BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UW 210

In the Matter of

TIERRA DEL MAR WATER COMPANY,

Request for a General Rate Revision.

TRANSCRIPT
OF
June 3, 2026
PUBLIC COMMENT
HEARING

BEFORE: ADMINISTRATIVE LAW JUDGE CHRISTOPHER J. ALLWEIN

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ALJ ALLWEIN: All right. Good evening, everyone. I am Administrative Law Judge Christopher Allwein.

And as you heard -- *(sneezes)* excuse me -- we are recording this tonight.

It is just after 6:00 on June 3rd, 2026.

I am Christopher Allwein, an Administrative Law Judge assigned to these proceedings.

We are here tonight to hear your comments on Tierra Del Mar Water Company's request for a general rate revision, and this is Public Utility Commission docket number UW 2-1-0, or 210.

We are recording tonight's session so that we will have a record of your comments for consideration by PUC staff and Commissioners.

Tonight I am joined by Commission staff person Nicola Peterson, as well as by Kim Toews, who is with the Administrative Hearings Division here, and Kim will be operating the Zoom controls.

Now, before we hear your comments this evening, we want to introduce ourselves and this case just a little bit, so we're going to have a brief presentation.

So I'm going to go ahead and turn it over

to Nicola Peterson from Commission Staff to provide an overview of the Company's rate increase request and Staff's role in these proceedings. Once Nicola completes the presentation I will then describe different ways that you can make additional comment. If you don't make comment tonight you can make a comment later, and perhaps other ways that folks, if they're interested, can participate in this docket.

And with that I'll turn it over to Nicola Peterson.

MS. PETERSON: Good evening. My name is Nicola Peterson, and I'm a Senior Utility Analyst at the Public Utility Commission.

Tonight we will be discussing Tierra Del Mar Water Company's proposed general rate case filing.

We will review the reasons provided by the Company for these changes, the potential impact to residential customers, the PUC's role in evaluating the request, and provide details on how you, as members of the public, can participate in the process. It is important to understand that the information provided tonight may not reflect the final decision, and only represents the

information as filed by the Company.

As part of the general rate case process, Staff and any Intervenors will be reviewing the Company's request to ensure it is reasonable and necessary for providing service to customers.

Next slide.

The Company is requesting an increase to 192,000 in total revenues. This request, if approved, will have an impact on residential rates. The typical residential bill will increase by either $23.27, or you can see it's $38.19. I've provided two kind of average monthly usage bills on there. And the percentage increase is either between 105% and 149%.

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The key reasons provided by the Company for the rate increase request include the following: Contract services. In June 2026, Northwest Natural Water Services will take over all the day-to-day management of this water system. This management contract will cost substantially more than the current arrangement. We have other expenses in there. This is the regular everyday operating costs. We have rate-of-return, which is the Company's opportunity to earn a return on its

investment. We have associated taxes, both state and federal, and we have the cost of depreciation. This cost is related to the investment in the system.

Since the last rate case, which was in 1993, over 30 years ago, there has been considerable capital investment, and most recently in 2024, a new reservoir costing $127,000 was purchased.

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The PUC Staff plays a critical role in the ratemaking process. Staff conducts an independent and thorough evaluation of the Company's request. This includes a detailed financial review to assess whether the requested increase is reasonable and necessary. It also includes reviewing the Company's operations and any contracts. Rate cases must adhere to Oregon's regulatory framework, ensuring that any approved rate changes comply with the State's statutes and rules governing public utilities.

Staff scrutinizes the Company's operational costs and capital investments, determining whether these expenses are prudent and beneficial to customers. Staff analyzes how the rate change

will affect customers, particularly for residential customers who rely on this essential service. We assess affordability and other considerations to ensure fair distribution of costs and benefits.

Staff reviews all public comments. These insights help shape our recommendations to the Commission and ensure that the voices of ratepayers are heard in the decision-making process.

Staff develops recommendations and rate adjustments based on our analysis and provides testimony on whether those proposed increases is justified.

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To review the Company's rate request, Staff must be able to provide technical analysis to review both whether certain costs are justified based on the Company's needs and current market conditions, and how those costs are most fairly distributed among the customers. To do this, we typically employ a team of accountants and financial analysts to lead the water rate case and typically -- and may also involve other PUC staff with expertise in economics and engineering as

needed.

Finally, we work closely with attorneys from the Oregon Department of Justice throughout the proceeding. PUC staff works to ensure that any rate adjustments balance the needs of the Company with the interests of residential customers, businesses, and the broader community.

Next slide, please.

So what's next? The general rate case process is carried out like a legal proceeding. Since the Company made the initial filing in March, Staff has been reviewing the Company's request and asking for more information. If a settlement is not reached prior, Staff and Intervenors will file opening testimony on September 1st under the schedule proposed by Staff.

Following that, Staff and any Intervenors and the Company will review each others' testimony, continue to develop settlement positions and any future legal process, including subsequent rounds of filed testimony. Throughout this process, attorneys from the Department of Justice will assist Staff to form settlement positions, cross-examine witnesses, submit legal

briefs, and make oral arguments as needed.

There are some important dates for you to remember: Public comments received three weeks ahead of Staff's initial testimony, or by August 11th, will be included in Staff's initial testimony. Any public comments received later will have to be included in Staff's subsequent testimony. The Commission anticipates making a decision on the request on or about February 17, 2027, with new rates, if any, estimated to go into effect on April 1st of 2027. In its decision, the Commission will consider the evidence and arguments made by the parties, including evaluating any settlements filed.

And with that, I will pass it back to ALJ.

Thank you.

ALJ ALLWEIN: All right. Thank you, Nicola Peterson. I appreciate that.

I also work for the Public Utility Commission, but my role is a little bit different from Staff's role. As the Administrative Law Judge, my job is to ensure a fair and transparent process in this proceeding, including conducting public comment hearings, just like we're doing tonight, and a subsequent evidentiary hearing, if

necessary, to develop a complete evidentiary record regarding the rate case -- rate increase request, and to inform any final decision by the Commission.

My role is independent from the investigation being conducted by Staff, and as with the Commissioners I'm subject to rules on ex parte communications, and that just basically means that I can't talk to any party or person about the merits of the case -- well, any party, excuse me, without being in the presence of all parties.

And so I just want to talk about, I mentioned a little bit ago that you can make comments subsequent to tonight if you want. And the ways to do that very quickly here, you can go to the website, and at the top of the website, the banner at the top, there's something called "eDockets," and you would select that, and then you would enter the docket number for this case, which is UW 210, and then when that page comes up, you can hit "select public comment," and then you can write a comment and hit submit, and that will be on a separate tab, but it will be a part of the record in this case.

Okay. Let's go to the next slide, please. Let's see. Sorry, one second here.

Okay. You can also submit written comments via email to that address right there: puc.publiccomments@puc.oregon.gov. You can actually call and submit your comments by phone. You can see we have a local number and an 800 number. And you can also do it the old fashioned way and write your comments, type them, and send them into that address you see there on the screen.

Now, this -- these slides that we're showing you now and the ones that Nicola went over earlier, are on the docket, so they are available for you to view after tonight. They're already posted so you can find, just like we did here to find the public comment tab, you can just find the UW 210 docket listing and this presentation is there. So if you're -- if you don't catch what's up on the screen right now via a screenshot, or by writing it down, you know, you can go to the docket subsequently and find this information.

Okay. Let's see. All right, and we're going to put this back up at the end of tonight as well.

So, let's go to the next slide, please. Did we lose the slide show?

All right. And just -- I want to briefly go over these. You can become an interested person, and what happens there is you'll email the Hearings Division here at that web address, and any time there's activity on the docket, other folks file comments, or there are communications from the parties or from the Commission, you would get an email letting you know that something was added to the docket. So that's called being an interested person.

The other way you can do it is you can be an intervenor in the case, and that provides access to discovery, settlement discussions, and other case events. It also comes with some responsibilities being a case participant, and there's a little bit about that on our website as well, as you can see. So I won't read all of that, but just to let you know, those are two possibilities in addition to submitting comments either via our hearing tonight or subsequent to that.

All right. We're now done with the slide show, I believe. Okay. Thank you.

Okay. We are now going to hear public comments. This is an opportunity for you to provide comments on the Company's rate increase request. Staff is also available to answer questions about the rate request filing, and I can answer questions that you have about the process. We also have representatives of the Company here tonight, and if need be, we can also direct some questions to them or their representatives.

All right. So when called to speak, please speak slowly, state your name for the record, and then you'll state your comments. And just a reminder, your comments are being recorded because we want to preserve them. As Nicola pointed out, those will be a part of Staff's testimony. And of course, we also just want to ensure that they can be clearly heard.

All right, and we'll go ahead and get started. So if you would like to provide comment, please use the "raise your hand" function in Zoom if you have not already done so. And if you're calling in, to raise your hand, you press star nine on your phone keypad.

So again, if you go down to the bottom, it's pretty -- it's almost right in the center,

the "raise your hand" feature, just click on that, and there'll be a little hand icon next to your name, and we will take your comment. Or if you're on the phone, you can press star nine.

Okay. We have John Marsh who has raised their hand. Mr. Marsh, if you want to unmute yourself and you can turn on your camera if you would like. You can go ahead and state your name for the record and make your comment, please.

MR. MARSH: Thank you. Can you hear me?

ALJ ALLWEIN: Yes.

MR. MARSH: Good. So, I'm John Marsh. With me is Deborah Marsh. We're customers of the Tierra Del Mar Water Company.

Our home is 5790 Gardenia in Tierra Del Mar, and we've owned this since 2004. So we've had a lot of experience with the water company.

One thing I wanted to ask, this testimony will be put into the record just like if we were to email testimony -- or email comments or anything else, correct?

ALJ ALLWEIN: Yes, that's the way it works. If -- as long as Staff receives these comments prior to the date, I believe it was August 11th.

MR. MARSH: Mm-hmm.

ALJ ALLWEIN: Staff basically puts the comments in as an attachment to their testimony and they kind of summarize the comments as well. But yes, it'll be included.

MR. MARSH: Good. Thank you. I just wanted to clarify that. I'm fairly familiar with these processes.

And we don't have extensive comments. I will say that the owner of the Company now, Buck Miller, has always been a very good provider of services of the water for the community. Our rates have been extraordinarily low, in my -- in our opinion.

We had a discussion of the Homeowners Association last Saturday about -- we had one of our quarterly meetings and people were pretty in agreement that the rates have been low, and this is a significant increase, but frankly it's understandable.

But there are some things that we've been very understanding about with the water -- you know, the water company that -- because of Buck Miller and being a small business owner living close by, the water pressure isn't very good.

Never has been. That's fine. But if rates double, which essentially is gonna happen, we'd like to see water pressure increased. We'd like to get a lot better water pressure. It's especially a problem when people are all down here in the summer for holidays and that sort of thing.

And as the water pressure goes down, you know, in the summer, of course, there's issues with the amount of water available, and this year we're going to probably have that issue, maybe the worst we've ever had, you can taste chlorine in the water and that's not very palatable.

That's -- you know, other than that, one thing that has come up with people in the community, and for us, is we won't have an on-site owner. And I'd actually kinda -- I'd like to ask the applicant, and I guess you said some of their staff was there to answer questions, what can we expect when we don't have an on-site owner? Right now we get immediately a response. Could they discuss that?

ALJ ALLWEIN: Actually, they can generally probably talk about the process and maybe give some insight. I'll be putting them on the spot here a little bit, but we'll see if they're

willing to do so.

Kyle Griffiths of Northwest Natural, if you would like to just maybe give some general overview to Mr. Marsh's question. It doesn't have to be super detailed or lengthy, but I want to give you the chance to address this inquiry if you're willing.

MR. GRIFFITHS: Sure. Can you hear me?

ALJ ALLWEIN: Yep, we can.

MR. GRIFFITHS: Excellent.

(inaudible - audio cuts out) with Northwest Natural. I'm on the *(inaudible)* team, so *(inaudible - audio cuts out)*, and I know Buck is here as well. *(inaudible - audio cuts out)* on the operation side, we've got Northwest Natural Water Services will be *(inaudible - audio cuts out)* to cover all the services that Buck is providing now and more. And we can get into more detail about that later, but *(inaudible - audio cuts out)*.

ALJ ALLWEIN: Okay. Mr. Griffiths, you're kind of cutting out a little bit. Any comment on any plans for the water pressure or the, you know, the daily operation of the company? Will there be -- you know, will folks who have questions or issues be able to reach somebody about the

company, or about the water? You know, about the water service?

MR. GRIFFITHS: Yes, they will. Can you -- can you hear me any better now?

ALJ ALLWEIN: Yes.

MR. GRIFFITHS: Okay. Yeah, sorry about that, I was in another room.

No, we -- so like I said, I'm on the *(inaudible - audio cuts out)* water services and Silas *(inaudible - audio cuts out)* and they've got a crew of people and they *(inaudible - audio cuts out)* in the State of Oregon and Washington. So they've got a large team, and they'll be *(inaudible - audio cuts out)* and more. *(inaudible - audio cuts out)* those details, I don't have those in front of me. *(inaudible - audio cuts out)* the water pressure, I can't comment on that right now, but *(inaudible - audio cuts out)* that up and I'll pass that information along to the water services team so we have that on our radar.

ALJ ALLWEIN: Okay. Thank you. You were kinda cutting out there again, but I heard you were saying that you'd put the water pressure issue on the -- on the radar of the folks who might be able to address that and that there is a

team that will be specifically handling service issues. Is that a good summary?

MR. GRIFFITHS: That is correct.

ALJ ALLWEIN: Okay, okay. Thank you.

MR. GRIFFITHS: Yeah.

ALJ ALLWEIN: All right.

Mr. Marsh, anything else that you want to discuss since we have Kyle here?

MR. MARSH: No. Like I said, I just had some general comments, and if I have more I'll -- I'll go online and use the e-dockets process.

One last question I do have about this hearing, how many people from the -- or how many people are on this call? Can you tell me that? Is that --

ALJ ALLWEIN: There are a few people from the Public Utility Commission here with us tonight, and of course we have the company representatives, but other than that it looks like there's about one, two, three, four, five. Five folks who are not associated with either the PUC or the Company this evening.

MR. MARSH: Okay. Okay, well, thank you. I appreciate you listening and hopefully addressing our issues.

ALJ ALLWEIN: Sure, sure. Well, thank you very much, actually, Mr. Marsh, for calling in and taking the time to make comments. And, you know, please follow up if you would like, using one of the methods that we described a little bit ago.

And I would encourage others in the community, as you talk to them, you know, if they have items that they'd like to mention, to also avail themselves of one of those methods for providing comments. Because we do look at them, and, you know, Staff looks at them, and the Commissioners consider them as we go through the process.

And as Nicola Peterson said a little bit ago, you know, it's an extensive process and there's a lot of investigation and scrutiny on what's being asked. So anything that, you know, anybody has to add or wants the Commission or Staff to know about, the only way, you know, that we can get that information is if someone provides it. So I would encourage you to not only follow up yourself if you'd like, but also to encourage the folks in the community to do so.

MR. MARSH: Thank you. We will.

ALJ ALLWEIN: All right. All right.

Thank you, Mr. Marsh.

Okay. Well, we heard from Mr. Marsh and we got to hear a little bit from Northwest Natural. So if anybody else would like to make a comment this evening, you can use the "raise your hand" feature, it's down in the middle towards the bottom, kind of that bottom tab there. You can go ahead and push the "raise your hand" button and an icon will appear next to your name. Or if you're on the phone, you can press star nine.

With that, I'm going to go to Marvin Horn.

Mr. Horn, please go ahead and unmute yourself and --

MR. HORN: I hope I did.

ALJ ALLWEIN: You did. There you go. Great.

MR. HORN: Perfect.

ALJ ALLWEIN: How are you this evening?

MR. HORN: I'm a former resident, still a property owner on Coates Avenue.

ALJ ALLWEIN: All right.

MR. HORN: I have been imminently involved with the water system since the last rate hearing, I'm sure Buck will confirm that, and I have just been astounded over the years that he hasn't asked

for a rate increase. I know how much time and effort he puts into that and what his profit margin is, and I wouldn't do it on a bet. So he's got to have a rate increase to get a new owner, and the people at Tierra Del Mar really ought to be more worried about continuing a reliable water system than the detail to this rate hearing.

And that's just my comment.

ALJ ALLWEIN: Well, you're right.

MR. HORN: Okay?

ALJ ALLWEIN: And -- yes, thank you for your comment. It's been 32 years since the Company was in front of the Commission, so there's quite a lot to look at. But we appreciate you being here tonight and giving us your comments. So, thank you, Mr. Horn.

MR. HORN: You're welcome.

ALJ ALLWEIN: Okay. All right. Well, we heard from John Marsh and Marvin Horn.

If there's anybody else that would like to provide comments this evening, just use the "raise your hand" feature, it's down at the center along the bottom of the screen. And if you're on the phone, you can just press star nine and an icon will appear next to your phone number.

So, we'll give it a couple minutes here if someone is thinking about making a comment. And again, if your comments aren't fully formed this evening and you do want to follow up, we'll go ahead and put up the other ways you can make comments subsequent to this hearing. And in fact, Kim, if you want to do that now, we can just discuss that and go through those one more time.

MS. TOEWS: Give me one second.

ALJ ALLWEIN: Sure. Thank you.

(Pause)

ALJ ALLWEIN: All right. In addition to going to the docket -- going to e-dockets, which if you go to the Commission home page there's a little band across the top and e-dockets is one of the choices and you can click on that, and then it'll ask you for a docket number and you'll enter "UW" and then "210." That's the case that we're discussing tonight. And then there is a "submit comment" button once that docket appears on your screen. But in addition to that, you can send us an email at the address there on the screen right now. You can call us on the phone, and it's a local number, or a 1-800 number there. Or you can sit right down and write us a letter, and you see

the mailing address there.

And as Nicola Peterson pointed out a little bit ago, if we get your comments by August 11th, they can be included in Staff's initial round of testimony, and that is a summary, but also the actual comments.

So those are other ways you can give us comments.

And I'll say that -- I'll do this one more time. If you're here with us tonight and you'd like to give some comments, maybe just initial comments on the rate case as it sits right now, we're in the very early stages, you can press the "raise your hand" button at the bottom of the screen, or if you're on a phone you can press star nine and raise your hand that way.

So I'll just give it a couple minutes.

I just want to let everybody know I do appreciate those who did stop by tonight and either listen in or make some comments. It is good to -- you know, it's good to have that input. I know Staff appreciates it and the Commissioners as well. And we do look at these, Staff looks at them, and sometimes Staff creates inquiries based on comments that we receive and addresses those

with the Company as the investigation into the rate request continues. And the Commissioners also look at them as a part of their decision-making process.

So, anyway, we appreciate everybody who came tonight. And one more time, if you want to make a comment, you can push the "raise your hand" feature at the bottom of your screen, or you can press star nine if you're on a phone.

And we'll just give it a couple minutes here. I'm going to -- I'm gonna take myself off of the screen here, and we're gonna keep this open until 7:00. So if you are thinking about it, you raise your hand, we will come back on and call you.

And again, thanks, Kim, we can see your screen, and those are ways you can make comments subsequent to tonight.

All right. I'm going to turn my audio and video off for a few minutes, but we will be here if folks want to make comments.

(Pause)

ALJ ALLWEIN: Thanks everybody for being here tonight. And we did get a couple of comments and that was good, and we'll continue our

investigation. But I think since we only have folks from the PUC here and representatives of the Company, that we will go ahead and end our public comment hearing now.

And so with that, thanks again to everybody for being here. And we are adjourned. You can stop the recording.

(End of Proceedings)

STATE OF OREGON)
) ss.
COUNTY OF Linn)

I, Jean Mueller, a Court Transcriber for the State of Oregon, do hereby certify that I transcribed the audio proceedings had upon the hearing of this cause, previously captioned herein; that I thereafter had reduced by typewriting the foregoing transcript; and that the foregoing transcript constitutes a full, true, and accurate record of the proceedings had upon the hearing of said cause, and of the whole thereof.

Dated: June 22, 2026.

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