golf Village Water Company on November 20, 2007, are suspended for an additional three months until September 19, 2008.

Made, entered, and effective APR 10 2008

  
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**Lee Beyer**  
Chairman

  
\_\_\_\_\_  
**John Savage**  
Commissioner

  
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**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. 7