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

WA 2

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

**DISPOSITION: APPLICATION GRANTED**

On January 13, 2000, T J Water System (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 January 19, 2000, 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 2 customers in the Salem, Oregon 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

A Commission survey was sent to the two individuals listed as current customers by the utility to determine the level of service quality being provided. One customer rated the water quality and customer confidence in management/operator below average. The other customer rated water quality and water pressure below average. An explanatory letter on water pressure was sent. An examination conducted by Waterlab Corporation on December 10, 2001, found high levels of manganese in the home of the customer with the most detailed complaint. While this causes staining and requires excessive customer filtering, it is not a health issue. No health violations were discovered.

2) Water Quality

The Oregon Health Division website has no records on T J. The owner has annual testing performed, and chlorination is sub-contracted.

3) Water Capacity

The well is unmetered and there is no storage facility. However, there is no reason to presume inadequacy.

4) Technical Ability

The Oregon Health Division does not require operator certification for a system of this size. The owner is able to provide or secure needed servicing.

5) Exclusive Service

T J owner's has an easement from the previous owner.

6) Reasonable Rates

The monthly rate for T J customers is \$15. This is below the Commission 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 Application should be granted.

**ORDER**

IT IS ORDERED that the application of T J Water System 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 T J Water System's exclusive service territory:

4297 and 4307 Weathers Street NE, Salem, Oregon, 97301.