BEFORE THE
PUBLIC UTILITY COMMISSION OF OREGON
UW 209

In the Matter of SALMON VALLEY WATER COMPANY; SUNSTONE WATER, LLC; LAKESHORE WATER COMPANY, LLC; SEAVEY LOOP WATER COMPANY, LLC; and SOUTH COAST WATER COMPANY, LLC Request for a General Rate Revision.

OPENING TESTIMONY OF CARRIE ROSE

July 22, 2026

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My name is Carrie Rose, and I am an Intervenor in this rate case and a customer of Seavey Loop Water Company.

I moved into my neighborhood in 2010 and since that time have had my water provided by the well next door to my property. When I moved in, my water rates were very reasonable and I had no problems with the company that owned the well. In the last decade, though, the well has changed ownership several times, our neighborhood's rates have climbed dramatically, and my neighbors and I have had trouble getting responses to our customer service inquiries and urgent problems. In 2017 I was paying $33/month for water. I am currently paying $98.65, which is approximately 3 times the rate I was paying less than a decade ago.

The Seavey Loop Water Company, of which I am a customer, has repeatedly attempted to get customers to pay for unnecessary and unreasonable expenses, ignored customer inquiries, and hidden relevant information. Given this track record, I am very concerned about the Salmon Valley merger, which could make it easier for the Water Company to overspend and hide the details. Our rates continue to be determined by settlements agreed to in confidential meetings, so the standards of evidence are potentially low and the reasoning behind the rates is at least partially undisclosed to the customers. Given that Salmon Valley is unable to keep their rates in line with what is typical for our area, I would like a very high level of proof required for expenses that will be passed along to customers.

I would like to give four examples of my interactions with Seavey Loop Water Company that demonstrate their unreasonable spending, poor management, and lack of transparency about their activities.

Example 1:
In September of 2024, I returned from a trip to discover that my front yard was flooding. Since the leak was on my property, I assumed that the responsibility for repairs was mine. However, I couldn't get a contractor to give an estimate without turning off the water so the pipe could be examined. I contacted the Water Company with two urgent questions: how could I turn off the water, and whether the leak was potentially making our water unsafe to drink. I initially called the non-emergency phone number during business hours and left a message on an answering machine. After waiting and not hearing back, I tried calling the emergency number and I also reached an answering machine.

When I finally received a call back, the representative told me that they didn't know how to turn off the water, but they would send someone to my house to find out. (I want to note here that customers are paying for a capital expense called system mapping, which I would expect would indicate where emergency shutoff valves are located.) Nobody showed up at my house to locate the shutoff valve, so I called again and was given a new date to expect a representative. After waiting through the weekend and still not having anyone come to address the problem, and with my front yard continuing to be buried in water, I finally called the Oregon Public Utility Commission and asked them for assistance.

The Water Company finally responded to the PUC and answered my questions. I learned that the leak was actually in the Company's pipe and they were responsible for fixing it (and my water was safe to drink, fortunately). They planned for a repair the following week. I find it very concerning that I had to wait weeks for this problem to be addressed and that, without the help of the PUC, it could have taken much longer. (The email sent to me from the PUC is in exhibit 101.)

When the Water Company files a request for a rate increase, one of the questions they must answer, in writing, is about any customer service problems they have experienced. Even though the leak in my yard was such a major customer service failure that I had to get assistance from the PUC, they didn't mention it at all in their filing. This seems like a serious omission to me.

Example 2:
In 2023, the Water Company had a fence built. The fence was partially on my property and interfered with my use of my property. They had not asked permission to build the fence there. When I contacted them about it, they agreed that their fence was in fact on my property and agreed to move it. However, since I had raised issues about the property line, they began discussing the exact location of the divide between our properties. A pre-existing fence was located on the well's property before I bought the adjacent property, and it was set a few feet back from the property line, so I could theoretically walk a small distance onto their property from my own backyard. They seemed concerned about this, although it had never caused any problems, and after considering moving their fence to the exact border of their property, they decided to pay a lawyer to write a document granting me permission to use the few feet of space on my side of their fence.

The document they sent to me made the odd claim that I had erroneously constructed a fence on their property, which they called the "Encroaching Fence," and suggested that they might require me to remove the fence at some point. (I assume that the fence was built on the well's property by the owner of the well at some point.) They also granted me a revocable license to use the sliver of property next to the fence. (The email from the Water Company to me regarding this legal document, and the attached document, are in exhibits 102 and 103.)

This expense seems completely unrelated to providing water to the neighborhood (as well as being generally unnecessary). However, the Water Company included over a thousand dollars in capital expenses for this issue in their following rate case. They were very vague about why these legal fees were paid. I was an Intervenor in that case, and I asked them to provide details about why the legal expenses were necessary. They failed to give a detailed response.

I find it extremely inappropriate that the Water Company attempted to get customers to pay for those unjustified expenses. Those expenses were not included in the rate base after the settlement process, but I wonder what would have happened had I not been an Intervenor with the ability to draw attention to that cost and explain why it wasn't related to providing water to customers. It seemed that their strategy was to include inappropriate expenses in the rate case with only vague explanations, hoping the customers would be forced to pay. This example shows the importance of detailed scrutiny of all the Water Company's expenses.

Example 3:
In the first rate case filed by the Seavey Loop Water Company, as an Intervenor, I submitted a number of questions to the Water Company. They were required to answer these questions within a certain period of time. However, they failed to answer. By the time of the first settlement conference, they had not answered, and the conference was rescheduled. (I had taken unpaid time off work for the settlement conference.) Even after indicating that they were aware of the requirement to answer my questions, they still failed to respond.

I finally had to request assistance from the judge in that rate case to force the Water Company to comply with the legal requirements. When they did eventually respond to my questions, their responses were still very unsatisfactory. (For example, instead of giving an answer, they stated that the answer was contained in one of their previous filings with hundreds of pages, and they didn't give a page number. I was unable to find the answer.)

This is another example of either poor management or deliberate misconduct by the Water Company in responding to customers. They have demonstrated that they will not fulfill their basic responsibilities if not forced.

Example 4:
An issue that has repeatedly come up in rate cases is landscaping costs. During the period of time while they were tripling customers' rates, the Water Company spent many thousands of dollars on capital expenses related to landscaping. Multiple customers have objected to being forced to pay for these costs, since they are unnecessary for providing water. When I purchased my house, the owner of the well had very minimal landscaping expenses, which mostly seemed to be the cost of periodically mowing the grass of the small property. This was perfectly adequate.

After paying large amounts of money for landscaping capital expenses, the newly planted shrubs died. The Water Company replanted and installed irrigation for the new plants. Even after a rate case in which many customers complained about the landscaping, the Company continued to incur further landscaping capital expenses. Perhaps this could have been justified if they had made updates that reduced overall costs, but they continue to claim large monthly maintenance costs in their rate cases (and plants requiring irrigation don't seem low-maintenance).

This is an example of spending on unnecessary expenses, unrelated to providing water, that customers are being forced to pay. The Water Company's justification is that it benefits the neighborhood when the well's property looks attractive. However, this argument rings a bit hollow when they are ignoring the damage from flooding that their well is causing to the adjacent property. This shows the poor management decisions that have been contributing to customers' skyrocketing rates.

I request that the Commission require the Water Companies requesting rate increases to give detailed explanations of the necessity of all expenses that they are asking customers to pay for. I also request that the Water Companies be required to demonstrate a good faith effort to respond to urgent customer communications and manage resources prudently.

Intervenor Rose/101
Rose/1

Gmail

Carrie Rose <carriemichellerose@gmail.com>

Seavey Loop Water

2 messages

WOLF Charla * PUC <Charla.WOLF@puc.oregon.gov> Tue, Sep 17, 2024 at 5:15 PM
To: "carriemichellerose@gmail.com" <carriemichellerose@gmail.com>

Hi Carrie:

I have been in touch with Seavey Loop Water. An operator will be locating the leak on Thursday morning. They are hopeful to have repairs made next week when the excavator is available. The water is chlorinated and should not cause issues with contamination. The leak appears to be small, and there has been no loss of pressure to the system; boil water advisories are not indicated at this time.

I appreciate you bringing this to our attention, and I will keep you updated as the Company moves forward with repairs.

Kind regards,

Charla Wolf

Sr. Compliance Specialist

Consumer Services

Oregon Public Utility Commission

503-378-6600

1-800-522-2404

Charla.wolf@puc.oregon.gov

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Carrie Rose <carriemichellerose@gmail.com> Wed, Sep 18, 2024 at 12:28 PM
To: WOLF Charla * PUC <Charla.WOLF@puc.oregon.gov>

Thank you for your help!

-Carrie

[Quoted text hidden]

Intervenor Rose/102
Rose/1

Gmail

Carrie Rose <carriemichellerose@gmail.com>

Seavey Loop Water Co. Grant of Revocable License

2 messages

Grant Huling <grant.huling@puttman.com> Thu, Nov 16, 2023 at 4:22 PM
To: Carrie Rose <carriemichellerose@gmail.com>

Carrie,

Please see the attached use license. No action is needed on your part. As we discussed earlier, this acknowledges the legal property boundary, but allows your continued use on your side of the existing back yard fence line.

Thank you,

Grant Huling, LEED AP
Project Development Manager

Puttman Infrastructure, Inc.
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Seavey Loop Water Co_Recordable License for Encroachment_executed.pdf
675K

Carrie Rose <carriemichellerose@gmail.com> Thu, Nov 16, 2023 at 5:07 PM
To: Grant Huling <grant.huling@puttman.com>

Thank you. I do want to clarify that I didn't install the existing fence between our properties. When I bought my property, the fence was already there. I appreciate your allowing my family to continue to use the side yard up to the fence.
[Quoted text hidden]

Intervenor Rose/103
Rose/1

WHEN RECORDED, MAIL TO:

Tyler M. Clarke
Stoel Rives LLP
760 SW Ninth Avenue
Suite 3000
Portland, OR 97205

TAX LOT NOS. 1803132300100 and 1803132302000

NOTICE REGARDING BOUNDARIES
and
GRANT OF REVOCABLE LICENSE

THIS NOTICE REGARDING BOUNDARIES AND GRANT OF REVOCABLE LICENSE ("Notice and Grant of Revocable License") is made and executed this 16th day of November, 2023, by Seavey Loop Water Company, LLC, an Oregon limited liability company ("Owner"), being the owner of record of all of that certain property more particularly described on Exhibit A (the "Property") and as set forth and described on the official plat of record in the office of the Lane County Clerk, State of Oregon, for Seavey Loop Park (the "Official Plat"). The Property shares a common boundary with the property located at Lane County Tax Lot No. 1803132300100 (as more particularly described on Exhibit B (the "Adjacent Property"). Seavey Loop Water Company LLC was previously known as Seavey Loop Water Holdings, LLC.

The owner of the Adjacent Property has mistakenly constructed a fence that encroaches onto the Property (the "Encroaching Fence"). Owner wishes to record this Notice Regarding Boundaries and Grant of Revocable License to preserve and maintain its rights in the Property.

Owner hereby executes and records in the office of the Lane County Clerk, State of Oregon, this Notice Regarding Boundaries and Grant of Revocable License, for the purpose of giving public notice of the intention of Owner, as the owner of record of the Property, that, notwithstanding the location of any fence or other improvement upon the Property in proximity to the common boundaries between the Property and the Adjacent Property, the boundaries of the Property shall be and remain as set forth and described on the Official Plat of record. NEITHER OWNER, NOR ITS SUCCESSOR OWNER(S) OF THE PROPERTY, ACQUIESCE TO, AND THEY WILL NOT SUBSEQUENTLY ACQUIESCE TO ANY BOUNDARY FOR THE PROPERTY, OTHER THAN THE BOUNDARY SET FORTH ON THE OFFICIAL PLAT, EXCEPT AS MAY BE ESTABLISHED BY WRITTEN AGREEMENT OR BY AMENDED PLAT FOR THE SEAVEY LOOP PARK SUBDIVISION, DULY EXECUTED BY OWNER, OR ITS SUCCESSOR OWNER(S) OF PROPERTY, AND RECORDED IN THE RECORDS OF THE COUNTY CLERK OF LANE COUNTY, STATE OF OREGON.

Intervenor Rose/103
Rose/2

Owner hereby grants to owner of the Adjacent Property ("Adjacent Owner"), a revocable license to use that portion of the Property situated between the Adjacent Property and any fence constructed upon the Property and the boundary of record for the Property and the respective Adjacent Property (the "Gap Area") for purposes of landscaping, ingress, egress, and other uses customary for the side yards or back yards of residential properties in the Seavey Loop Park Subdivision; provided, however, that such revocable license does not grant the owner of any Adjacent Properties, or his or successor in such ownership, the right to excavate upon any portion of the Gap Area to a depth greater than six inches (6") or to conduct any other activity upon the Gap Area which could or might undermine the integrity or structure of, or alter in any way, any fence or other improvement constructed upon the Property. The revocable license granted to the Adjacent Owner will allow Adjacent Owner to keep the Encroaching Fence on the Property until the earlier of: (1) the removal of the Encroaching Fence from the Property by Adjacent Owner or (2) sixty (60) days after receipt of a separate notice from Owner to Adjacent Owner to remove the Encroaching Fence, at which point, such license may be revoked by Owner, or its successor owner(s) of the Property, by such Owner (or its successor owner(s) of the Property at the respective time) upon the execution and recordation of a notice of revocation of the license granted hereby in the records of the Clerk for Lane County, Oregon.

Notwithstanding any other provision hereof, Owner reserves all of its rights and remedies under ORS 96.060.

[Signature follows on next page]

Intervenor Rose/103
Rose/3

IN WITNESS WHEREOF, the undersigned has executed this Notice and Grant of Revocable License this 16 day of NOVEMBER, 2023.

SEAVEY LOOP WATER COMPANY LLC, an Oregon limited liability company

By _____
Name: THOMAS J. PUTMAN
Title: MANAGER

STATE OF OREGON)
) ss.
COUNTY OF Multnomah)

The foregoing instrument is acknowledged before me this 16th day of November, 2023, by Thomas J. Putman, as Manager of Seavey Loop Water Company LLC, an Oregon limited liability company, on behalf of such limited liability company.

OFFICIAL STAMP
JAMES LLOYD ARENA
NOTARY PUBLIC - OREGON
COMMISSION NO. 999828
MY COMMISSION EXPIRES MAY 12, 2024

_____
Notary Public for Oregon