ORDER NO. 20-108

ENTERED Apr 07 2020

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UW 176

In the Matter of ASPEN LAKES UTILITY COMPANY, Request for a General Rate Revision.	ORDER

DISPOSITION: TESTIMONY AND EXHIBITS ADMITTED; STIPULATION ADOPTED

I. SUMMARY

In this order, we adopt the stipulation among Aspen Lakes Utility Company, LLC (Aspen Lakes), the Aspen Lakes Estate Owners, Inc. (Aspen Lakes HOA), The Aspen Lakes Golf Course, LLC (Golf Course), and Staff (collectively, the joint parties), and admit the joint parties' testimony in support of the stipulation (hereafter, the joint testimony).

II. PROCEDURAL HISTORY

On January 22, 2018, the Aspen Lakes HOA filed a petition requesting the Commission exercise its rate regulation authority over the water utility. On January 7, 2019, we issued Order No. 19-002, which approved a stipulation among Aspen Lakes, the Aspen Lakes HOA and Staff, which found that Aspen Lakes was subject to rate regulation under ORS 757.061(c). The order required Aspen Lakes to file a request for a general rate revision under OAR 860-036-2020 no later than June 11, 2019.[1] Aspen Lakes complied with the order and filed its rate revision request in this docket on June 11, 2019.

In its filing, Aspen Lakes requested a 45.41 percent increase from its current rates, for a total revenue requirement of $289,278, up from $199,099 (2018 test year revenue). The application noted that the projected revenues would produce a 9.5 percent rate of return on a rate base totaling $311,216. This request would have resulted in significant cost increases to customers for water and irrigation services.

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[1] *In the Matter of Aspen Lakes Utility Company, LLC, an Investigation Pursuant to ORS 756.515 to Determine Jurisdiction*, Docket No. WJ 34, Order No. 19-002 at 4 (Jan 7, 2019).

III. BACKGROUND

Aspen Lakes was formed in 1995 and began providing service in July 1996. As noted in the joint testimony, Aspen Lakes provides domestic water services to 81 developed residential lots and 34 undeveloped residential lots, and also provides irrigation services to 77 of these lots. Aspen Lakes' two commercial customers, the Golf Course and the Aspen Lakes HOA recreation facility, receive domestic water and irrigation services. Aspen Lakes provides sewer services to certain Golf Course facilities and 14 residential lots.[2]

After establishing a procedural schedule, the joint parties engaged in a series of settlement discussions over the course of six months. The joint parties filed a stipulation, including a calculated revenue requirement, proposed tariffs, and supporting testimony on February 18, 2020, and subsequently filed supporting affidavits. In the stipulation, the joint parties requested that these items be admitted into evidence without requiring any party to lay a foundation for their admission.[3]

IV. ELEMENTS OF THE STIPULATION

This docket represents Aspen Lakes' first general rate revision under PUC rate regulation, so the tariffs and rates included in the stipulation are the first Aspen Lakes tariffs and rates this Commission has reviewed. Instead of the proposed 45.41 percent increase that Aspen Lakes requested, the stipulation proposes an increase of 0.44 percent over the test period revenues. The stipulated revenue requirement proposes a rate of return of 9.5 percent on a total rate base of $65,680. This change reflects the joint parties' recalculation of the revenue requirement as explained below.

The stipulation states that cost records were difficult to access due to the affiliate structure and the utility's lack of experience tracking costs in a manner necessary to support a general rate revision filing.[4] Much of the joint testimony describes the methods used to calculate certain costs where traditional record keeping inputs were unavailable. The stipulation presents agreement on methods and components of record keeping that Aspen Lakes will employ beginning on January 1, 2020.[5]

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[2] Joint Parties Testimony/100, Yamada-Cyrus-Fadeley/4
[3] Joint Exhibit/101, Joint Stipulation at 4 (Feb 18, 2020).
[4] Joint Exhibit/101, Joint Stipulation at 2 (Feb 18, 2020).
[5] *Id.*at 2-3.

Within 60 days of the end of each calendar quarter, Aspen Lakes will submit reports that include the items listed in the stipulation. No later than June 30, 2021, Aspen Lakes will submit a general rate revision filing based on the information collected and reported during the 2020 test year period.[6] The joint parties request that the stipulation, the calculated revenue requirement, proposed tariffs and supporting testimony be admitted as evidence in this docket.

V. RESOLUTION

We commend the joint parties' efforts to reach a satisfactory settlement of the issues in this case, in particular developing reasonable calculations from the scattered, existing records of the utility. We find the terms of the stipulation are supported by sufficient evidence, appropriately resolve the issues in this case, and contribute to an overall settlement in the public interest. We adopt the stipulation, revenue requirement calculations and proposed tariffs as presented by the joint parties, and admit the joint testimony and exhibits as requested.

VI. ORDER

IT IS ORDERED that:

1. The stipulation among Aspen Lakes Utility Company, LLC, the Aspen Lakes Estate Owners, Inc., The Aspen Lakes Golf Course, LLC, and Staff, attached as Appendix A, is adopted.

2. Advice No. 19-1 is permanently suspended. Aspen Lakes Utility Company, LLC, must file tariff sheets consistent with this order no later than April 10, 2020.

3. Aspen Lakes Utility Company, LLC, shall file quarterly the information described in the stipulation for each calendar quarter of 2020.

[6] *Id.* at 3.

4. Aspen Lakes shall file a request for a general rate revision under OAR 860-036-2020 no later than June 30, 2021.

Made, entered, and effective Apr 07 2020.

Megan W. Decker
Chair

Letha Tawney
Commissioner

Mark R. Thompson
Commissioner

A party may request rehearing or reconsideration of this order under 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 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480 through 183.484.

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UW 176

In the Matter of Aspen Lakes Utility Co., LLC Request for a General Rate Revision	STIPULATION

This Stipulation is among Aspen Lakes Utility Co., LLC (ALU or the Company), appearing by and through its attorney, William J. Ohle, the Aspen Lakes Estates Owners, Inc. (HOA), appearing by and through its attorney, Tommy A. Brooks, the Aspen Lakes Golf Course, LLC, appearing by and through its attorney, Douglas R. Pahl, and the Public Utility Commission of Oregon Staff (Staff), appearing by and through its attorney, Sommer Moser, Assistant Attorney General (hereafter, collectively referred to as the Stipulating Parties). At the time this Stipulation was filed there were no other parties to this proceeding.

I. INTRODUCTION

On June 11, 2019, ALU filed a request for a General Rate Revision in compliance with Ordering Paragraph 4 of Public Utility Commission of Oregon (Commission) Order No. 19-002 in Docket No. WJ 34. In its application, ALU sought to increase its annual revenues from $199,099 to $289,278, an increase of 45.41 percent.

The Stipulating Parties reviewed the Company's filing and responses to data requests from Staff and the HOA, and held multiple settlement conferences to understand and address the issues in this case. As a result of those discussions, the Stipulating Parties have reached agreement on all issues as set forth in this Stipulation.

II. TERMS OF THE STIPULATION

1. The Stipulating Parties agree to recommend and support a total revenue requirement of $199,984, as shown in Attachment A, to be collected in rates as set forth in

1 Attachment B to this Stipulation. This revenue requirement includes an agreed-upon 9.5 percent
2 rate of return on a total rate base of $65,680, and represents a 0.44 percent increase over 2018
3 test period revenues.
4 2. The Stipulating Parties acknowledge that some of the methods used to derive the
5 revenue requirement in this case were outside traditional methods typically used in a general rate
6 case, and that these methods were necessary in this case due to difficulties in accessing ALU's
7 cost records. Those difficulties were driven primarily by the Company's affiliate structure and
8 its lack of experience regarding tracking costs in the manner necessary to support a General Rate
9 Revision filing. The Stipulating Parties agree to support the methods used in this case for
10 purposes of this case only and agree to the record keeping, reporting, and General Rate Revision
11 filing conditions described below to eliminate the need for the use of these methods in future
12 ALU General Rate Revision proceedings.
13 3. The Stipulating Parties agree to the following record keeping, reporting, and
14 General Rate Revision filing conditions:
15 a. **Record Keeping –** beginning January 1, 2020, ALU will keep adequate records
16 regarding all components necessary to establish rates in a General Rate Revision,
17 including, but not limited to:
18 i. Water Revenues – ALU will track revenues and consumption in the
19 accounts utilized for reporting in the Commission's Annual Results of Operations
20 Report;
21 ii. Water Expenses - ALU will track expenses in the accounts utilized for
22 reporting in the Commission's Annual Results of Operations Report;
23 iii. Water Rate Base / Capital Additions - ALU will track all rate base
24 items, including but not limited to a) Acct. 101 Utility Plant in Service, 2) Acct.
25 108 Accumulated Depreciation of Utility Plant in Service, 3) Acct. 271
26

Contributions in Aid of Construction, and 4) Acct. 272 Accumulated Amortization of CIAC;

iv. Wastewater Revenues – ALU will track all revenues associated with its provision of wastewater sewer service by customer type in accordance with the National Association of Regulatory Utility Commissioners' (NARUC) 1996 Uniform System of Accounts for Class C Wastewater Utilities;

v. Wastewater Expenses – ALU will track all expenses associated with its provision of wastewater service in accordance with NARUC's 1996 Uniform System of Accounts for Class C Wastewater Utilities;

vi. Wastewater Rate Base / Capital Additions - ALU will track all rate base items, including but not limited to a) Utility Plant in Service, 2) Accumulated Depreciation of Utility Plant in Service, 3) Contributions in Aid of Construction, and 4) Accumulated Amortization of CIAC; and

vii. Affiliate goods and services – ALU will track the specific goods and services provided to ALU by all entities having an affiliated interest relationship with ALU pursuant to ORS 757.015, including the amount of goods and services transacted and the cost to the affiliate(s) of providing such goods and services.

b. Reporting – (i) within 60 days of the end of each calendar quarter of 2020, ALU will submit reports in Docket No. UW 176 regarding the items listed above in 3.a. For example, the first report will cover the period January 1, 2020 through March 31, 2020 and will be due to the Commission no later than June 30, 2020; and (ii) ALU will report to the Commission in Docket No. UW 176 any material event(s) that could impact utility rates and/or safe and reliable service to ALU's customers within 30 days of such material event(s).

c. General Rate Revision filing – no later than June 30, 2021, ALU will make a General Rate Revision filing with a test year reflective of the 2020

1 information collected and reported as a result of the Record Keeping and
2 Reporting requirements in 3.a. and 3.b. above.
3 4. The Stipulating Parties support entering into evidence, without requiring any
4 Stipulating Party to lay a foundation for their admission, this Stipulation and its Attachment A
5 (revenue requirement), Attachment B (tariffs), Joint Testimony in Support of the Stipulation
6 (Joint Parties/100), and additional supporting exhibits (Exhibit Joint Parties/101-103).
7 5. The Stipulating Parties recommend and request that the Commission approve this
8 Stipulation as an appropriate and reasonable resolution to the issues described therein.
9 6. The Stipulating Parties agree that this Stipulation is in the public interest and, in
10 the unique circumstances present in this case, will result in rates that are fair, reasonable, and
11 will meet the standard set forth in ORS 756.040.
12 7. The Stipulating Parties agree that the Stipulation represents a compromise in the
13 positions of the Stipulating Parties. By entering into this Stipulation, no Stipulating Party shall
14 be deemed to have approved, accepted, or consented to the facts, principles, methods, or theories
15 employed by any other Stipulating Party in arriving at the terms of this Stipulation.
16 8. The Stipulating Parties agree that without the written consent of all Stipulating
17 Parties, evidence of conduct or statements, including but not limited to term sheets or other
18 documents created solely for use in settlement conferences in this docket, and conduct or
19 statements made at settlement conferences, are confidential and not admissible in this or any
20 subsequent proceeding, unless independently discoverable or offered for other purposes allowed
21 under ORS 40.190.
22 9. The Stipulating Parties understand that this Stipulation addresses only ALU's
23 request for a general rate increase in this instance, is not binding on the Commission in deciding
24 ALU's application for a general rate increase, and does not foreclose the Commission from
25 addressing any other issues or foreclose a Stipulating Party from raising issues in a different
26 proceeding.

1 10. The Stipulating Parties have negotiated this Stipulation as an integrated
2 document. Accordingly, if the Commission rejects all or any material portion of this Stipulation,
3 or adds any material condition to any final order that is not consistent with this Stipulation, each
4 Stipulating Party reserves the right, upon written notice to the Commission and all parties to this
5 proceeding within 15 days of the date of the Commission's final order, to withdraw from the
6 Stipulation and to present additional evidence and argument on the record. However, prior to
7 withdrawal, any Stipulating Party who wishes to withdraw must engage in good faith negotiation
8 with the other Stipulating Parties. No Stipulating Party withdrawing from this Stipulation shall
9 be bound to any position, commitment, or condition of this Stipulation. Nothing in this
10 paragraph provides any Stipulating Party the right to withdraw from this Stipulation as a result of
11 the Commission's resolution of issues that this Stipulation does not resolve.
12 11. The Stipulating Parties agree to support Commission approval of the Stipulation,
13 throughout this proceeding and any subsequent appeal, and to provide witnesses to sponsor
14 testimony. If any other party to this proceeding challenges this Stipulation or if any other
15 interested person objects to this Stipulation in comments, the Stipulating Parties agree to
16 cooperate in responding to bench requests, preparing supplemental testimony, and participating
17 in cross-examination and to put on such a case as they deem appropriate to respond fully to the
18 issues presented, which may include addressing issues incorporated in the settlements embodied
19 in this Stipulation.
20 12. This Stipulation may be executed in any number of counterparts, each of which
21 will be an original for all purposes, but all of which taken together will constitute one and the
22 same agreement.
23
24 DATED: 18th
25 Sommer Moser OSB # 105260
Assistant Attorney General
Of Attorneys for PUC Staff
26

DATED: 2/14/2020 _____

William J. Ohle,
Attorney for Aspen Lakes Utility Co., LLC

DATED: _____ _____

Tommy A. Brooks, OSB 076071
Attorney for Aspen Lakes Estates Owners, Inc.

DATED: _____ _____

Douglas R. Pahl
Attorney for the Aspen Lakes Golf Course, LLC

DATED: _____

William J. Ohle,
Attorney for Aspen Lakes Utility Co., LLC

DATED: 2/14/2020

Tommy A. Brooks, OSB 076071
Attorney for Aspen Lakes Estates Owners, Inc.

DATED: 2/14/2020

Douglas R. Pahl
Attorney for the Aspen Lakes Golf Course, LLC

Company Proposed Increase	Parties' Proposed Increase
45.29%	0.44%

Revenue Requirement

		Test Year	Company Adjustments	Company Proposed Totals	Parties' Adjustments	Parties' Proposed Totals
	REVENUES					
461.1	Residential	42,189	(268)	$ 41,921	(5,002)	$ 36,919
461.2	Commercial	19,446	(15,010)	$ 4,436	138	$ 4,574
462	Fire Protection Sales	10,888	33,253	$ 44,141	(44,141)	$ -
465	Irrigation Water Sales	87,763	55,550	$ 143,313	(97,236)	$ 46,077
467	Golf Course Irrigation	-	-	$ -	65,000	$ 65,000
471	Misc. Services	24,800	10,641	$ 35,441	(18,242)	$ 17,198
475	Cross Connection Control	100	43	$ 143	(143)	$ -
	Late Fees	1,193	512	$ 1,705	(1,705)	$ -
	Sewer	12,720	5,458	$ 18,178	3,062	$ 21,240
	Bare Lot Domestic	-	-	$ -	8,976	$ 8,976
	Total Revenue	**$ 199,099**	**$ 90,179**	**$ 289,278**	**$ (89,294)**	**$ 199,984**
Acct .	**OPERATING EXPENSES**					
601	Salaries and Wages - Employees			$ -	$ 36,277	$ 36,277
603	Salaries and Wages - Officers			$ -	$ 9,799	$ 9,799
604	Employee Pension & Benefits			$ -	$ 15,368	$ 15,368
610	Purchased Water			$ -	$ 3,919	$ 3,919
611	Telephone/Communications			$ -	$ 1,462	$ 1,462
615	Purchased Power			$ -	$ 64,372	$ 64,372
616	Fuel for Power Production			$ -	$ -	$ -
617	Other Utilities	64,372		$ 64,372	$ (64,082)	$ 290
618	Chemical / Treatment Expense			$ -	$ -	$ -
619	Office Supplies			$ -	$ 676	$ 676
619.1	Postage			$ -	$ 230	$ 230
620	O&M Materials/Supplies	1,104		$ 1,104	$ 4,967	$ 6,071
621	Repairs to Water Plant			$ -	$ 4,777	$ 4,777
631	Contract Svcs - Engineering			$ -	$ 109	$ 109
632	Contract Svcs - Accounting	7,825	12,000	$ 19,825	$ (18,971)	$ 854
633	Contract Svcs - Legal	47,647	24,353	$ 72,000	$ (71,446)	$ 554
634	Contract Svcs - Management Fees			$ -	$ 3,643	$ 3,643
635	Contract Svcs - Testing	5,204		$ 5,204	$ (3,895)	$ 1,309
636	Contract Svcs - Labor			$ -	$ 2	$ 2
637	Contract Svcs - Billing/Collection			$ -	$ 1,823	$ 1,823
638	Contract Svcs - Meter Reading			$ -	$ 2,563	$ 2,563
639	Contract Svcs - Other			$ -	$ 2,937	$ 2,937
641	Rental of Building/Real Property	31,937		$ 31,937	$ (25,937)	$ 6,000
642	Rental of Equipment	18,000		$ 18,000	$ (15,000)	$ 3,000
643	Small Tools			$ -	$ 362	$ 362
648	Computer/Electronic Expenses			$ -	$ 1,821	$ 1,821
650	Transportation			$ -	$ 3,823	$ 3,823
656	Vehicle Insurance			$ -	$ 357	$ 357

		Test Year	Company Adjustments	Company Proposed Totals	Parties' Adjustments	Parties' Proposed Totals
657	General Liability Insurance			$ -	$ 2,000	$ 2,000
658	Workers' Comp Insurance	-		$ -	$ 482	$ 482
659	Insurance - Other	43,885		$ 43,885	$ (43,590)	$ 295
666	Amortz. of Rate Case			$ -	$ 10,521	$ 10,521
667	Gross Revenue Fee (PUC)		868	$ 868	$ (268)	$ 600
670	Bad Debt Expense			$ -	$ 133	$ 133
671	Cross Connection Control Program	-		$ -	$ -	$ -
673	Training and Certification			$ -	$ 580	$ 580
674	Consumer Confidence Report			$ -	$ 22	$ 22
675	Miscellaneous Expense	5,817		$ 5,817	$ (4,682)	$ 1,135
	TOTAL OPERATING EXPENSE	**$ 225,791**	**$ 37,221**	**$ 263,012**	**$ (74,847)**	**$ 188,165**
	OTHER REVENUE DEDUCTIONS					
403	Depreciation Expense		15,447	$ 15,447	$ (13,947)	$ 1,500
406	Amort of Plant Acquisition Adjust.			$ -	$ -	$ -
407	Amortization Expense			$ -	$ -	$ -
408.11	Property Tax	1,863		$ 1,863	$ -	$ 1,863
408.12	Payroll Tax			$ -	$ -	$ -
408.13	Other			$ -	$ -	$ -
409.10	Federal Income Tax	1,200	7,142	$ 8,342	$ (6,683)	$ 1,659
409.11	Oregon Income Tax	150	2,657	$ 2,807	$ (2,249)	$ 558
409.13	Extraordinary Items Income Tax			$ -	$ -	$ -
	TOTAL REVENUE DEDUCTIONS	**$ 229,004**	**$ 62,467**	**$ 291,471**	**$ (97,727)**	**$ 193,745**
	Net Operating Income	**$ (29,905)**	**$ 27,712**	**$ (2,193)**	**$ 8,433**	**$ 6,240**
	UTILITY RATE BASE					
101	Utility Plant in Service	865,585	275,000	$ 1,140,585	$ (225,000)	$ 915,585
105	+ Construction Work in Progress			$ -	$ -	$ -
108	- Accumulated Depreciation of Plant	528,369		$ 528,369	$ 0	$ 528,369
271	- Contributions in Aid of Construction	26,000		$ 26,000	$ 839,585	$ 865,585
272	+ Accumulated Amortization of CIAC			$ -	$ 528,369	$ 528,369
281	- Accumulated Deferred Income Tax			$ -	$ -	$ -
	- Excess Capacity			$ -	$ -	$ -
	= NET RATE BASE INVESTMENT	**$ 311,216**	**$ 275,000**	**$ 586,216**	**$ (536,216)**	**$ 50,000**
	Plus: (working capital)					
151	Materials and Supplies Inventory			$ -	$ -	$ -
	Working Cash (Total Op Exp /12)		19,120	$ 19,120	$ (3,440)	$ 15,680
	TOTAL RATE BASE	**$ 311,216**	**$ 294,120**	**$ 605,336**	**$ (539,656)**	**$ 65,680**
	Rate of Return	-9.61%		-0.36%		9.50%

Containing Rules and Regulations
Governing Water Utility Service

NAMING RATES FOR

Aspen Lakes Utility Co., LLC
16900 Aspen Lakes Drive
Sisters, OR 97759

541-549-3660

Serving water in the vicinity of

Sisters, Oregon

Issue Date / Filing Date		Effective for Service on or after	
Issued By Utility	Aspen Lakes Utility Co, LLC		

Advice No.

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Issue Date / Filing Date		Effective for Service on or after	
Issued By Utility	Aspen Lakes Utility Co, LLC		

Advice No.

SCHEDULE NO. 1

RESIDENTIAL AND COMMERCIAL DOMESTIC RATES

Available: To customers of the Utility at Aspen Lakes, Oregon, and vicinity.

Applicable: To residential and commercial domestic customers.

Base Rate

SERVICE METER SIZE	MONTHLY BASE RATE	USAGE ALLOWANCE
1 inch	$23.21	0
2 inches	$74.26	0

Commodity Usage Rate

RATE PER UNIT	MEASURING UNIT
$3.57	1 unit = 1,000 Gallons

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.

Issue Date / Filing Date		Effective for Service on or after	
Issued By Utility	Aspen Lakes Utility Co, LLC		

Advice No.

SCHEDULE NO. 2

RESIDENTIAL AND COMMERCIAL IRRIGATION RATES

Available: To customers of the Utility at Aspen Lakes, Oregon, and vicinity.

Applicable: To residential and commercial irrigation customers.

Base Rate

SERVICE METER SIZE	MONTHLY BASE RATE	USAGE ALLOWANCE
1 inch	$20.79	0
2 inches	$66.54	0

Commodity Usage Rate

RATE PER UNIT	MEASURING UNIT
$0.79	1 unit = 1,000 Gallons

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.

Issue Date / Filing Date		Effective for Service on or after	
Issued By Utility	Aspen Lakes Utility Co, LLC		

Advice No.

SCHEDULE NO. 3

GOLF COURSE IRRIGATION RATES

Available: To customers of the Utility at Aspen Lakes, Oregon, and vicinity.

Applicable: To golf course irrigation customers.

Base Rate

SERVICE METER SIZE	MONTHLY BASE RATE	USAGE ALLOWANCE
2 inches	$3,250	0

Commodity Usage Rate

RATE PER UNIT	MEASURING UNIT
$0.13	1 unit = 1,000 Gallons

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.

Issue Date / Filing Date		Effective for Service on or after	
Issued By Utility	Aspen Lakes Utility Co, LLC		

Advice No.

SCHEDULE NO. 4

BARE LOT DOMESTIC WATER RATES

Available: To customers of the Utility at Aspen Lakes, Oregon, and vicinity.

Applicable: To domestic customers with undeveloped lots.

FLAT RATES

MONTHLY FLAT RATE
$22.00

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 also be billed at the applicable flat rate shown above.

Issue Date / Filing Date		Effective for Service on or after	
Issued By Utility	Aspen Lakes Utility Co, LLC		

Advice No.

SCHEDULE NO. 5
WASTEWATER (SEWER) RATES

Available: To customers of the Utility at Aspen Lakes, Oregon, and vicinity.

Applicable: To wastewater customers.

Base Rate

SERVICE TYPE	MONTHLY BASE RATE
Residential	$70
Commercial	$500
Bare Lot	$35

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.

Issue Date / Filing Date		Effective for Service on or after	
Issued By Utility	Aspen Lakes Utility Co, LLC		

Advice No.

SCHEDULE NO. 6

WATER HAULERS RATES

AVAILABLE: To water haulers where the Utility's facilities and excess capacity exist. Determination of adequacy of facilities and capacity is in the sole discretion of the Utility. Each water truck must be equipped with a suitable hydrant meter, suitable backflow prevention devices, and a fire hydrant wrench.

APPLICABLE: To all water haulers.

COMMERCIAL WATER HAULERS RATE

$30 per 1,000 Gallons ($35 per load minimum)

SPECIAL PROVISIONS:

1. Truck meters must be presented at the Utility's office between the 1st and the 5th of each month. Bills for service are due in accordance with the tariff.

2. Water haulers detected not using meters or proper equipment may be denied service for one month for the first offense, and denied service completely for a second offense.

Issue Date / Filing Date		Effective for Service on or after	
Issued By Utility	Aspen Lakes Utility Co, LLC		

Advice No.

SCHEDULE NO. 7

CROSS CONNECTION CONTROL PROGRAM

Backflow Prevention Device Services and Fees

PURPOSE: The Utility offers its customers backflow prevention device/double check valve assembly (DCVA) testing, maintenance, and repair services (the Program).

AVAILABLE: To customers of the Utility with customer owned back flow prevention, in Aspen Lakes, Oregon and vicinity.

APPLICABLE: To residential and commercial/industrial premises with 1" or smaller DCVAs installed at the meter.

ENROLLMENT: The Utility WILL AUTOMATICALLY ENROLL all customers with DCVAs installed at the meter in this Program UNLESS the customer signs an "OPT OUT" NOTICE and returns such notice to the Utility.

PROGRAM DESCRIPTION

1. TESTING SERVICE – A properly certified contractor or technician will provide the required DCVA annual test by a state certified tester pursuant to Oregon Administrative Rules 333-061-0070 through OAR 333-061-0072. Upon request by a customer, the customer will be provided with a copy of the test results.

2. MAINTENANCE AND REPAIR SERVICE – Company will provide maintenance and repairs on customer-owned DCVAs installed at the meter. Maintenance does not include the startup, blow out, or other freeze protection of assemblies on irrigation systems. Replacement of DCVA is the responsibility of the customers and is not covered by Aspen Lakes Utility Co, LLC's DCVA maintenance and repair services.

PROGRAM RATES

1. ALL CUSTOMERS ENROLLED IN PROGRAM
   Annual rate (itemized separately on customer water bill): $50.00

2. ALL CUSTOMERS WHO OPT OUT OF THE PROGRAM
   No charge

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SCHEDULE NO. 7 (CONTINUED)

CROSS CONNECTION CONTROL PROGRAM

Backflow Prevention Device Services and Fees

OPT OUT CUSTOMERS WHO FAIL TO PROVIDE DCVA TEST RESULTS

OPT OUT customers who fail to provide the Utility with annual DCVA test results by the customer's annual deadline will be disconnected from water service pursuant to OAR 860-036-1680.

SPECIAL PROVISIONS:

1. The customer is under no obligation to use the Utility's DCVA services.

2. The customer can choose any qualified company or individual to test, maintain, and repair his/her DCVA.

3. The Utility will provide each customer with notification of the Program services being offered. The notification shall include a written Program refusal (OPT OUT NOTICE).

4. Customers who choose to OPT OUT of the Program must sign the written OPT OUT NOTICE and return it to the Company within 30 calendar days of receiving the notification.

5. Customers who choose to OPT OUT of the Program are responsible for the annual testing, maintenance, repair, and replacement of their DCVAs and submitting their DCVA information and testing results annually to the Utility.

6. The Utility will notify each customer who OPTS OUT of the Program 30 days prior to the annual test results due date. Annual test results must be provided to the Utility on or before the customers' annual deadlines.

7. The Utility reserves the right to propose before the Public Utility Commission of Oregon any change in the amount charged for the Program services.

Customers will be given the choice of accepting or rejecting a new agreement in advance of any rate increase.

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SCHEDULE NO. 8

MISCELLANEOUS SERVICE CHARGES

This schedule lists the miscellaneous charges included in the Utility's Rules and Regulations; refer to the appropriate Rules for an explanation of charges and conditions under which they apply.

Connection Charge for New Service (Rule Nos. 8 & 9)	
Standard 1-inch service	$3,200
Larger than 1-inch	$3,200 plus any additional costs
Meter Charge per meter	$600
Meter Test (Rule Nos. 19 & 20)	
First test within 12-month period	N/C
Second test within 12-month period	$50
Pressure Test (Rule No. 39)	
First test within 12-month period	N/C
Second test within 12-month period	$75
Late-Payment Charge (Rule No. 21)	Pursuant to OAR 860-036-1400
Deposit for Service (Rule No. 5)	Pursuant to OAR 860-036-1220
Returned-Check Charge (Rule No. 22)	$25
Trouble-Call Charge (Rule No. 35)	
During normal office hours	$30
After normal office hours on special request	$50
Disconnection/Reconnect Charge (Rule Nos. 28 & 29)	
During normal office hours	$30
After normal office hours on special request	$50
Unauthorized Restoration of Service (Rule No. 30)	Disconnection/Reconnection charge plus costs
Damage/Tampering Charge (Rule No. 28)	at cost
Disconnect Site-Visit Charge (Rule No. 29)	$25

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RULES AND REGULATIONS

Rule 1: Jurisdiction of the Commission

Water systems are subject to regulation as provided under ORS Chapter 757

Rule 2: Definitions

A. “Applicant" means a person who does not meet the definition of a customer, who applies for service with a water utility.

B. “Commission” shall mean the Public Utility Commission of Oregon.

C. “Commercial service” means water service provided by the water utility that the customer uses in the promotion of a business or business product that is a source of revenue or income to the customer or others using the premises.

D. "Customer" means a person who is currently receiving water service and is entitled to certain rights as a customer under these rules. A residential customer retains customer status for 20 calendar days following voluntary disconnection of service and must be treated as a customer if he or she reapplies for service within that 20 calendar day period.

E. “Customer's service line” is defined as the facilities used to convey water from the point of connection to the customer's point of usage. The customer owns and maintains the customer service line.

F. “Residential service" means water service provided for domestic or irrigation purposes in a residential area and is not considered a commercial service.

G. "Served" for purpose of delivery of any required notice or document, unless otherwise specifically noted, means: delivered in person, by personal contact over the telephone, or in writing delivered to the party's last known address. If delivered by US Mail, the notice is considered served two calendar days after the date postmarked, the date of postage metering, or deposit in the US Mail, excluding Sundays and postal holidays.

H. “Utility” shall mean: Aspen Lakes Utility, LLC

I. “Water service connection” is defined as the facilities used to connect a water utility's distribution network to the point of connection at the customer's service line. The water utility owns and maintains the water service connection.

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APPLICATION FOR SERVICE

Rule 3: Information for Applicants and Customers (OAR 860-036-1100)

The Utility shall provide or be able to provide customers or applicants with the following information:

A. A copy of its approved tariffs or statement of rates;
B. A copy of the utility's rules and regulations applicable to the type of service being provided; and
C. The option to receive electronic copies of all written notices to be issued on the customer's account.

Rule 4: Application for Service (OAR 860-036-1200)

Application for water service must be made for each individual property to be served. The application shall identify the name of the applicant, the service address, the billing address, the contact information where the applicant can be reached, the type of water service requested and its intended use, and the name to be used to identify the account, if different than the applicant's actual name. The applicant shall, at this time, pay any scheduled fees or deposits. An application is a request for service and shall not be accepted until the applicant establishes credit as set forth in OAR 860-036-1210.

An application for service must be made where:

A. An applicant, who has not previously been served by the Utility, requests service; or
B. Service has been involuntarily discontinued in accordance with the Utility and Commission rules, and service is requested; or
C. Service has been voluntarily discontinued and a request to restore service has not been made within 20 days; or
D. There is a change in the type of use to which the water is put, or the number of premises served.

Rule 5: Establishment of Credit, Surety Agreements, Deposits, Interest, and Refunds of Deposits (OAR 860-036-1210, 1220, 1230, 1240, 1250, and 1260)

The utility may require an applicant or customer to pay a deposit as a guarantee of payment for services provided. Amounts held by a water utility may not exceed one-sixth of the actual or estimated annual billing for the premises. (OAR 860-036-1220)

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The water utility may adjust the deposit amount when a customer moves to a new location within the water utility's service area, and the anticipated bill at the new residence will be at least 20 percent greater than the basis of the existing deposit. (OAR 860-036-1220(5))

The Utility must inform any residential applicant or customer who is required to pay a deposit of the opportunity to provide a written surety agreement in lieu of paying the deposit. A surety agreement obligates another qualifying residential customer of the same utility to pay an amount up to the required deposit if the secured account is later disconnected and a balance remains owing following the due date for the closing charges. To qualify as a surety, the other residential customer must have had 12 months of continuous service with the Utility without a late payment. (OAR 860-036-1230)

The Utility shall pay interest on deposits at the rate established by the Commission. After the customer has paid its water service bills for 12 consecutive months without having had service discontinued for nonpayment, or did not have more than two occasions in which a shut-off notice was issued, and the customer is not then delinquent in the payment of bills, the Utility shall promptly and automatically refund the deposit plus accrued interest by **(check one)** (OAR 860-036-1250 and 1260):

☐ 1. Issuing the customer a refund check, or
☒ 2. Crediting the customer's account; however, a customer is entitled to a refund upon request pursuant to OAR 860-036-1260

Rule 6: Customer Service Line (OAR 860-036-1300(2))

The customer shall own and maintain the customer service line and promptly repair all breaks and leaks. For non-metered service, the customer service line begins at the property line or utility-owned shut-off valve. For metered service, the customer service line begins on the customer's side of the meter or utility-owned shut-off valve. The Utility shall not be responsible for any damage or poor service due to inadequacy of the customer service line or any portion of the customer's plumbing. All leaks in the customer service line, faucets, and all other parts of the plumbing owned or controlled by the customer shall be promptly repaired so as not to waste water.

Rule 7: Separate Control of Service

All premises supplied with water will be served through service lines so placed as to enable the Utility to control the supply to each individual premise using a valve placed within and near the line of the street, the Utility right-of-way, or at the meter.

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Rule 8: Water Service Connections (OAR 860-036-1300)

The water service connection is defined as the facilities used to connect the Utility's distribution network to the point of connection at the customer's service line. The Utility owns, operates, maintains, and replaces the service connection when necessary and promptly repairs all breaks and leaks. The customer shall not be responsible for any damage or poor service due to inadequacy of the Utility's service lines or any portion of the Utility's plumbing.

Rule 9: Service Connection Charge (OAR 860-036-1300(3))

An applicant requesting permanent water service to a premise not previously supplied with permanent service by the Utility may be required to pay the cost of the service connection, including or excluding the meter as provided in Rule No. 8 and the Utility's Miscellaneous Service Charges in this tariff.

Rule 10: Main Line Extension Policy (OAR 860-036-1310)

A main line extension is defined as the extension of the Utility's main line necessary to provide service to a customer when the property does not currently have main line frontage.

Main line extension charges, if any, are stated in the Utility's tariff or statement of rates.

The Utility maintains a main line extension policy that lists all applicable charges; and describes the advance and refund provisions, including a description of the mechanisms for collecting and rebating the amount charged equitably among the customers who paid for the cost of the line, and provides the time period during which the advance and rebate provisions apply.

Rule 11: Types of Use

Water service may be supplied for residential, commercial, irrigation, temporary construction, special contracts, fire prevention, and other uses. The Utility shall file separate rate schedules for each type of use and basis of supply.

Rule 12: Multiple Residences/Commercial Users

An apartment building, mobile home park, motel, trailer camp, duplex, townhouse, or any property consisting of more than one residential/commercial unit, if served through one service line, shall be considered to be equivalent to the number of dwelling units when determining the customer count.

Rule 13: Utility Access to Private Property (OAR 860-036-1370, -1500)

Customers shall provide regular access to Utility-owned service lines that may extend onto the customer's premises for the purposes of reading meters, maintenance, inspections, or removal of Utility property at the time service is to be discontinued. Where the customer does not cooperate in providing reasonable access to the meter or to the premises, as required by law or to determine if a health or safety hazard exists, it is grounds for disconnection.

Rule 14: Restriction on Entering a Customer Residence (OAR 860-036-1330)

No Utility employee shall enter the residence of its customers without proper authorization except in an emergency when life or property is endangered.

REFUSAL OF SERVICE

Rule 15: Refusal of Service Due to Customer Accounts (OAR 860-036-1270)

The Utility may refuse to provide service if:

A. The applicant has amounts owing under a tariff or statement of rates; or
B The applicant for residential service has a roommate with amounts owing under a tariff or statement of rates, and the applicant lived with the roommate at the time the amounts owing were incurred.

Exception: If the applicant for residential service was a former residential customer with amounts owing, was involuntarily disconnected for non-payment, and applies for service within 20 calendar days of the disconnection, the Utility must provide service upon receipt of one-half of the amount owed with the remainder due within 30 calendar days. If the former customer fails to pay the remaining amounts within 30 calendar days, the Utility may disconnect service after issuing a 7-calendar day disconnection notice in accordance with OAR 860-036-1510(4).

If service is disconnected, the Utility may refuse to restore service until it receives full payment of all amounts owing, including reconnection charges allowed under OAR 860-036-1580.

Service shall not be refused for matters not related to water service.

Residential service shall not be refused due to obligations connected with nonresidential service. If service is refused under this rule, the Utility shall inform the applicant or customer of the reasons for the refusal and of the Commission's dispute resolution process.

Rule 16: Refusal of Service Due to Utility Facilities (OAR 860-036-1270)

The Utility shall not accept an application for service or materially change service to a customer if the Utility does not have adequate facilities, resources or capacity to render the service applied for, or if the desired service is of a character that is likely to unfavorably affect reasonable service to other customers.

For refusal of service under this rule, the Utility shall provide a written letter of refusal to the applicant within seven calendar days, informing applicant that the details upon which the Utility's decision was based may be requested.

The details will include, but not be limited to:

A. Provide the information required by OAR 860-036-1100(2);
B. Explain the specific reasons for refusing water service;
C. Inform the applicant of the right to request details upon which the Utility's decision was based; and
D. Inform the applicant of the right to dispute the refusal by contacting the Consumer Services Section at the contact information provided in OAR 860-001-0020(2).

Rule 17: Refusal of Service Due to Customer Facilities (OAR 860-036-1270)

The Utility will refuse service to an applicant whose facilities do not comply with applicable plumbing codes or, if in the best judgment of the Utility, are of such a character that safe and satisfactory service cannot be given.

If service is refused under this rule, the Utility will provide written notification to the applicant within seven calendar days stating the reason(s) for refusal and providing information regarding the Commission's complaint process.

METERS

Rule 18: Utility Meters (OAR 860-036-1350)

The Utility owns, maintains, and operates all meters. Meters placed in service will be adequate in size and design for the type of service, set at convenient locations, accessible to the Utility, subject to the Utility's control, and placed in a meter box or vault between the street curb and property line. Each meter box or vault will be provided with a suitable cover.

Where additional meters are installed by the Utility or relocated for the convenience of the customer, the actual cost incurred for any meter relocation requested by the customer will be assessed.

The Utility shall have the right to set meters or other devices for the detection and prevention of fraud or waste without notice to the customer.

Rule 19: Meter Testing (OAR 860-036-1350)

The meter will be tested prior to or within 30 days of installation to determine it is accurate to register not more than two percent error. No meter will be allowed to remain in service if it registers an error in excess of two percent (fast or slow) under normal operating conditions. The Utility will maintain a record of all meter tests and results. Meter test result records will include:

A. Meter identification number and location;
B. Reason for making the test;
C. Method of testing;
D. The beginning and ending meter readings;
E. Test results and conclusion; and
F. All data taken at the time of the test.

Rule 20: Customer-Requested Meter Test (OAR 860-036-1360)

A customer may request that the Utility test the service meter once every 12 months at no cost. Such test shall be made within seven calendar days of the receipt of the request unless the customer fails to provide the Utility reasonable access to the meter. The customer or the customer's representative has the right to be present during the test, which is to be scheduled at a mutually agreeable time. Within seven calendar days of performing the requested meter test, report shall be provided to the customer stating:

A. The name of the customer requesting the test and the service address where the meter was tested;
B. The date the meter test was requested and the date the meter test was performed;
C. The name of the person performing the test;
D. The meter identification number and location;
E. The beginning and ending meter readings; and
F. The actual test results and conclusion.

If a customer requests a meter test more often than once in any 12-month period, and the test results indicate that the meter is registering within the two percent performance standard, the

customer may be assessed a reasonable charge for the test if the charge is included in the Miscellaneous Service Charges Schedule. If the meter registers outside the two percent performance standard, the Utility may not charge the customer for the meter test.

BILLING

Rule 21: Billing Information and Late-Payment Charge (OAR 860-036 1100(2), 1400, and 1430)

All bills, including closing bills, are due and payable at the Utility office within at least 15 days when rendered by deposit in the mail or other reasonable means of delivery, unless otherwise specified on the bill. The date of presentation is the date on which the Utility mails the bill.

As near as practical, meters shall be read **(check one)** ☒ monthly, ☐ bimonthly, or ☐ quarterly on the corresponding day of each meter reading or billing period. The bill will be rendered immediately thereafter. The Utility will provide its customers with timely billings every month or as indicated in its tariffs or statement of rates.

All water service bills will show:

A. Separate line items for past due balance, payments and credits, new charges, late fees, and total account balance;
B. The date new charges are due;
C. Calculation of new charges including base or flat rate, usage billing tiers and rates, beginning and ending meter readings, the dates the meter was read, rate schedule, billing period, and number of days in the billing period;
D. The date any late payment charge was applied and an explanation of the terms of the late payment charge; and
E. Any other information necessary for the computation of the bill.

A late-payment charge may be assessed against any account that has an unpaid balance when the next bill is being prepared. The charge will be computed on the delinquent balance owing at the time of preparing the subsequent month's bill at the late-payment rate specified in the Miscellaneous Service Charges Schedule. The late-payment rate is determined annually by the Commission, and the Utility will be notified of the rate.

If an account is permitted to become delinquent, the Utility may disconnect water service by giving proper notice to the customer as provided in Rules 28 & 29, prior to or after the Utility assesses the late payment charge.

Rule 22: Returned Payment Charge

The Returned Payment Charge listed on the Miscellaneous Service Charges Schedule shall be billed for each occasion a customer submits any type of noncash payment (check, debit, electronic, etc.) that is not honored, for any reason, by a bank or other financial institution.

Rule 23: Prorating of Bills

Initial and final bills will be prorated according to the number of days service was rendered and on the basis of a 31-day month. For metered services, a reasonable effort will be made to read the meter upon opening and closing a customer's account. Consumption will be charged at scheduled rates. Any minimum monthly charge will be prorated.

Rule 24: Adjustment of Bills (OAR 860-036-1440)

When an overbilling occurs, the Utility will refund or credit amounts incorrectly collected. No refund or credit will be issued for incorrect billings which occurred more than three years before the incorrect billing was discovered.

When an underbilling occurs, the Utility will issue a bill to collect amounts owing for the 12-month period ending on the date on which the water utility issued the last incorrect bill. When such under collected amounts are billed to customers, the Utility will provide written notice to the customer detailing:

A. The circumstances and time period of the billing error;
B. The corrected bill amount and the amount of the necessary adjustment;
C. The Commission's consumer complaint process; and
D. The right for a current or former customer to enter into a time-payment agreement with the Utility.

The Utility will not bill for services provided more than two years before the underbilling was discovered. No billing adjustment will be required if a meter registers less than two percent error under conditions of normal operation. The Utility may waive rebilling or issuing a refund check when the costs make such action uneconomical.

Rule 25: Transfer Billings (OAR 860-036-1450)

If the Utility determines that a customer owes an amount from a closed account the customer previously held with the Utility, the Utility may transfer the closed account balance to the customer's current account.

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The Utility will give the customer prior notice of the transfer, including:

A. The amount due under the prior account; and
B. The period when the balance was incurred; and
C. The service address under which the bill was incurred.

If the customer has an amount remaining on an existing time-payment agreement, the customer may enter into a new time-payment agreement to include the transfer. The Utility will not transfer a balance owing on a non-residential account to a residential account.

DISCONNECTION OF WATER SERVICE

Rule 26: Voluntary Discontinuance (OAR 860-036-1560)

A customer requesting disconnection of service must provide the Utility with at least seven calendar days' advance notice. The customer is responsible for all service provided for seven calendar days following the request for disconnection or until service is disconnected, whichever comes first; or if the customer identified a specific date for disconnection in excess of seven calendar days, the customer is responsible for service rendered up to and including the requested date of disconnection.

Rates are based on continuous service. Disconnect and reconnect transactions do not relieve a customer from the obligation to pay the base rate or minimum charge that accumulates during the period of time the service is voluntarily disconnected for up to 12 months. Should the customer wish to recommence service within 12 months at the same premise, the customer will be required to pay the accumulated minimum monthly charge or base rate as if service had been continuous. The reconnection charge listed on the Miscellaneous Service Charges Schedule will be applicable at the time of reconnection.

Nothing in this rule prevents the Utility from temporarily interrupting service to protect the health and safety of its customers or to maintain the integrity of its system.

Rule 27: Emergency Disconnection (OAR 860-036-1630)

The Utility may terminate service in emergencies when life or property is endangered without following the procedures set forth in OAR 860-036-1630. Immediately thereafter, the Utility will notify the customer and the Commission. When the emergency termination was through no fault of the customer, the Utility shall not charge the customer for disconnection or restoration of service.

Rule 28: Disconnection of Water Service Charge for Cause (OAR 860-036-1500, -1510, -1520, -1530, and 1550)

The Utility may disconnect service when:

A. A customer fails to pay charges due for services rendered under a water utility tariff or statement of rates;
B. A customer fails to pay a deposit, fails to timely provide a surety under OAR 860 036-1230 or comply with its terms, or fails to comply with the terms of a deposit installment agreement under OAR 860-036-1240;
C. A customer fails to comply by the terms of a payment agreement under OAR 860 036-1240(3) or 860-036-1420;
D. A customer provides false identification to establish or to continue service;
E. A customer has facilities that do not comply with the applicable codes, rules, regulations, or the best practices governing safe and adequate water service, including compliance with the water utility's Cross Connection Control Program;
F. A customer fails to provide reasonable access to the meter or premises;
G. A customer tampers with water utility facilities or engages in theft of service or unauthorized use of water;
H. A customer fails to comply with water restriction requirements under OAR 860-036-1670; or
I. The Commission approves the disconnection of service.

If the disconnection is due to failure to pay a deposit, secure a surety agreement, abide by a deposit installment agreement, abide by the terms of a payment arrangement, or due to the theft of service, tampering with utility property, diverting water, or unauthorized use of water, the Utility will provide one 7-day written disconnection notice prior to disconnection. For other disconnections, the Utility will provide two written notices in advance of disconnection: one 15-day notice and one 7-day notice.

If the disconnection is due to a customer's failure to comply with a water use restriction imposed under OAR 860-036-1670, the utility may disconnect the customer without issuing either a 15-calendar day or 7 calendar day disconnection notice.

The notices shall include:

A. The name, mailing address, telephone number, emergency telephone number, and email address or website of the Utility,
B. State that the customer's water service is subject to disconnection on or after a specific date;

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C. Provide the grounds for the proposed disconnection;
D. State what actions the customer must take in order to avoid disconnection; and
E. A statement that the customer may dispute the disconnection by contacting the Commission's Consumer Services Section.

If the disconnection notice is for nonpayment, the notice shall also include:

A. The amount the customer must pay to avoid disconnection;
B. Provide information about the customer's eligibility for a time-payment agreement provided in OAR 860-036-1420 for residential customers, unless the customer is being disconnected for failing to comply with an existing time-payment agreement or has engaged in theft of service, tampering with utility property, diverting water, or unauthorized use of water; and; and
C. A statement that once service is disconnected, the water utility will reconnect service only after the customer reapplies for service and pays all applicable charges..

The 7-calendar day and 15-calendar day advance written notices of disconnection will be hand-delivered in person to the customer or adult at the premises, or sent by the US Mail to the customer's billing address and designated representative. Mailed notices are considered served two calendar days after deposited in the US Mail, excluding Sundays and postal holidays. If the customer has requested to receive notices electronically, the Utility will provide an electronic notice in addition to the written notices.

Within 48 hours of disconnection, the Utility will make a good-faith effort to contact the customer or an adult at the residence and provide notice of the proposed disconnection. If contact is not made, the Utility shall leave a notice in a conspicuous place at the customer's premise informing the customer that service has been disconnected.

Disconnection of Water Service to Tenants:

A. If a water utility's records show that a residential billing address is different from the service address, the water utility must mail a duplicate notice to the service address, unless the utility has verified that the service address is occupied by the customer.
B. If a water utility's records show that the service location is a master-metered, multi-dwelling service address, the water utility must provide a duplicate of the 7-calendar day disconnection notice to each unit at the service address. The disconnection notice must be addressed to "Tenant." The envelope must bear a bold notice stating, "IMPORTANT NOTICE REGARDING DISCONNECTION OF WATER UTILITY SERVICE." Tenant notices may not include the dollar amount owing.

C. The water utility must notify the Consumer Services Section at least seven calendar days before disconnecting service to a master-metered, multi-dwelling premise.

Time Payment Agreements (OAR 860-036-1420)

Customers who are notified of pending disconnection, due to reasons other than theft of service, tampering, unauthorized use of water, or failure to abide by the terms of a Time Payment Plan, may choose between two Time Payment Agreement options. The Utility will offer such customers a choice of a levelized-payment plan and an equal-pay arrearage plan. The Utility and customer may mutually agree to an alternate payment arrangement provided it be in writing and signed by all parties.

Disconnection for Failure to Comply With a Time Payment Agreement
(OAR 860-036-1510(4)(b))

A time-payment agreement disconnection occurs when a customer fails to comply with the terms of a written time-payment agreement between the customer and the Utility, or the Utility permits a time-payment agreement charge to become delinquent. The Utility will give the customer a 7- day written notice before the water service may be disconnected.

Rule 29: Disconnection, Reconnection and Field Visit Charge (OAR 860-036-1580)

Disconnection and Reconnection Charges
When service was disconnected pursuant to (OAR 860-036-1500), the Utility may charge the disconnect fee and reconnect fee stated in its tariff prior to reconnecting service.

Field Visit Charge
The Utility may assess a field visit charge whenever the Utility visits a residential service address intending to reconnect or disconnect service, but due to customer action, the Utility is unable to complete the reconnection or disconnection at the time of the visit. The field visit charge is listed in the tariff.

Rule 30: Unauthorized Restoration of Service (OAR 860-036-1590)

After the water has been disconnected or shut off at the curb stop or at the meter, if any person not authorized by the Utility should turn it on, the water service line may be disconnected as provided by OAR 860-036-1510.

Rule 31: Unauthorized Use (OAR 860-036-1590)

No person shall be allowed to make connection to the Utility mains, or to make any alteration to service connections, or to turn a curb stop off or on to any premises without written permission of the Utility. If the Utility discovers that a customer tampered with or engaged in unauthorized use of utility property facilities, the Utility shall notify the customer of the violations and may take one or more of the following actions:

A. Repair or restore the facilities and charge the customer the costs incurred;
B. Adjust the customer's prior billing for loss of revenue under applicable tariffs or schedule of rates;
C. Initiate a service disconnection as provided by OAR 860-036-1510;
D. Require a new application for service that accurately reflects the customer's proposed water use; and
E. Assess a deposit for restored or continued service.

Rule 32: Interruption of Service (OAR 860-036-1630, -1640)

The Utility may perform an unscheduled interruption of service as necessary to protect the health and safety of its customers or to maintain the integrity of its system. If an unscheduled interruption of service is required, the water utility must:

A. Make a reasonable effort to notify the customers affected and the Consumer Services Section in advance of the interruption;
B. Report the unscheduled interruption to the Consumer Services Section at the contact information provided in OAR 860-001-0020(2), and
C. Restore service as soon as it is reasonably possible after resolving the issue, unless other arrangements are agreed to by the affected customers.

The Utility may schedule water service interruptions for maintenance and repairs in such a manner that reasonably minimizes customer inconvenience. The Utility will provide advance written notice to all customers affected by any scheduled service interruption, and will post the notice in the utility's office and on its website, if available. The notice will include:

A. The name, mailing address, telephone number, emergency telephone number, and email address or website of the Utility;
B. The date, time, and estimated duration of the scheduled interruption;
C. The purpose of the interruption;
D. A statement cautioning customers to avoid using water during service interruptions to prevent debris in the customers' service lines; and
E. The contact information for the Consumer Services Section provided in OAR 860 001-0020(2).

Notices of scheduled interruptions of service must be served by a door hanger or personal delivery to an adult at the affected premises at least five calendar days in advance of the service interruption or by US Mail at least ten calendar days prior to the service interruption. In addition electronic notice must be provided to customers who requested to receive notices electronically.

Rule 33: Water Usage Restrictions (OAR 860-036-1670)

The Utility shall exercise due diligence to furnish a continuous and adequate supply of water to its customers. During times of water shortage, the Utility will equitably apportion its available water supply among its customers with regard to public health and safety. In times of water shortages, the Utility may restrict water usage after providing written notice to its customers and the Consumer Services Section. Notice will also be posted in the Utility's office and on its website, if available. The notification must state the reason and nature of the restrictions, the date restrictions will become effective, the estimated date the restrictions end, and that failure to comply with the restrictions is grounds for disconnection.

If a customer fails to comply with the water restrictions after receiving written notification, the Utility will provide a separate written warning letter to the customer including:

A. The date;
B. The name, mailing address, telephone number, emergency telephone number, and email address or website of the Utility;
C. The customer's name, account number, mailing address, service address if different;
D. The water use restrictions and statement of how the customer is violating those restrictions;
E. A statement that the customer's water service is subject to disconnection on or after a specific date;
F. A warning to the customer that failure to immediately comply with the restrictions may result in disconnection of service; and
G. A statement that the customer may dispute disconnection by contacting the Consumer Services Section. The notice must include the Consumer Services Section's contact information provided in OAR 860-001-0020(2).

If a customer fails to comply with the water restrictions after receiving written notification and the warning letter, the Utility will consult with the Consumer Services Section to determine if disconnection is appropriate.

SERVICE QUALITY

Rule 34: Adequacy of Water Service (OAR 860-036-1600)

The Utility will maintain its facilities according to industry rules, regulations, and standards and in such condition to provide safe, adequate, and continuous service to its customers.

The Utility will not intentionally diminish the quality of service below the level that can reasonably be provided by its facilities.

Rule 35: Trouble Call

The trouble-call charge listed on the Miscellaneous Service Charges Schedule may be billed whenever a customer requests that the Utility visit the customer's premises to remedy a service problem and the problem is due to the customer's facilities.

Rule 36: Water Purity (OAR 860-036-1610)

The Utility will provide a domestic water supply that is free from bodily injurious physical elements and disease-producing bacteria and reasonably free from elements that cause physical damage to customer property, including but not limited to pipes, valves, appliances, and personal property.

Rule 37: Water Pressure (OAR 860-036-1650)

The Utility will maintain adequate water pressure. In general, water pressure measuring between 45 and 80 pounds per square inch in the water mains is considered adequate. However, adequate pressure may vary depending on each individual water system.

The Utility may temporarily reduce or increase water pressure for fire flows, noticed repairs and maintenance, scheduled or emergency flushing, and unscheduled or emergency repairs and outages.

Rule 38: Pressure Surveys (OAR 860-036-1650)

The Utility will maintain permanent pressure recording gauges at various locations to measure the system's water pressure, and will have a portable gauge to measure water pressure in any part of the system. The Utility will maintain all pressure gauges in good operating condition, test periodically for accuracy, and recalibrate or replace when necessary.

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Rule 39: Customer-Requested Pressure Test (OAR 860-036-1660)

Upon customer request, the Utility will perform a water pressure test within seven calendar days of the request. The first pressure test in any 12- month period will be at no charge. If the customer requests an additional pressure test within any 12-month period at the same premises, the Utility will assess the customer a charge in accordance with the service charges set forth in Schedule 9 of the tariff. The pressure will be measured at a point adjacent to the meter on the customer service line or other reasonable point most likely to reflect the actual service pressure.

The Utility will provide a written report to the customer within seven calendar days of the pressure test. The report will include:

A. The name, mailing address, telephone number, emergency telephone number, and email address or website of the Utility;
B. The customer's name and service address where the pressure was tested;
C. The date the pressure test was requested and the date the pressure test was performed;
D. The name of the company or employee performing the test;
E. The place where the pressure was measured;
F. The actual pressure reading; and
G. The conclusion based on the test result.

Rule 40: Utility Line Location (One Call Program)

The Utility and its customers will comply with the requirements of OAR 952-001-0010 through and including OAR 952-001-0090 (One Call Program) regarding identification and notification of underground facilities.

Rule 41: Cross Connection/Backflow Prevention Program (OAR 860-036-1680)

All customers must comply with the Utility's Cross Connection Control Program to protect the water system from contamination. A customer's failure to comply is grounds for disconnection under OAR 860-036-1500.

The Utility will comply with the rules and regulations for the Cross Connection/Backflow Prevention Program, as provided in ORS Chapter 333 and the Utility's approved Backflow Prevention tariff or statement of rates.

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