

**ITEM NO. 7**

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: May 18, 2004**

**REGULAR**   X   **CONSENT**        **EFFECTIVE DATE**       May 29, 2004      

**DATE:** May 11, 2004

**TO:** Lee Sparling through Marc Hellman and Rebecca Hathhorn

**FROM:** Kathy Miller

**SUBJECT:** DUKES FARM, LLC: (Docket No. UW 100/Advice No. 04-6) Request to establish rates resulting in total annual water and sewer revenue of \$52,074.

**STAFF RECOMMENDATION:**

Staff recommends, pursuant to ORS 757.210 and ORS 757.215, the proposed tariffs filed by Dukes Farm LLC (DFLLC or Company) requesting to establish tariffs resulting in annual revenue of \$52,074 be suspended for six months effective May 29, 2004.

**DISCUSSION:**

DFLLC is a rate regulated public water utility pursuant to ORS 757.061(3), which states the Commission's authority to regulate water utilities that also provide wastewater service within the boundaries of a city. DFLLC provides both water and wastewater service to approximately 149 residences within the City of Salem's boundaries. This is the Company's first general rate filing with the Commission.

On April 30, 2004, the Company filed tariffs to establish its current rates as tariffed rates. The Company filed tariffs with an effective date of May 29, 2004, with less than statutory notice. DFLLC is not seeking an increase in rates at this time. The Company currently charges a monthly water service rate of \$14 for 800 cubic feet (cf) and \$.085 per cf above 800. According to the water consumption reported by the Company, consumption above the base allowance is minimal. The sewer rate is \$16.56 per month. The average monthly rate for both sewer and water is \$30.56.

Staff will review the filing to determine if the current rates being charged are fair and reasonable. Staff requests the Commission suspend the filing for six months to allow time to review the filing.

Docket UW 100/Advice No. 04-6, Dukes Farm  
May 11, 2004  
Page 2

**PROPOSED COMMISSION MOTION:**

Pursuant to ORS 757.210 and ORS 757.215, proposed tariffs filed by Dukes Farm LLC to establish rates approved by the Commission be suspended for six months, effective May 29, 2004, to allow Staff adequate time to investigate the Company's rate proposal.