

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UW 134

In the Matter of)	
)	
SOUTH COAST WATER DISTRICT)	ORDER
)	
Proposed Tariff for Water Service.)	
Advice No. 09-17)	

DISPOSITION: TARIFF SHEETS SUSPENDED

On July 20, 2009, SOUTH COAST WATER DISTRICT filed tariff sheets in Advice No. 09-17 to be effective August 31, 2009. The terms of the proposed tariff sheets are set forth in the Staff Report dated August 18, 2009, attached as the Appendix to this order.

At its August 25, 2009, 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. 09-17 filed by SOUTH COAST WATER DISTRICT is suspended for a period of time not to exceed six months from August 31, 2009, the effective date of the tariff sheets.

Made, entered, and effective AUG 31 2009.



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. 5

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: August 25, 2009**

REGULAR CONSENT EFFECTIVE DATE August 31, 2009

DATE: August 18, 2009

TO: Public Utility Commission

FROM: Renee Sloan *RS*

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

SUBJECT: SOUTH COAST WATER DISTRICT: (Docket No. UW 134 /Advice No. 09-17) Requests a general rate revision.

STAFF RECOMMENDATION:

Pursuant to ORS 757.215, Staff recommends that the proposed tariffs filed by South Coast Water District (South Coast or Company) requesting a general rate increase be suspended for six months effective August 31, 2009.

DISCUSSION:

South Coast is a small water utility located near Florence that provides water service to approximately 78 residential customers.

On July 20, 2009, South Coast filed a rate case application requesting an increase of \$19,983, or 56.4 percent above 2008 revenues of \$35,415. The Company states the rate increase is necessary to 1) pay for a new water treatment plant; 2) make repairs to distribution and collection lines; 3) construct a new pump house; and 4) cover increased operation and maintenance costs. South Coast has been approved for a \$170,000 loan from the Safe Drinking Water State Revolving Fund to finance the improvements.

According to the Company's calculations, the proposed revenues will cause the average monthly bill to increase from \$43.32 (flat rate) to \$59.19 (metered rate).

The Company's last rate case was filed March 7, 2000, and concluded February 14, 2001, with Order No. 01-173 (UW 73). Because nine years have passed since the Company's last rate case, Staff requests a suspension of the proposed tariffs to allow

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ample time to complete a thorough investigation of the Company's revenues, expenses, plant, rate base, and rate design.

PROPOSED COMMISSION MOTION:

Pursuant to ORS 757.215, South Coast Water District's proposed tariffs be suspended for six months, effective August 31, 2009, to allow Staff sufficient time to investigate the Company's rate proposal

UW 134 South Coast