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**BEFORE THE PUBLIC UTILITY COMMISSION**  
**OF OREGON**

WA 42

In the Matter of the Application by )  
Eastridge Water Company for )  
Allocation of Exclusive Territory for ) ORDER  
Provide Water Service, Pursuant to )  
ORS 758.300 Through ORS 758.320. )

**DISPOSITION: APPLICATION GRANTED**

On May 1, 2000, Eastridge Water Company (applicant) filed under Oregon Administrative Rule 860-036-0900 an application with the Public Utility Commission (Commission) for an allocation of exclusive territory for the provision of water service. Applicant is requesting allocation of the service territory it adequately and exclusively served on October 23, 1999. See ORS 758.300 and Section 2 to 4 Chapter 695, Oregon Laws 1999. The territory sought is described in Appendix A. The Commission gave notice of the application on February 26, 2001, as required by Chapter 695, Oregon Laws 1999, Section 2(2). No requests for hearing were filed.

Applicant is an investor owned utility that provides water service to approximately 3 customers (representing 17 water users) in the Indian Creek Trail Subdivision area.

Based on its investigation, the Commission finds that the applicant was adequately and exclusively serving the territory described in Appendix A and covered by the current service territory application on October 23, 1999.

## FINDING OF FACTS

### Merits of the Application

Staff's analysis of the company's application indicates that the company has met the criteria required to demonstrate that the company adequately and exclusively provided water service to its current service territory as required in OAR 860-036-0900 through OAR 860-036-0930.

The criteria are:

1) Service Quality

The Commission Consumer Services section had no record of complaints on Eastridge. A Commission survey was sent to the three customers (2 customers own 4 four-plex units) listed as current customers by the utility in April 2001 to determine the level of service quality being provided. Two responses were received. One customer gave excellent ratings in all categories. The other customer rated water quality, timely and accurate billings, and communication between utility and customers below average. I had a follow-up telephone conversation with the latter customer and he said that the water quality rating was due to a one-time boiling requirement. He does not have a continuing problem nor does he feel the need for any system inspection.

2) Water Quality

The Oregon Health Division had five coliform reporting violations (either no report or not enough reporting) and two excessive coliform level reports listed from September 1995 through June 2001 but had no enforcement record on these violations. Reporting compliance will become a condition of the order approving the service territory award.

3) Water Capacity

Eastridge has seventeen water users. Average demand listed on the application is 1,630 gallons per day (gpd) while the peak demand shown is 3,000 gpd. It is noted that the average usage is well below the Environmental Protection Agency's norm. However, the utility owns the water rights to 108,000 gpd of ground water, drawn from two wells. This is more than sufficient pumping capacity to cover the existing customer base. Further, there are two storage tanks: 3,000 gallons for residential use and 20,000 gallons for fire protection. The system appears to have adequate service capacity.

- 4) **Technical Ability**  
Ronald and Karel Bennett have managed Eastridge since 1994. Ronald Bennett has more than 40 years experience in installing and managing community water systems, and has successfully complete the Oregon Health Division's small water system operator training course. Karel Bennett has more than 25 years experience in billings and collections.
- 5) **Exclusive Service**  
The easement submitted with the application granted Eastridge all water lines, water line related facilities, well and water storage areas.
- 6) **Reasonable Rates**  
The rates shown for the two years reported in the application are just over \$10.00 per month. This is below the Commission regulation level and the established threshold for reasonable rates.

## **OPINION**

### **Jurisdiction**

ORS 757.005 defines a public utility as “ any corporation, company, individual, association of individuals, or its lessees, trustees, or receivers that own, operates, manages or controls all or a part of any plant or equipment in this state for the production, transmission, delivery or furnishing of . . . water . . . directly or indirectly to or for the public.”

### **Applicable Law**

The 1999 Oregon Legislature enacted ORS 758.300 through 758.320, which provide that all public water utilities must file an application with the Commission seeking an order designating the service territory that the utility served adequately and exclusively on October 23, 1999, as exclusive service territory.

On April 11, 2000, the Commission adopted rules (AR 370) governing the allocation of exclusive service territory to water utilities. Oregon Administrative Rules 860-036-0900 through OAR 860-036-0930 specify the service territory application requirements and processes necessary to meet the requirements of ORS 758.300 through ORS 758.320.

**Disposition**

Applicant has met the service territory requirements and processes set out in OAR 860-038-0900 through OAR 860-036-0930 and is entitled to the exclusive territory described in Appendix A.

**CONCLUSIONS**

1. The Company is a public utility subject to the service territory jurisdiction of the Public Utility Commission.
2. The utility meets the requirements set out in OAR 860-036-0900 through OAR 860-036-0930.
3. The Company meets the requirements of ORS 758.300 through ORS 758.320.
4. The Company is expected to comply with the Oregon Health Division's water quality reporting requirements as a condition of approval.
5. The Application should be granted.

**ORDER**

IT IS ORDERED that the application of Eastridge Water Company for exclusive service territory as allocated to the applicant and set forth in Appendix A is granted.

Made, entered, and effective \_\_\_\_\_.

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**Phil Nyegaard**  
Acting 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 of 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 to a hearing may appeal this order to a court pursuant to applicable law.

APPENDIX A

Description of Eastridge Water Company's exclusive service territory:

The area within Indian Creek Trail Subdivision, with a north boundary of Indian Creek Drive, south boundary of City Lane, east boundary of Firehouse Lane, and west boundary of Highway 62 in the City of Shady Cove, Oregon.