

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: February 12, 2008**

REGULAR _____ **CONSENT** X **EFFECTIVE DATE** February 15, 2008

DATE: February 5, 2008

TO: Public Utility Commission

FROM: Kathy Miller

THROUGH: Lee Sparling, Marc Hellman and Michael Dougherty

SUBJECT: ROATS WATER SYSTEM INC: (Advice No. 08-16) Adds back the franchise fee special provision that was inadvertently removed on a previous revision.

STAFF RECOMMENDATION:

Pursuant to ORS 757.205 and ORS 757.225, Staff recommends that the Commission approve Roats Water System, Inc.'s (Roats) Third Revised Sheet No. 3, Schedule No. 1, Residential and Commercial Metered Rates, which adds back the franchise fee special provision that was inadvertently removed on a previous advice filing.

Staff also recommends that the Commission approve the franchise fee nunc pro tunc in Advice No. 07-14, which was approved at the public meeting held on June 19, 2007.

DISCUSSION:

On January 15, 2008, Roats filed a revised tariff Advice No. 08-16, Third Revised Sheet No. 3, Schedule 1, which is housekeeping in nature. The purpose of this filing is to add back Special Provision No. 3, regarding franchise fees that was inadvertently left out of its previous filing, Advice No. 07-14, approved by the Commission at its Regular Public Meeting on June 19, 2007.

Special Provision No. 3 allows Roats to charge a 3 percent monthly franchise fee to residents of the City of Bend. The 3 percent is applied to the Bend residents' gross monthly water sales. The Commission approved the 3 percent monthly franchise fee in Commission Order No. 06-096 (UW 114), dated April 1, 2006.

Advice No. 08-16
February 5, 2008
Page 2

As a result of the clerical error that inadvertently omitted the franchise fees in Advice No. 07-14, Staff requests the Commission approve this franchise fee nunc pro tunc for the previous filing (Advice No. 07-14) and approve the this advice filing that correctly includes Special Provision No. 3, regarding franchise fees.

PROPOSED COMMISSION MOTION:

Pursuant to ORS 757.205 and ORS 757.225, Roats Water System, Inc., Third Revised Sheet No. 3, Schedule No. 1, Residential and Commercial Metered Rates, be approved with an effective date of February 15, 2008. The franchise fee listed in Special Condition No. 3 be added back and approved nunc pro tunc in Advice No. 07-14, dated June 19, 2007.