

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: OCTOBER 9, 2001

REGULAR X CONSENT EFFECTIVE DATE _____

DATE: October 3, 2001

TO: Phil Nyegaard through Marc Hellman and Mike Myers

FROM: Tom Riordan

SUBJECT: UW 80 –Avion Water Company Application for Approval of Modification of the Irrigation Tariff

SUMMARY RECOMMENDATION:

Pursuant to ORS 757.215, I recommend that the modified tariff of Avion Water Company's Irrigation Rates be suspended for up to six months effective October 14, 2001.

DISCUSSION:

Avion Water Company (Avion) is a fully regulated water utility serving nearly 7150 residential and commercial metered customers, including 850 customers with both pumped irrigation water and domestic water in Bend, Oregon. The company filed a tariff on September 13, 2001, that modifies its existing irrigation tariff by substituting domestic water for irrigation water. (This change applies to certain irrigation customers that have fractional water rights.)

Sometime in the future, Avion expects that the irrigation districts or the Oregon Water Resources Department will require the company to deliver to the customer's premise no more than three gallons per minute to the customers that have water rights. Since the irrigation water customarily is from the Deschutes River, it is not practical to deliver less than three gallons per minute through a flow control to the property. Also, meters are impractical as they plug very frequently because the river water is unfiltered. Another way to meet the less than three gallon per minute requirement would be to have delivery by time of day. However, Avion states that this approach would cause logistical and customer-relations difficulties.

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The proposed tariff provides for an irrigation rate using domestic water through a separate irrigation meter. The rate provides that customers will receive the amount of water to which they are entitled at the same rate as though the water were irrigation water. Avion proposes the following irrigation tariff rate be adopted: 1) base rate for service through a meter for domestic water in lieu of irrigation water will be \$4.91 per month for the irrigation season (April 15 through October 15) and \$0.50 per one hundred cubic feet of water used by the customer.

DETAILED RECOMMENDATION:

I recommend that the Commission suspend the modified tariff for Avion Water Company's Irrigation Rate for up to six months, effective October 14, 2001, to allow Staff time to fully investigate the filing.

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