

PLEASE RETURN THIS AS PAGE 1 OF THE COMPLETED APPLICATION

PLEASE FILL IN ALL BLANKS

TO: VIKIE BAILEY-GOGGINS, ADMINISTRATOR
REGULATORY OPERATIONS DIVISION
PUBLIC UTILITY COMMISSION OF OREGON
PO BOX 2148
SALEM OR 97308-2148

FROM:

DWF ROUND LAKE PARK & UTILITIES LLC (Round Lake)

(Name of Water Utility)

4000 Round Lake Rd.

(Address)

Klamath Falls, OR 97601

(City, State, Zip)

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

In the Matter of Tariffs for Water Service
in the State of Oregon filed by
DWF ROUND LAKE PARK & UTILITES LLC
(utility name)

|
|
|
|
|

BRIEF

DWF ROUND LAKE PARK & UTILITES LLC

(name of utility owner)

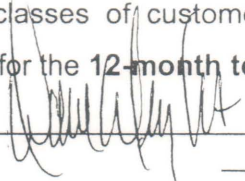
In accordance with Oregon Revised Statutes 757.205 and 757.220, herewith files tariff sheets designated as PUC Oregon No. 1, Original Tariff Sheets No. 1 through 28 to become effective for service rendered on and after 8/01/10 (at least 30 days after PUC receives the filing). The purpose of this filing is to: (Read carefully and pick the choice that reflects your filing.)

- 1) Establish rates with the Commission for the first time at the Utility's current rates producing an annual revenue of \$ _____. After deducting for operating expenses, the projected revenues will produce a _____ percent return on a rate base of \$ _____.
- 2) Establish rates with the Commission for the first time increasing the Utility's total annual revenues from \$27,465 to \$66,236, resulting in a net increase of \$38,771 or 140 percent.

After deducting for operating expenses, the projected revenues will produce a 4.02% return on a rate base of \$\$174,805.

- 3) Establish rates with the Commission for the first time decreasing the Utility's total annual revenues from \$ ____ to \$ ____, resulting in a net decrease of \$ ____ or ____ percent. After deducting for operating expenses, the projected revenues will produce a ____ percent return on a rate base of \$ ____.
- 4) Seek an increase in the Utility's currently filled tariffs, increasing the Utility's total annual revenues from \$ ____ to \$ ____, resulting in a net increase of \$ ____ or ____ percent. After deducting for operating expenses, the projected revenues will produce a ____ percent return on a rate base of \$ ____.
- 5) Seeking a decrease in the Utility's currently filled tariffs, decreasing the Utility's total annual revenues from \$ ____ to \$ ____, resulting in a net decrease of \$ ____ or ____ percent. After deducting for operating expenses, the projected revenues will produce a ____ percent return on a rate base of \$ ____.

The attached testimony summarizes the utility's financial operations, the effects of current rates on the individual classes of customers, and the effects of the proposed rates on the individual classes of customers for the 12-month test period ending 12/31/09.



(signature of utility owner or officer)

10-29-10

(date)

DAVID WRIGHT

(printed name of owner or officer)

GENERAL PARTNER

(title or position)

DWF ROUND LAKE PARK & UTILITES LLC

(legal name of utility)

Attachment

**ANNOUNCEMENT OF PROPOSED CHANGES TO WATER SERVICE
RATE TARIFFS FILED WITH THE PUC**

6/28/10

Pursuant to PUC Order No. 06-642, DWF Round Lake Park & Utilities, LLC (hereafter “DWF”) submitted a general rate filing to the Commission on 6/28/10. We are seeking to increase our annual revenues by **\$38,771** above the \$27,465 we collected in 2009. The purpose of this announcement is to provide you with general information regarding the proposed rates and the effect the filing may have on you.

We anticipate the increase will change average monthly water service rates as follows:

	Current Ave Monthly Bill	Proposed Ave Monthly Bill	Percent Increase
Residential Customer	\$25.00	\$59.00	136%
Commercial Customer	\$500.00	\$1180.00	136%
Irrigation Customer	\$250.00	\$590.00	136%

1. DWF is seeking the above changes (increase) in rates because: current revenues do not cover expenses, allow for debt service or capital for improvement or repairs.
2. Copies of the utility’s application, testimony and exhibits are available at: Alliance Business & Tax Services, Inc, 2960 Maywood Dr. Suite 10, Klamath Falls, OR 97603, upon written request.
3. DWF can provide additional information about the rate filing. If you are interested please contact (in writing) Dayna Sisemore at Alliance Business & Tax Services, Inc, 2960 Maywood Dr. Suite 10, Klamath Falls, OR 97603; alliance@qwestoffice.net.
4. To request to receive notices of the time and place of hearings on the matter, contact the PUC at 1-800-522-2404; TTY 711, or mail request to:

Public Utility Commission of Oregon
ADMINISTRATIVE HEARINGS DIVISION
PO Box 2148
Salem, OR 97308-2148

5. The calculations and statements contained in the water utility’s announcement and filing are not binding on the Commission.

cc: PUC Administrative Hearings Division, PO Box 2148, Salem, OR 97308-2148

PLEASE RETURN THIS AS PAGE 1 OF THE COMPLETED APPLICATION

PLEASE FILL IN ALL BLANKS

TO: VIKIE BAILEY-GOGGINS, ADMINISTRATOR
REGULATORY OPERATIONS DIVISION
PUBLIC UTILITY COMMISSION OF OREGON
PO BOX 2148
SALEM OR 97308-2148

FROM:

DWF ROUND LAKE PARK & UTILITIES LLC (Round Lake)

(Name of Water Utility)

4000 Round Lake Rd.

(Address)

Klamath Falls, OR 97601

(City, State, Zip)

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

In the Matter of Tariffs for Water Service
in the State of Oregon filed by
DWF ROUND LAKE PARK & UTILITES LLC
(utility name)

BRIEF

DWF ROUND LAKE PARK & UTILITES LLC

(name of utility owner)

In accordance with Oregon Revised Statutes 757.205 and 757.220, herewith files tariff sheets designated as PUC Oregon No. 1, Original Tariff Sheets No. 1 through 28 to become effective for service rendered on and after 8/01/10 (at least 30 days after PUC receives the filing). The purpose of this filing is to: (Read carefully and pick the choice that reflects your filing.)

- 1) Establish rates with the Commission for the first time at the Utility's current rates producing an annual revenue of \$____. After deducting for operating expenses, the projected revenues will produce a ____ percent return on a rate base of \$_____.
- 2) Establish rates with the Commission for the first time increasing the Utility's total annual revenues from **\$27,465 to \$66,236**, resulting in a net **increase of \$38,771 or 140 percent**.

After deducting for operating expenses, the projected revenues will produce a **4.02% return on a rate base of \$174,805.**

- 3) Establish rates with the Commission for the first time decreasing the Utility's total annual revenues from \$____ to \$____, resulting in a net decrease of \$____ or ____ percent. After deducting for operating expenses, the projected revenues will produce a ____ percent return on a rate base of \$____.
- 4) Seek an increase in the Utility's currently filled tariffs, increasing the Utility's total annual revenues from \$____ to \$____, resulting in a net increase of \$____ or ____ percent. After deducting for operating expenses, the projected revenues will produce a ____ percent return on a rate base of \$____.
- 5) Seeking a decrease in the Utility's currently filled tariffs, decreasing the Utility's total annual revenues from \$____ to \$____, resulting in a net decrease of \$____ or ____ percent. After deducting for operating expenses, the projected revenues will produce a ____ percent return on a rate base of \$____.

The attached testimony summarizes the utility's financial operations, the effects of current rates on the individual classes of customers, and the effects of the proposed rates on the individual classes of customers for the **12-month test period ending 12/31/09.**

(signature of utility owner or officer)

(date)

DAVID WRIGHT

(printed name of owner or officer)

GENERAL PARTNER

(title or position)

DWF ROUND LAKE PARK & UTILITES LLC

(legal name of utility)

Attachment

UTILITY COMPANY TESTIMONY

(Question and Answer Format)

PLEASE FILL IN ALL BLANKS

1. Q. PLEASE PROVIDE THE FOLLOWING INFORMATION REGARDING THE WATER UTILITY:

A.

Legal Name	DWF ROUND LAKE PARK & UTILITES LLC		
Business Address	c/o Alliance Business & Tax Services, Inc, 2960 Maywood Dr. #10		
City, State, Zip	Klamath Falls, OR 97603		
Telephone Number	541-884-5275	Emergency Number	541-891-2343
Fax Number	541-273-3232	Email Address	alliance@qwestoffice.net

2. Q. PLEASE PROVIDE THE FOLLOWING INFORMATION IF DIFFERENT FROM QUESTION #1.

A.

Name	Steve Holt		
Title	General Manager		
Address	4000 Round Lake Rd.		
City, State, Zip	Klamath Falls, OR 97601		
Telephone Number	541-884-2520	Emergency Number	541-891-2343
Fax Number	541-884-2520	Email Address	sjgcholt@hotmail.com

3. Q. PLEASE PROVIDE THE FOLLOWING INFORMATION REGARDING THE SYSTEM OPERATOR.

A.

Operator Name	Alan Harris		
Address	4752 Sayler Rd.		
City, State, Zip	Klamath Falls, OR 97603		
Telephone #	541-331-1898	E-Mail Address	
Certified Operator <input checked="" type="checkbox"/> yes <input type="checkbox"/> no	Certification Level: Distribution 3	Registration Number: D3590	

4. Q. PLEASE PROVIDE THE FOLLOWING INFORMATION REGARDING THE WATER UTILITY ACCOUNTANT OR BOOKKEEPER.

A. The utility's accountant or bookkeeper is:

Name	Dayna Sisemore
Address	2960 Maywood Dr. #10
City, State, Zip	Klamath Falls, OR 97603
Telephone Number	541-884-5275
E-Mail Address	alliance@qwestoffice.net

5. Q. PROVIDE THE NAME, ADDRESS, AND TELEPHONE NUMBERS OF ALL THE UTILITY OWNERS.

A. The utility owners are:

Name	DWF ROUND LAKE PARK & UTILITES LLC
Address	4000 ROUND LAKE RD.
City, State, Zip	KLAMATH FALLS, OR 97601
Telephone Number	541-884-2520

Name	
Address	
City, State, Zip	
Telephone Number	

Name	
Address	
City, State, Zip	
Telephone Number	

Name	
Address	
City, State, Zip	
Telephone Number	

(Attach additional page[s] if necessary)

6. Q. PLEASE LIST ALL UTILITY OFFICERS AND PROVIDE THE FOLLOWING INFORMATION.

A. The utility officers are: (Attach additional page[s] if necessary)

Name	DAVID WRIGHT		
Title	MANAGING MEMBER/GENERAL PARTNER		
Address	867 EAST FRONT ST, SUITE B		
City, State, Zip	VENTURA, CA 93001		
Hours Worked	N/A	Annual Salary	\$0.00
Phone Number	805-746-5545		
E-Mail Address	roundlakeor@hotmail.com		

Name	JAY & LESLIE DIAMOND TRUST		
Title	LIMITED PARTNER		
Address	36394 ESCENA		
City, State, Zip	YUCAIPA, CA 92399		
Hours Worked	N/A	Annual Salary	\$0.00
Phone Number			
E-Mail Address			

Name			
Title			
Address			
City, State, Zip			
Hours Worked		Annual Salary	\$
Phone Number			
E-Mail Address			

Name			
Title			
Address			
City, State, Zip			
Hours Worked		Annual Salary	\$
Phone Number			
E-Mail Address			

7. Q. WHAT IS YOUR AFFILIATION WITH THE WATER UTILITY? DESCRIBE YOUR CURRENT WATER UTILITY RESPONSIBILITIES.

A. My affiliation with the water utility and current responsibilities are: *General Partner/Managing Member of LLC. I oversee and direct the general operation of the business.*

8. Q. ARE YOU ENGAGED IN OTHER BUSINESS IN ADDITION TO THE WATER UTILITY?

A. **No**, I am not engaged in other business.

Yes, I am engaged in other business, they are *real estate development and real estate holdings in other states.*

9. Q. DID YOU PREPARE THE EXHIBITS IN THIS TESTIMONY OR WERE THEY PREPARED UNDER YOUR SUPERVISION?

Yes, the exhibits in this testimony were prepared by me or under my supervision.

No, I did not prepare the exhibits in this testimony. The exhibits were prepared by:

Name	Dayna Sisemore
Address	Alliance Business & Tax Services, 2960 Maywood Dr. #10
City, State, Zip	Klamath Falls, OR 97603
Telephone Number	541-884-5275
E-Mail Address	alliance@qwestoffice.net

SUMMARY OF THE UTILITY'S PROPOSED RATE REQUEST

10. Q. WHAT CHANGE IN ANNUAL REVENUES IS THE UTILITY SEEKING?

- A. The utility's most recent calendar year revenues are \$27,465. The utility seeks a rate increase or decrease of \$38,771 or 140% in current annual revenues, resulting in total annual revenues of \$66,236.00

11. Q. PLEASE SUMMARIZE WHY THE UTILITY IS SEEKING THE PROPOSED CHANGE IN RATES.

- A. The utility is seeking this change in rates because current revenues do not cover expenses, allow for debt service or capital for improvements or repairs. Many repairs and improvements are needed and the grant/loan we anticipated receiving is not going to be available to us.

12. Q. WHAT HISTORICAL 12-MONTH PERIOD IS THE UTILITY SELECTING AS ITS TEST YEAR FOR THIS RATE PROCEEDING?

- A. The test period the utility selected is January 1, 2009 to December 31, 2009.

13. Q. WHAT IS THE UTILITY'S AMOUNT OF RATE BASE (UTILITY PLANT MINUS ACCUMULATED DEPRECIATION AND OTHER CONTRA PLANT ACCOUNTS, PLUS WORKING CASH AND MATERIALS INVENTORY)?

- A. The utility rate base is \$174,805.00.

14. Q. WHAT RATE OF RETURN ON RATE BASE (INVESTMENT) IS THE UTILITY PROPOSING IN THIS RATE PROCEEDING AND WHY?

- A. The utility is limiting the rate of return to 4.02% in order to keep rates down.

GENERAL UTILITY INFORMATION

15. Q. HOW IS THE UTILITY LEGALLY ORGANIZED AND IN WHAT YEAR WAS IT ORGANIZED.

- A. The water utility was legally organized on 12/2008, under the laws of the State of Oregon as a: Proprietorship Partnership Corporation LLC Other _____

16. Q. PLEASE STATE THE YEAR THE WATER SYSTEM WAS ORIGINALLY CONSTRUCTED AND THE MONTH/YEAR IT BEGAN PROVIDING WATER SERVICE.

- A. The system was originally constructed in 1960, began providing service on 1960.

17. Q. PLEASE PROVIDE THE MONTH AND YEAR THE UTILITY WAS ACQUIRED BY ITS CURRENT OWNER(S) AND HOW IT WAS ACQUIRED.

A. In 12/2008 (mo/yr), the utility was (**check one**):

- Purchased Constructed Received through Donation Inherited

18. Q. DO ORAL OR WRITTEN CONTRACTS EXIST BETWEEN THE UTILITY AND PERSONS AFFILIATED WITH THE COMPANY? IF YES, PLEASE PROVIDE COPIES OF EACH CONTRACT.

A. **No**, oral or written contracts **do not exist** between the utility and its owners and affiliated interests.

Yes, PUC approved contracts do exist between the utility and its owners and affiliated interests. Approval found in PUC Order No. _____.

Yes, oral or written contracts do exist, but have not been approved by PUC, between the utility and its owners and affiliated interests. I have attached page 1 of the Organizational Meeting held on 12/10/08 which addresses these items, along with a cover letter requesting approval of these contracts.

19. Q. DOES THE UTILITY HAVE A PUC APPROVED SERVICE TERRITORY?

A. **No**, the utility has not filed an application with PUC for an approved service territory.

Yes, the utility's service territory is approved by the PUC, per Order No. _____.

Application is filed and pending.

20. Q. IS THE UTILITY AN AFFILIATE OF A PARENT CORPORATION OR HOLDING COMPANY?

A. **No**, the utility **is not a subsidiary** of a parent corporation or holding company.

Yes, the utility **is a subsidiary** of a parent corporation or holding company.

Attached are the parent/holding company's balance sheet/income statements for the last calendar year.

21. Q. HOW MANY FULL OR PART-TIME EMPLOYEES DOES THE UTILITY CURRENTLY EMPLOY?

A. The utility currently employs 0 full-time and 3 part-time employees (**all employee's hours and wages have been adjusted to reflect only the portion related to the water utility**).

22. Q. PLEASE PROVIDE THE FOLLOWING INFORMATION FOR ALL EMPLOYEES. (IF A POSITION IS CURRENTLY VACANT BUT WILL BE FILLED WITHIN A YEAR, INCLUDE INFORMATION FOR THAT POSITION.)

A. Current employee detail is listed below:

Employee Name	Position	Monthly Responsibilities/Duties	Hours Per Month	Hourly Wage/ Monthly Salary
Alan Harris	Certified Operator	All aspects of water quality, system	40	\$500.00
Matthew Gallup	Maintenance	General maintenance	20	\$200.00
Tiffany Wright	Office	Phones, general clerical	15	\$150.00
				\$
				\$
				\$
				\$
TOTAL			75.00	850.00

23. Q. IS THE UTILITY PROPOSING TO ADD ANY FULL- OR PART-TIME EMPLOYEES WITHIN THE CONTEXT OF THIS RATE FILING OR DURING THE NEXT YEAR?

- A. **No**, the utility does not propose adding any full- or part-time employees.
 Yes, the utility proposes to add ____ full-time and/or ____ part-time employees as described below:

Proposed Position	Responsibilities/Duties	Hours Per Month	Hourly Wage/ Monthly Salary
			\$
			\$
			\$
			\$
			\$
			\$
			\$

24. Q. DOES THE UTILITY USE INDEPENDENT CONTRACTORS FOR LABOR, LEGAL, ACCOUNTING, MANAGEMENT, WATER TESTING, AND/OR ANY OTHER SERVICES?

- A. **No**, the utility does not contract for any services.
 Yes, the utility contracts for the following services:

Name of Independent Contractors	Description of Contract Services	Annual Charges
Labor		\$
Legal		\$
Accounting - Alliance Business & Tax Services, Inc.	All accounting & billing, state filings, complaints, etc.	\$3600.00
Management – Steven Holt	Oversees all operations	\$15000.00
Water Testing /Sampling – Spring St. Analytical	All water testing	\$600.00
Other (specify)		\$
		\$
		\$
		\$

25. Q. PROVIDE THE UTILITY'S CURRENT CAPITAL STRUCTURE?

A. The utility's capital structure is as follows: (*prorated amounts only -allocated to the Water utility*)

Debt	Original Balance	Outstanding Balance	Loan Terms	Interest Rate (%)
Mortgage	126,535.50	126,535.50	Interest only due 12/2014	5.5%
N/P – DWF Partnership	0.00	19,838.90		0.00
TOTAL DEBT	126535.50	146374.40		
Equity-Partner's equity	34111.10	34111.10		Cost (%)
Retained Earnings	973.62	-28982.08		
TOTAL EQUITY	35084.72	5129.02		
Example: John Doe Bank	\$15,000	\$7,000	10 years	8.75 %
Utility Equity		\$10,000		9.5 %

OPERATING REVENUES

26. Q. IN COLUMN A BELOW, PROVIDE THE UTILITY'S ACTUAL ANNUAL REVENUE FOR ITS CHOSEN TEST YEAR. IN COLUMN B BELOW, PROVIDE THE UTILITY'S PROPOSED ADJUSTMENTS (INCREASE OR DECREASE) TO COLUMN A FOR THE COMING YEAR FOR EACH APPLICABLE ACCOUNT. COLUMN C IS THE TOTAL OF COLUMNS A AND B.

A. Test period revenues, proposed revenue adjustments, and proposed revenue results are below:

Acct #	OPERATING REVENUE	Test Year \$	Proposed Adjustments \$	Proposed Results (A + B = C) \$
461.1	Residential Water Sales Revenue	18115.00	25781.00	43896.00
461.2	Commercial/Industrial Water Sales Rev	6000.00	8160.00	14160.00
462	Fire Protection Sales Revenue			
464	Water Sales to Public Authorities Rev			
465	Irrigation Water Sales Revenue			
466	Water Sales for Resale Revenue			
467	Golf Course Revenue	3000.00	4080.00	7080.00
468	Special Contract/Agreement Revenue			
	Other –	350.00	750.00	1100.00
	TOTAL REVENUE	27465.00	11596.00	66236.00

27. Q. PLEASE PROVIDE THE DETAIL FOR ALL INDIVIDUAL LINE ITEMS THAT MAKE UP THE TOTAL REVENUES OTHER THAN WATER SALES.

A. The following is an itemized list of all revenues other than water sales:

Description of Revenue Other Than Water Sales. Please specify.	Annual Amount
Miscellaneous Fees (i.e. late fees, disconnections, field visits, etc.)	\$350.00
Backflow Prevention Device Services (with tariff)	\$750.00
Rents from Water Property Acct 472	\$
	\$
	\$
	\$
	\$
TOTAL	\$1100.00

OPERATING EXPENSES

28. Q. IN COLUMN A BELOW, PROVIDE THE UTILITY’S ACTUAL ANNUAL EXPENSE FOR ITS CHOSEN TEST YEAR, USING THE APPROPRIATE ACCOUNT FOR EACH EXPENSE. IN COLUMN B, PROVIDE THE UTILITY’S PROPOSED ADJUSTMENTS (INCREASE OR DECREASE) FOR THE COMING YEAR. COLUMN C IS THE TOTAL OF COLUMN A PLUS COLUMN B. COLUMN C (PROPOSED RESULTS) IS THE TOTAL FOR EACH EXPENSE THE UTILITY IS REQUESTING IN THIS APPLICATION.

A. Test period expenses, proposed expense adjustments and proposed expense results are shown below:

Acct #	OPERATING EXPENSES	Test Year \$	Proposed Adjustments\$ (10% unless marked**)	Proposed Results (A + B = C) \$
601	Salaries & Wages – Employees	2211.89	221.19	2433.08
603	Salaries & Wages – Officers, Directors, and Majority Stockholders			
604	Employee Pensions and Benefits			
610	Purchased Water			
611	Telephone/Communications	129.34	12.93	142.27
615	Purchased Power	6906.92	690.69	7597.61
616	Fuel for Power Production	88.18	8.82	96.99

618	Chemicals/Treatment Expense	1926.00	192.60	2118.60
619	Office Supplies 619.1 Postage	81.86	8.19	90.05
Acct #	OPERATING EXPENSES CONTINUED	Test Year	Proposed Adjustments	Proposed Results (A + B = C)
619.1	Postage			
620	Materials/Supplies (O&M)	298.32	29.83	328.15
621	Repairs to Water Plant	3616.72	361.67	3978.39
631	Contractual Services – Engineering			
632	Contractual Services – Accounting**	3734.20	746.84	4481.04
633	Contractual Services – Legal			
634	Contractual Services – Mgmt Fees**	15000.00	0.00	15000.00
635	Contractual Services – Testing **	1210.00	242.00	1452.00
636	Contractual Services – Labor	7865.03	786.50	8651.53
637	Contractual Services – Billing/Collection			
641	Rental of Building/Real Property			
642	Rental of Equipment	6.50	.65	7.15
643	Small Tools	74.65	7.47	82.12
648	Computer/Electronic Expense	26.14	2.61	28.75
650	Transportation Expense			
656	Insurance – Vehicle			
657	Insurance – General Liability	866.31	86.63	952.94
658	Insurance – Workers' Compensation	59.38	5.94	65.32
659	Insurance – Other			
660	Public Relations/Advertising Expense	104.87	10.49	115.36
666	Amortization of Rate Case Expense			
667	Gross Revenue Fee			
671	Cross Connection Control Program Expense	458.33	45.83	504.16
668	Water Resource Conservation Expense			
670	Bad Debt Expense			
672	System Capacity Development Program Expense			
673	Training and Certification Expense**		125.00	125.00
674	Consumer Confidence Report	50.00	5.00	55.00

675	Miscellaneous Expenses (Itemize on Separate Schedule)	383.87	38.39	422.26
401	TOTAL OPERATING EXPENSES	45,098.48	3629.27	48,727.95

OTHER REVENUE DEDUCTIONS				
Acct #	OPERATING EXPENSES CONTINUED	Test Year	Proposed Adjustments	Proposed Results (A + B = C)
403	Depreciation Expense	10486.00	0.00	10486.00
406	Amortization of Utility Plant Acquisition Adjustment			
407	Amortization Expense			
408	Taxes Other Than Income			
409.10	Federal Income Tax			

OTHER REVENUE DEDUCTIONS				
Acct #	OTHER REVENUE DEDUCTIONS	Test Year	Proposed Adjustments	Proposed Results (A + B = C)
409.11	Oregon Income Tax			
409.13	Extraordinary Items Income Tax			
434	TOTAL OTHER REVENUE DEDUCTIONS			
TOTAL REVENUE DEDUCTIONS Add Operating Expense PLUS Other Deductions)		55,584.48	3,629.27	59,213.75

29. Q PLEASE ITEMIZE THE SEPARATE COMPONENTS OF MISCELLANEOUS EXPENSE, ACCOUNT 675, IN QUESTION 28.

A. The following is an itemized list of all miscellaneous expenses:

DESCRIPTION OF EXPENSES	ANNUAL COST
Industry Dues and Memberships	\$89.40
Bank Charges	\$86.00
Other (Specify)	\$
Interest Expense/Finance Charges	\$2.00
Credit Card Processing fees	\$44.71
Licenses & Permits	\$140.25

Waste Disposal	\$21.51
	\$
	\$
TOTAL	\$383.87

UTILITY CURRENT RATES AND SCHEDULES

In the following questions, please indicate the type of service and how the water is measured.

M is for Metered Service F is for Flat Service CF is for Cubic Feet G is for Gallons

30. Q. PLEASE DESCRIBE THE UTILITY'S CURRENT RATE STRUCTURES.

A. The utility's current rate structure is described below:

CURRENT RATES FOR RESIDENTIAL SERVICE

Line or Meter Size	Check One	Current Residential Monthly Base or Flat Rate	Residential Consumption Included in Base Rate	Current Residential Monthly Commodity/Usage Rate
3/4" or 5/8"	<input type="checkbox"/> M <input checked="" type="checkbox"/> F	\$25.00	unlimited	<input type="checkbox"/> CF <input type="checkbox"/> Gal Tier 1 - \$/n/a Tier 2 - \$ Per Tier 3 - \$ Per Up to: Up to: Above:
1"	<input type="checkbox"/> M <input checked="" type="checkbox"/> F	\$25.00	unlimited	<input type="checkbox"/> CF <input type="checkbox"/> Gal Tier 1 - \$/n/a Tier 2 - \$ Per Tier 3 - \$ Per Up to: Up to: Above:
1 1/2"	<input type="checkbox"/> M <input type="checkbox"/> F	\$25.00	unlimited	<input type="checkbox"/> CF <input type="checkbox"/> Gal Tier 1 - \$ Per Tier 2 - \$ Per Tier 3 - \$ Per Up to: Up to: Above:
SAMPLE 5/8"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$20.00	None	<input type="checkbox"/> CF <input checked="" type="checkbox"/> Gal Tier 1 - \$.60 Per 100 gals Tier 2 - \$.82 Per 100 gals Up to 3,000 gal Above 3,000 gal

CURRENT RATES FOR IRRIGATION SERVICE

Line or Meter Size	Check One	Irrigation Current Monthly Base or Flat Rate	Irrigation Consumption Included in Base Rate	Current Irrigation Monthly Commodity/Usage Rate
1"-4"	<input type="checkbox"/> M <input checked="" type="checkbox"/> F	\$250 /month	unlimited	<input type="checkbox"/> CF <input type="checkbox"/> Gal \$ Per
	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal \$ Per
	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal \$ Per

	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal	\$ Per
	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal	\$ Per

CURRENT RATES FOR COMMERCIAL SERVICE

Line or Meter Size	Check One	Current Commercial Monthly Base or Flat Rate	Commercial Consumption Included in Base Rate		Current Commercial Monthly Commodity/Usage Rate		
3/4" or 5/8"	<input type="checkbox"/> M <input checked="" type="checkbox"/> F	\$500/mo	Unlimited	<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$	Per	Up to:
					Tier 2 - \$	Per	Above:
1"	<input type="checkbox"/> M <input checked="" type="checkbox"/> F	\$500/mo	unlimited	<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$	Per	Up to:
					Tier 2 - \$	Per	Above:
1 1/2"	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$	Per	Up to:
					Tier 2 - \$	Per	Above:
2"	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$	Per	Up to:
					Tier 2 - \$	Per	Above:
3"	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$	Per	Up to:
					Tier 2 - \$	Per	Above:
4"	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$	Per	Up to:
					Tier 2 - \$	Per	Above:
6"	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$	Per	Up to:
					Tier 2 - \$	Per	Above:
8"	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$	Per	Up to:
					Tier 2 - \$	Per	Above:

CURRENT RATE FOR FIRE PROTECTION AND HYDRANT SERVICE

Type of Service	# of Customers	Monthly Rate
Public Fire Protection	62	\$0.00
Private Fire Protection		\$
Hydrant Maintenance	62	\$0.00
		\$
		\$
		\$

CURRENT RATES FOR SPECIAL CONTRACT

State who the contract is with and explain the monthly charge(s) for each special contract.

Special Contract Company/Person	Monthly Rate
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$

CURRENT RATES FOR OTHER SERVICE NOT COVERED ABOVE

State what the service is and explain the monthly charge(s).

Specify Service	Check One	Current Charges
n/a	<input type="checkbox"/> M <input type="checkbox"/> F	
	<input type="checkbox"/> M <input type="checkbox"/> F	
	<input type="checkbox"/> M <input type="checkbox"/> F	
	<input type="checkbox"/> M <input type="checkbox"/> F	
	<input type="checkbox"/> M <input type="checkbox"/> F	
	<input type="checkbox"/> M <input type="checkbox"/> F	
	<input type="checkbox"/> M <input type="checkbox"/> F	
	<input type="checkbox"/> M <input type="checkbox"/> F	

31. Q. PLEASE PROVIDE THE FOLLOWING INFORMATION FOR EACH CUSTOMER CLASS FOR THE MOST RECENT COMPLETED CALENDAR YEAR OF 2009. (Count each dwelling unit, such as each mobile home, each side of the duplex, each condominium as a customer.)

A.

Customer Class	Number of Customers at Beginning of Year	Number of Customers at End of Year	Total Annual Revenues	Total Annual Consumption	Cubic Feet or Gal
Residential	65	63	\$18,115	n/a	<input type="checkbox"/> CF <input type="checkbox"/> Gal
Irrigation	1	1	\$3,000	n/a	<input type="checkbox"/> CF <input type="checkbox"/> Gal
Commercial/Industrial	1	1	\$6,000	n/a	<input type="checkbox"/> CF <input type="checkbox"/> Gal
Multiple Dwellings			\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal
Fire Protection			\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal
List Specific Service Provided			\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal
			\$		
			\$		
			\$		
			\$		
			\$		
			\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal
TOTAL	67	65	\$27,115	n/a	<input type="checkbox"/> CF <input type="checkbox"/> Gal

UTILITY PROPOSED RATES AND SCHEDULES

In the following questions, please indicate what type of service and how the water is measured (if metered).

M is Metered Service F is Flat Service CF is Cubic Feet G or Gal is Gallons

32. Q. PLEASE DESCRIBE THE RATE STRUCTURE THE UTILITY IS PROPOSING IN THIS RATE PROCEEDING?

A. The utility is proposing the following rate structure:

PROPOSED RATES FOR RESIDENTIAL SERVICE

Line or Meter Size	Check One	Current Residential Monthly Base or Flat Rate	Residential Consumption Included in Base Rate	Current Residential Monthly Commodity/Usage Rate
3/4" or 5/8"	<input type="checkbox"/> M <input checked="" type="checkbox"/> F	\$58.25	n/a	<input type="checkbox"/> CF <input type="checkbox"/> Gal Tier 1 - \$ Per Up to: Tier 2 - \$ Per Up to: Tier 3 - \$ Per Above:
1"	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal Tier 1 - \$ Per Up to: Tier 2 - \$ Per Up to: Tier 3 - \$ Per Above:
1 1/2"	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal Tier 1 - \$ Per Up to: Tier 2 - \$ Per Up to: Tier 3 - \$ Per Above:
SAMPLE 5/8"	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	\$20.00	None	<input type="checkbox"/> CF <input checked="" type="checkbox"/> Gal Tier 1 - \$.60 Per 100 gals Up to 3,000 gal Tier 2 - \$.82 Per 100 gals Above 3,000 gal

PROPOSED RATES FOR IRRIGATION SERVICE

Line or Meter Size	Check One	Irrigation Current Monthly Base or Flat Rate	Irrigation Consumption Included in Base Rate	Current Irrigation Monthly Commodity/Usage Rate
3/4" - 4"	<input type="checkbox"/> M <input checked="" type="checkbox"/> F	\$589.25	n/a	<input type="checkbox"/> CF <input type="checkbox"/> Gal \$ Per
	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal \$ Per
	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal \$ Per
	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal \$ Per
	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal \$ Per
	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal \$ Per
	<input type="checkbox"/> M <input type="checkbox"/> F	\$		<input type="checkbox"/> CF <input type="checkbox"/> Gal \$ Per

PROPOSED RATES FOR COMMERCIAL SERVICE

Line or Meter Size	Check One	Current Commercial Monthly Base	Commercial Consumption Included in Base	Current Commercial Monthly Commodity/Usage Rate
3/4" or 5/8"	<input type="checkbox"/> M <input checked="" type="checkbox"/> F	\$1179.25	<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$ Per Tier 2 - \$ Per Up to: Above:
1"	<input type="checkbox"/> M <input checked="" type="checkbox"/> F	\$1179.25	<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$ Per Tier 2 - \$ Per Up to: Above:
1 1/2"	<input type="checkbox"/> M <input type="checkbox"/> F	\$	<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$ Per Tier 2 - \$ Per Up to: Above:
2"	<input type="checkbox"/> M <input type="checkbox"/> F	\$	<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$ Per Tier 2 - \$ Per Up to: Above:
3"	<input type="checkbox"/> M <input type="checkbox"/> F	\$	<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$ Per Tier 2 - \$ Per Up to: Above:
4"	<input type="checkbox"/> M <input type="checkbox"/> F	\$	<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$ Per Tier 2 - \$ Per Up to: Above:
6"	<input type="checkbox"/> M <input type="checkbox"/> F	\$	<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$ Per Tier 2 - \$ Per Up to: Above:
8"	<input type="checkbox"/> M <input type="checkbox"/> F	\$	<input type="checkbox"/> CF <input type="checkbox"/> Gal	Tier 1 - \$ Per Tier 2 - \$ Per Up to: Above:

PROPOSED RATES FOR FIRE AND HYDRANT SERVICE

Type of Service	# of Customers	Monthly Rate
Public Fire Protection	65	\$.375
Private Fire Protection		\$
Hydrant Maintenance	65	\$.375
		\$
		\$
		\$

PROPOSED RATES FOR SPECIAL CONTRACTS

State who the contract is with and explain the monthly charge(s) for each special contract.

Special Contract Company/Person	Monthly Rate
n/a	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$

PROPOSED RATES FOR OTHER SERVICE NOT COVERED ABOVE

State what the service is and explain the monthly charge(s).

Specify Service	Check One	Current Charges
n/a	<input type="checkbox"/> M <input type="checkbox"/> F	
	<input type="checkbox"/> M <input type="checkbox"/> F	
	<input type="checkbox"/> M <input type="checkbox"/> F	
	<input type="checkbox"/> M <input type="checkbox"/> F	
	<input type="checkbox"/> M <input type="checkbox"/> F	
	<input type="checkbox"/> M <input type="checkbox"/> F	
	<input type="checkbox"/> M <input type="checkbox"/> F	
	<input type="checkbox"/> M <input type="checkbox"/> F	

33.Q. IF THE UTILITY’S RATE PROPOSAL WERE ADOPTED, PLEASE SHOW THE FOLLOWING INFORMATION FOR EACH CUSTOMER CLASS AT THE SPECIFIED METER OR LINE

SIZE. (Count each dwelling unit, such as each mobile home, each side of the duplex, each condominium as a customer.)

A. The utility’s **PROPOSED** number of customers, and average customer monthly bill and consumption for each customer class annual revenues, is shown below.

Consumption is measured in <input type="checkbox"/> CF <input checked="" type="checkbox"/> GALS: Customer Class	PROPOSED Number of Customers	PROPOSED Average Monthly Bill	PROPOSED Average Monthly Consumption	PROPOSED Total Annual Revenue
Residential 5/8" or 3/4"	62	\$58.25	n/a	\$43,338.00
Residential 1"		\$		\$
Residential 1 1/2"		\$		\$
Residential /2"		\$		\$
Commercial/ Industrial 5/8" or 3/4"	1	\$1179.25		\$14,151.00
Commercial/Industrial 1"		\$		\$
Commercial/Industrial 1 1/2"		\$		\$
Commercial/Industrial 2"		\$		\$
Commercial/Industrial 3"		\$		\$
Commercial/Industrial 4"		\$		\$
Commercial/Industrial 6"		\$		\$
Commercial/Industrial 8"		\$		\$
Irrigation (up to 4")		\$		\$
Irrigation		\$		\$
Irrigation		\$		\$
Irrigation		\$		\$
Public Fire Protection	64	\$.375		\$288.00
Private Fire Protection		\$		\$
Hydrant Maintenance	64	\$.375		\$288.00
Golf Course	1	\$589.25		\$7,071.00
Other (Backflow testing, late fees,new connections)	62	\$91.667		\$1,100.00
TOTAL	64	\$1,766.37		\$66,236.00

UTILITY PLANT

34. Q. HAS THE UTILITY MADE ANY CAPITAL IMPROVEMENTS, ADDITIONS, OR EXTENSIONS TO ITS WATER SYSTEM DURING THE LAST FIVE (5) YEARS OR SINCE ITS LAST RATE CASE?

- A. **No**, the utility has made no improvements, additions, or extensions to its water system in the last five (5) years or since its last rate case.
- Yes**, the utility has made the following improvements, additions, or extensions to its water system in the last five (5) years or since its last rate case as detailed below:

Capital Improvement/Plant Description	Date Purchased Or Constructed	Cost (including labor)	In Service Date
Booster Pump & Tank	11/1/05	\$14,848.50	11/1/05
Rewound Well Pump	7/27/07	\$2,926.00	7/27/07
Chlorine Injection Pump	10/5/07	\$1,145.67	10/5/07
		\$	
		\$	

35. Q. DOES THE UTILITY PROPOSE ANY CAPITAL IMPROVEMENT, ADDITIONS, OR EXTENSIONS TO ITS WATER SYSTEM WITHIN THE NEXT 12 MONTHS?

- A. **No**, the utility does not propose any improvements, additions, or extensions to system plant in the next six months.
- Yes**, the utility proposes the following improvements, additions, or extensions to system plant in the next six months.

Future Plant Description	Estimated Cost (including labor)	Est. Date In Service
Install larger pump & rehab impellers or change to submersible pump	\$26,000	2011 if funds are available
TOTAL	\$26,000	2011

36. Q. HAS THE UTILITY APPLIED FOR FUNDS FROM THE SAFE DRINKING WATER STATE REVOLVING FUND TO IMPROVE THE WATER SYSTEM? IF YES, DESCRIBE THE IMPROVEMENTS AND AMOUNT REQUESTED.

- A. **No**, the utility has not applied for funds from the Safe Drinking Water State Revolving Fund.
- Yes**, the utility has applied for funds from the Safe Drinking Water State Revolving Fund in the amount of **\$1,000,000.00** for the following improvements: **Loop Water System \$50,000; install meters throughout \$168,000; Install a 2nd storage tank \$300,000**
 We are still waiting for the Drinking Water Program to respond to our application, but after speaking with their staff it doesn't appear likely that our projects will be funded.

37. Q. PLEASE PROVIDE THE FOLLOWING INFORMATION ON UTILITY PLANT IN SERVICE.

YOU MAY ATTACH A PLANT/DEPRECIATION SCHEDULE IF AVAILABLE. DO NOT INCLUDE UTILITY PLANT THAT WAS DONATED OR CONTRIBUTED (CONTRIBUTIONS IN AID OF CONSTRUCTION [CIAC]) OR ANY PLANT PAID FOR BY DEVELOPERS OR CUSTOMERS THAT IS NOT INTENDED TO BE PAID BACK. DO NOT INCLUDE ANY UTILITY PLANT UNDER CONSTRUCTION OR PROPOSED CONSTRUCTION.

A. Utility plant is shown below: [Allocated total purchase price to arrive at these figures.](#)

ACCT #	WATER UTILITY PLANT ACCOUNTS	IN SERVICE DATE	ORIGINAL COST
301	Organization		\$
302	Franchises		\$
303	Land & Land Rights	12/5/08	\$71,695.00
304	Structures & Improvements	12/5/08	\$88,947.00
305	Collecting/Impounding/Reservoirs		\$
306	Lake, River & Other Intakes		\$
307	Wells & Spring		\$
308	Infiltration Galleries & Tunnels		\$
309	Supply Mains		\$
310	Power Generation Equipment		\$
311	Pumping Equipment		\$1926.00
320	Water Treatment Equipment		\$
330	Distribution/Reservoirs/Standpipes	12/5/08	23,487.00
331	Transmission & Distribution Mains		\$
333	Services		\$
334	Meters & Meter Installation		\$

335	Hydrants		\$
336	Util-owned Cross Connection Devices		\$
ACCT #	WATER UTILITY PLANT ACCOUNTS	IN SERVICE DATE	ORIGINAL COST
339	Miscellaneous Plant & Equipment		\$
340	Office Furniture & Equipment		\$
341	Transportation Equipment		\$
343	Tools, Shop & Garage Equipment		\$
344	Laboratory Equipment		\$
345	Power Operated Equipment		\$
346	Communication Equipment		\$
347	Electronic/Computer Equipment		\$
348	Miscellaneous Equipment		\$
TOTAL			\$186,055.00

38. Q. IN COLUMN A BELOW, PROVIDE THE UTILITY'S ACTUAL PLANT TOTAL FOR ITS CHOSEN TEST YEAR. IN COLUMN B, PROVIDE THE UTILITY'S PROPOSED ADJUSTMENTS (INCREASE OR DECREASE) FOR THE COMING YEAR. COLUMN C IS THE TOTAL OF COLUMN A PLUS COLUMN B. COLUMN C (PROPOSED RESULTS) IS THE TOTAL THE UTILITY IS REQUESTING IN THIS APPLICATION.

A. Plant accounts are shown below:

UTILITY PLANT	Test Year	Proposed Adjustments	Proposed Results (A + B = C)
Total Utility Plant (from above)	\$186,055.00	\$	\$186,055.00
SUBTRACT Accumulated Depreciation of Utility Plant In Service	\$10,486.00		\$10,486.00
SUBTRACT Accumulated Amortization of Utility Plant In Service	\$	\$	\$
SUBTRACT Advances For Construction	\$	\$	\$
SUB TOTAL	\$175,569.00		\$175,569.00
ADD Plant Material & Supplies Inventory	\$	\$	\$
ADD Working Cash (1/12 total operating expense)	\$3758.21	\$261.24	\$4019.45
TOTAL	\$179,327.21	\$261.24	\$179,588.45

39. Q. DOES THE UTILITY HAVE A MASTER METER AT ITS WATER SUPPLY SOURCE? IF SO, STATE THE TOTAL AMOUNT OF WATER PUMPED DURING THE LAST CALENDAR YEAR.

- A. **No**, the utility does not have a master meter at its water supply source.
- Yes**, the utility has a master meter at its water supply source. The total amount of water pumped during the last calendar year was unknown. Meter not currently operational. gallons or cubic feet.

40. Q. DOES THE UTILITY HAVE WATER RIGHT PERMITS OR CERTIFICATED WATER RIGHTS AS REQUIRED BY THE OREGON WATER RESOURCES DEPARTMENT?

- A. See Water Right Information shown in Plant Information, Exhibit B, of this testimony.

41. Q. PLEASE DESCRIBE THE UTILITY'S SOURCE OF WATER SUPPLY.

- A. The utility's source of ground water supply is as shown in Plant Information, [Exhibit B](#), to this testimony.
- Well logs are attached.

42. Q. PLEASE DESCRIBE THE UTILITY'S PUMPING SYSTEM FOR DISTRIBUTION, INCLUDING THE RANGE OF PRESSURE AT WHICH THE WATER IS PUMPED INTO THE DISTRIBUTION SYSTEM AND DELIVERED TO THE CUSTOMERS.

- A. [See Pumping Information shown in Plant Information, Exhibit B, of this testimony.](#)

43. Q. DESCRIBE THE UTILITY'S WATER STORAGE CAPACITY.

- A. [See Storage Tank/Reservoir Information shown in Plant Information, Exhibit B, of this testimony.](#)

44. Q. IS THE UTILITY ESTABLISHING NEW RULES OR PROPOSING CHANGES TO ITS CURRENT RULES?

- A. **Yes**, the utility is proposing to change its existing rules or establish new rules. They are attached to this testimony as the Rules and Regulation tariffs in Exhibit A. The following is a summary of the Utility's proposed changes: [Establish a tariff for backflow device testing.](#)

SERVICE QUALITY

45. Q. PLEASE DESCRIBE THE TYPE AND NUMBER OF SERVICE PROBLEMS OR CUSTOMER COMPLAINTS THE UTILITY HAS EXPERIENCED IN THE LAST YEAR, INCLUDING BUT NOT LIMITED TO, OUTAGES, LOW PRESSURE, CUSTOMER SERVICE, AND WATER QUALITY. DESCRIBE WHAT ACTIONS, IF ANY, THE UTILITY HAS TAKEN TO RESOLVE THE PROBLEMS.

- A. **No**, the utility has not experienced any service problems or customer complaints in the last year.
- Yes**, the utility has experienced service problems and/or customer complaints as listed below and has taken the following steps to correct or improve them: **See attached list – Exhibit B.**

46. Q. DOES THE UTILITY HAVE ANY CURRENT SERVICE PROBLEMS THAT IT PROPOSES TO CORRECT OR IMPROVE IN THE NEXT CALENDAR YEAR?

- A. **No**, the utility does not have any service problems that it proposes to correct/improve during the next calendar year.
- Yes**, the utility has service problems that it proposes to correct or improve during the next calendar year as described below: algae substance in water in subdivision; backflow devices are being required of all connections to prevent contamination from irrigation lines. The amount of complaints has gone down substantially since DWF took over. If funds become available, DWF would like to loop the water system to eliminate or reduce the filamentous substance found in the water in the subdivision.

47. Q. DOES THE UTILITY ROUTINELY FLUSH ITS WATER LINES?

- A. **No**, the utility does not have a regular flushing schedule.
- Yes**, the utility regularly flushes its lines, daily if needed. This has been done since the 1st week of September 2009. Normal flushing occurs weekly.

48. Q. ARE THE CUSTOMERS AWARE OF THE UTILITY ROUTINE FLUSHING SCHEDULE, DATE AND TIME?

- A. **No**, the utility has not officially notified the customers of its regular flushing schedule, but most customers are aware of the additional flushing that is taking place. Many questions have been asked about it and customers are noticing more chlorination.
- Yes**, the utility has informed the customers of its regular flushing schedule.

49. Q. DOES THE UTILITY HAVE ANY FIRE HYDRANTS? IF YES, PLEASE LIST HOW MANY, HOW MANY FEET APART ARE THEY, AND THE UTILITY'S HYDRANT

MAINTENANCE SCHEDULE (INCLUDING EXERCISING VALVES). WHAT IS THE UTILITY'S FIRE INSURANCE RATING?

- A. **No**, the utility does not have any fire hydrants.
 Yes, the utility does have fire hydrants. There are 9 hydrants located 500 feet apart. The utility's fire insurance rating is AXV.

50. Q. IS THE UTILITY CURRENT IN ALL OF THE OREGON DEPARTMENT OF HUMAN SERVICES DRINKING WATER PROGRAM REQUIREMENTS, INCLUDING BUT NOT LIMITED TO, TESTING, OPERATION, CONSTRUCTION OF THE WATER SYSTEM, MASTER PLAN, CROSS CONNECTION CONTROL POLICY, AND CONSUMER CONFIDENCE REPORTS?

- A. **Yes**, the utility is current in all its requirements of the Oregon Department of Human Services.
 No, the utility is not current with the following Oregon Department of Human Services requirements:

51. Q. IF YOU HAVE FEWER THAN 200 TOTAL CUSTOMERS, PLEASE ATTACH A CURRENT AND COMPLETE CUSTOMER MAILING LIST. INCLUDE EACH CUSTOMER'S NAME AND MAILING ADDRESS.

- A. I have over 200 customers.
 I have fewer than 200 customers and have attached a customer mailing list on Exhibit B.

52. Q. WOULD YOU LIKE TO TESTIFY REGARDING OTHER ISSUES?

- A. **No**.
 Yes

53. Q. DOES THIS CONCLUDE YOUR TESTIMONY?

- A. **Yes**.

**Containing Rules and Regulations
Governing Water Utility Service**

NAMING RATES FOR

**DWF ROUND LAKE PARK & UTILITIES
LLC**

4000 Round Lake Rd.
Klamath Falls, OR 97603

(541) 884-2520

Serving water in the vicinity of

Klamath Falls (Round Lake), Oregon

Table of Contents

<u>Schedule No.</u>		<u>Page No.</u>
	Title Page.....	1
	Index	2
1	Residential Metered Rates.....	3
2	Residential Flat Rates	4
3	Commercial/Industrial Metered Rates	5
4	Multi-Family Rates	6
5	Backflow Testing Fee.....	7
6	Miscellaneous Charges.....	8
	Rules and Regulations.....	9

SCHEDULE NO. 1

RESIDENTIAL METERED RATES

HOLD FOR FUTURE USE

Available: To customers of the Utility at Round Lake-Klamath Falls, Oregon, and vicinity.

Applicable: To residential premises.

Base Rate

SERVICE METER SIZE	MONTHLY BASE RATE	USAGE ALLOWANCE	MEASURING UNIT
5/8 inch or 3/4 inch			<input type="checkbox"/> cubic feet (cf)
			<input type="checkbox"/> gallons (gal)
1 inch			<input type="checkbox"/> cubic feet (cf)
			<input type="checkbox"/> gallons (gal)
1½ inches			<input type="checkbox"/> cubic feet (cf)
			<input type="checkbox"/> gallons (gal)
2 inches			<input type="checkbox"/> cubic feet (cf)
			<input type="checkbox"/> gallons (gal)
			<input type="checkbox"/> cubic feet (cf)
			<input type="checkbox"/> gallons (gal)

Commodity Usage Rate

	COMMODITY RATE	NUMBER OF UNITS	MEASURING UNIT		BASE USAGE ALLOWANCE	MEASURING UNIT
Tier 1	\$0.00	Per	<input type="checkbox"/> cf <input type="checkbox"/> gal	Above		<input type="checkbox"/> cf <input type="checkbox"/> gal
Tier 2	\$0.00	Per	<input type="checkbox"/> cf <input type="checkbox"/> gal	Above		<input type="checkbox"/> cf <input type="checkbox"/> gals

(Sample: \$1.00 per 1000 gallons above 3000 gallons)

Special Provisions:

1. These rates are based on continuous service. Discontinuation of service may not be employed to avoid monthly charges for service. See Rule No. 26, Voluntary Discontinuance.
2. Water used during the construction of buildings, etc., shall be metered. Charges shall be made at the rates specified in this schedule. When setting of a meter is impracticable, the amount of water used shall be estimated, and the charges shall be made at specified rates for the amounts so estimated.

SCHEDULE NO. 1
RESIDENTIAL FLAT RATES

Available: To customers of the Utility at Round Lake-Klamath Falls, Oregon, and vicinity.

Applicable: To residential premises.

Flat Rate

SERVICE LINE SIZE	MONTHLY FLAT RATE	CONSUMPTION
5/8 inch or 3/4 inch	\$59.00	unlimited
	\$	unlimited
	\$	unlimited
	\$	unlimited
	\$	unlimited

Special Provisions:

1. These rates are based on continuous service. Discontinuation of service may not be employed to avoid monthly charges for service. See Rule No. 26, Voluntary Discontinuance.

2. Water used during the construction of buildings, etc., shall be metered when possible. Charges shall be made at the rates specific to the type of customer:

- Schedule No. 1, Residential Metered Rates
- Schedule No. 3, Commercial/Industrial Metered Rates

When setting of a meter is impracticable, the amount of water used shall be estimated, and the charges shall be made at specified rates for the amounts so estimated.

SCHEDULE NO. 2

COMMERCIAL/INDUSTRIAL METERED RATES

Available: To customers of the Utility at Round Lake - Klamath Falls, Oregon, and vicinity.

Applicable: To commercial/industrial premises.

Base Rate

SERVICE METER SIZE	MONTHLY BASE RATE	USAGE ALLOWANCE	MEASURING UNIT
5/8 inch or 3/4 inch	\$1165.75	unlimited	<input type="checkbox"/> cubic feet (cf)
			<input checked="" type="checkbox"/> gallons (gal)
1 inch	\$1165.75	unlimited	<input type="checkbox"/> cubic feet (cf)
			<input checked="" type="checkbox"/> gallons (gal)
1½ inch	\$		<input type="checkbox"/> cubic feet (cf)
			<input type="checkbox"/> gallons (gal)
2 inch	\$		<input type="checkbox"/> cubic feet (cf)
			<input type="checkbox"/> gallons (gal)
4 inch-Irrigation	\$583.25	unlimited	<input type="checkbox"/> cubic feet (cf)
			<input type="checkbox"/> gallons (gal)
6 inch	\$		<input type="checkbox"/> cubic feet (cf)
			<input type="checkbox"/> gallons (gal)
8 inch	\$		<input type="checkbox"/> cubic feet (cf)
			<input type="checkbox"/> gallons (gal)

Commodity Usage Rate

	COMMODITY RATE	NUMBER OF UNITS	MEASURING UNIT		BASE USAGE ALLOWANCE	MEASURING UNIT
Tier 1	\$0.00	Per	<input type="checkbox"/> cf <input type="checkbox"/> gal	Above		<input type="checkbox"/> cf <input type="checkbox"/> gal
Tier 2	\$0.00	Per	<input type="checkbox"/> cf <input type="checkbox"/> gal	Above		<input type="checkbox"/> cf <input type="checkbox"/> gals

(Sample: \$1.00 per 1000 gallons above 3000 gallons)

Special Provisions:

1. These rates are based on continuous service. Discontinuation of service may not be employed to avoid monthly charges for service. See Rule No. 26, Voluntary Discontinuance.
2. Water used during the construction of buildings, etc., shall be metered. Charges shall be made at the rates specified in this schedule. When setting of a meter is impracticable, the amount of water used shall be estimated, and the charges shall be made at specified rates for the amounts so estimated.

SCHEDULE NO. 4

MULTI FAMILY DWELLING RATES
HOLD FOR FUTURE USE

Available: To customers of the Utility at _____, Oregon, and vicinity.

Applicable: To commercial/industrial premises.

Base Rate

SERVICE METER SIZE	MONTHLY BASE RATE	USAGE ALLOWANCE	MEASURING UNIT
5/8 inch or 3/4 inch	\$		<input type="checkbox"/> cubic feet (cf)
			<input type="checkbox"/> gallons (gal)
1 inch	\$		<input type="checkbox"/> cubic feet (cf)
			<input type="checkbox"/> gallons (gal)
1½ inch	\$		<input type="checkbox"/> cubic feet (cf)
			<input type="checkbox"/> gallons (gal)
2 inch	\$		<input type="checkbox"/> cubic feet (cf)
			<input type="checkbox"/> gallons (gal)
4 inch	\$		<input type="checkbox"/> cubic feet (cf)
			<input type="checkbox"/> gallons (gal)

Commodity Usage Rate

	COMMODITY RATE	NUMBER OF UNITS	MEASURING UNIT		BASE USAGE ALLOWANCE	MEASURING UNIT
Tier 1	\$	Per	<input type="checkbox"/> cf <input type="checkbox"/> gal	Above		<input type="checkbox"/> cf <input type="checkbox"/> gal
Tier 2	\$	Per	<input type="checkbox"/> cf <input type="checkbox"/> gal	Above		<input type="checkbox"/> cf <input type="checkbox"/> gals

(Sample: \$1.00 per 1000 gallons above 3000 gallons)

Special Provisions:

1. These rates are based on continuous service. Discontinuation of service may not be employed to avoid monthly charges for service. See Rule No. 26, Voluntary Discontinuance.
2. Water used during the construction of buildings, etc., shall be metered. Charges shall be made at the rates specified in this schedule. When setting of a meter is impracticable, the amount of water used shall be estimated, and the charges shall be made at specified rates for the amounts so estimated.

SCHEDULE NO. 5

CROSS CONNECTION CONTROL PROGRAM & BACKFLOW PREVENTION DEVICE SERVICES FEES

PURPOSE

Company desires to offer backflow prevention device services to customers who own backflow prevention devices.

AVAILABLE

To customers of [DWF Round Lake Park & Utilities LLC](#), in [Klamath Falls](#), Oregon, and vicinity.

APPLICABLE

To residential and commercial/industrial premises with backflow prevention devices installed at the meter.

PROGRAM DESCRIPTION

Service plans include:

1. The required annual backflow prevention device testing by a state certified tester pursuant to Oregon Administrative Rules 333-061-0070 through OAR 333-061-0072.
2. Maintenance and repairs on the customer-owned backflow prevention device.
3. *Installation of backflow devices.*

Company offers the following plans and payment options for services provided by the *Company*:

1. *Annual billing for annual test.*
2. *Annual test billed over a 12 month period*

CROSS CONNECTION CONTROL PROGRAM & BACKFLOW PREVENTION DEVICE SERVICES
FEES CONTINUED

BILLING RATES

Describe based on Plans offered. Please include billings for appropriate services.

\$20.00 per year – billed annually
\$1.70 per month – billed monthly

Special Provisions

General

1. The customer is under no obligation to use the Company's backflow protection device testing services.
2. The customer can choose any qualified company or individual to test his/her backflow prevention device.
3. Customers who choose not to use the Company's backflow prevention services must sign the written refusal and return it to the Company. Customers who choose to continue not using the Company's backflow prevention services must each year notify the Company of the name of the company chosen and date backflow test is scheduled.
4. The Company will provide each customer with notification of the backflow prevention service options being offered. The notification shall include (1) an agreement for service that allows the customer to indicate which plan and payment arrangement the customer chooses, and (2) a written refusal of the Company's service.
5. The Company reserves the right to propose before the OPUC any change in the amount charged for the backflow prevention device testing, maintenance, and repair services.
6. Customers will be given the choice of accepting or rejecting a new agreement in advance of any rate increase.
7. The Company will separately itemize the backflow prevention device service fee on customer bills.

SCHEDULE NO. 6**MISCELLANEOUS SERVICE CHARGES**

This schedule lists the miscellaneous charges included in the utility's Rules and Regulations; refer to the appropriate rules for an explanation of charges and conditions under which they apply.

<u>Connection Charge for New Service</u> (Rule No. 9)	
Standard ¾-inch service	At cost
Nonstandard ¾ inch service	At cost
Larger than ¾-inch	At cost
Irrigation hookup (if provided on separate system)	At cost
<u>Meter Test</u> (Rule No. 21)	
First test within 12-month period	N/C
Second test within 12-month period	\$35.00
<u>Pressure Test</u> (Rule No. 40)	
First test within 12-month period	N/C
Second test within 12-month period	\$35.00
<u>Late-Payment Charge</u> (Rule No. 22)	
Charged on amounts more than 30 days past due	Pursuant to OAR 860-036-0130 (as of 1/1/08 – 1.7%)
<u>Deposit for Service</u> (Rule No. 5)	
Pursuant to OAR 860-036-0040(2)	Pursuant to OAR 860-036-0050 (as of 1/1/08 – 4%)
<u>Returned-Check Charge</u> (Rule No. 23)	\$25.00
<u>Trouble-Call Charge</u> (Rule No. 36)	
During normal office hours	\$35.00 per hour
After normal office hours on special request	\$45.00 per hour
<u>Disconnection/Reconnect Charge</u> (Rule No. 28 & 29)	
During normal office hours	\$35.00
After normal office hours on special request	\$45.00
<u>Unauthorized Restoration of Service</u> (Rule No. 30)	Reconnection charge plus costs
<u>Damage/Tampering Charge</u> (Rule No. 34)	At cost
<u>Disconnect-Visit Charge</u> (Rule No. 29)	\$25.00

RULES AND REGULATIONS

Rule 1: Jurisdiction of the Commission

The Rules and Regulations herein shall be subject to the rules and regulations of the Public Utility Commission of Oregon.

Rule 2: Definitions

A. "Utility" shall mean **DWF ROUND LAKE PARK & UTILITIES LLC**

B. "Applicant" shall mean any person, business, or organization that applies for service or reapplies for service at a new or existing location after service has been discontinued, except as noted in the definition of "Customer."

C. "Commission" shall mean the Public Utility Commission of Oregon.

D. "Customer" shall mean any person, business, or organization who has applied for, been accepted to receive, or is currently receiving service. A customer who voluntarily discontinues service at the same or different premises within 20 (twenty) days after discontinuance retains customer status.

E. "Residential customer premises" shall mean any dwelling and its land including, but not limited to, a house, apartment, condominium, townhouse, cottage, cabin, mobile home, or trailer house.

F. "Commercial customer premises" shall mean any premises at which a customer carries on any major activity of gaining a livelihood or performing a public service. Such activity may be of a business, industrial, professional, or public nature.

G. "Main" shall mean the pipe laid in the street, alley, or other right-of-way for the distribution of water to customers. It shall not include service lines.

H. "Service connection" shall mean the pipe, stops, fittings, meter, and meter box laid from the main to the property line of the premises served.

I. "Customer line" shall mean the pipe, stops, and fittings leading from the property line to the premises served.

J. Point of Delivery is the property line or the outlet swivel/union of the meter defining where the service connection stops and the customer line starts.

APPLICATION FOR SERVICE

Rule 3: Customer/Applicant Information (OAR 860-036-0015)

The Utility shall provide or be able to provide customers or applicants with the following information:

- A. Instructions on how to read meters, either in writing or by explanation;
- B. Application and contract forms;
- C. Utility rules and regulations;
- D. Commission rules and regulations;
- E. Approved tariffs;
- F. Rights and Responsibilities Summary for Oregon Utility Consumers;
- G. Notices in foreign languages, if applicable;
- H. The Utility's business address, telephone number, and emergency telephone number; and
- I. Notices approved by the Commission.

Rule 4: Application for Service (OAR 860-036-0035)

Application for water service must be made for each individual service. The application shall identify the applicant, the premises to be served, the billing address if different, the type of use to which the water is to be put, and an agreement to conform to the Rules and Regulations of the Utility as a condition for receiving such service. The applicant shall, at this time, pay any scheduled fees or deposits. An application is a request for water Utility service and shall not be accepted until the applicant establishes credit as set forth in OAR 860-036-0040.

An application for water service must be made where:

- A. An applicant who has not previously been served by the water Utility requests service;
- B. Service has been involuntarily discontinued in accordance with the Utility and Commission rules, and service is sought;
- C. Service has been voluntarily discontinued and a request to restore service has not been made within 20 days; or
- D. There is a change in the type of use to which the water is put, or the number of premises served.

Rule 5: Deposit for Service (OAR 860-036-0040)

In accordance with the Commission's rules for credit establishment and deposit waiver, an applicant or a customer may be required to make a deposit to secure payment of bills for service. The deposit shall not exceed one-sixth (1/6) the amount of reasonable estimated billings for one year's use of service at the premises during the prior year or upon the type and size of the customer's equipment that will use the service (OAR 860-036-0040), unless our request to have this rule amended to (2/6) two-sixth is approved.

The Utility shall pay interest on deposits at the rate established by the Commission. After the customer has paid bills for service for 12 consecutive months without having had service discontinued for nonpayment, or more than two occasions in which a shut-off notice was issued, and the customer is not then delinquent in the payment of bills, the Utility shall promptly and automatically refund the deposit plus accrued interest by **(check one)**

- 1) Issuing the customer a refund check: or
- 2) Crediting the customer's account. The customer is entitled to a refund check upon request.

Rule 6: Customer Service Line

The customer shall own and maintain the customer service line and promptly repair all breaks and leaks. The Utility shall not be responsible for any damage or poor service due to inadequacy of the customer line or any portion of the customer's plumbing. All leaks in the customer line, faucets, and all other parts of the plumbing owned or controlled by the customer shall be promptly repaired so as not to waste water.

Rule 7: Separate Control of Service

All premises supplied with water will be served through service lines so placed as to enable the Utility to control the supply to each individual premise using a valve placed within and near the line of the street, the Utility right-of-way, or at the meter.

Rule 8: Service Connections (OAR 860-036-0060)

The service connection is that portion of the water system between the Utility's main line and the customer's property line, including all material and installation (hot tap, pipes, fittings, meter, etc.) necessary to provide water service to the customer. The Utility shall own, operate, maintain, and replace the service connection when necessary and promptly repair all breaks and leaks. The customer shall not be responsible for any damage or poor service due to inadequacy of the service lines or any portion of the Utility's plumbing.

- 1) The Utility may purchase and install the service connection and meter and include all materials and labor in rate base; 2) the Utility may purchase and install the service connection and charge the customer the cost of the service connection less the cost of the meter, and put the cost of the meter in rate base; or 3) The customer may purchase the meter and contribute or gift the meter to the Utility. Contributions of this type are generally excluded from rate base.

Rule 9: Service Connection Charge

An applicant requesting permanent water service to a premise not previously supplied with permanent water service by the Utility may be required to pay the cost of the service connection, including or excluding the meter as provided in the Utility's Miscellaneous Service Charges Schedule in this tariff.

Rule 10: Main Line Extension Policy (OAR 860-036-0065)

The Utility shall specify the size, character, and location of pipes and appurtenances in any main line extension. Main line extensions shall normally be along streets, roads, highways, or other satisfactory rights-of-way. All construction work shall conform to all applicable rules, regulations, codes, and industry standards. Each main line extension shall normally extend along applicant's property line to the point the applicant's service line would be at a 90-degree angle to the street or main line.

Rule 11: Main Line Advances and Refunds Policy

Each new customer requesting a main line extension shall advance the Utility the cost-based amount necessary to extend the main line to provide service.

For a period of 5 years after construction of the requested main line extension, the Utility shall also collect from any additional applicants whose service connections or service lines shall connect to said main line extension an amount per foot equal to the new applicant's proportionate share of the main line extension cost for that portion used. The Utility will then refund the share differential amount to those customers who previously shared the cost of said main line extension. Refunds shall not exceed the amount originally advanced.

No part of the distribution system installed prior to the request for a main line extension shall be used to calculate any customer advance or refund.

Rule 12: Types of Use

Water service may be supplied for residential, commercial, irrigation, temporary construction, special contracts, fire prevention, and other uses. The Utility shall file separate rate schedules for each type of use and basis of supply.

Rule 13: Multiple Residences

An apartment building, mobile home park, motel, trailer camp, duplex, townhouse, or any other property consisting of more than one residential unit, if served through one service line, shall be considered to be equivalent to the number of dwelling units when determining the customer count.

Rule 14: Utility Access to Private Property (OAR 860-036-0120(3)(b) and OAR 860-036-0205(3))

Customers shall provide access during reasonable hours to Utility-owned service lines that extend onto the premises of the customer for the purposes of reading meters, maintenance, inspections, or removal of Utility property at the time service is to be discontinued. Where the customer does not cooperate in providing reasonable access to the meter or to the premises, as required by law or to determine if a health or safety hazard exists, it is grounds for disconnection.

Rule 15: Restriction on Entering a Customer Residence (OAR 860-036-0085)

No water Utility employee shall enter the residence of its customers without proper authorization except in an emergency when life or property is endangered.

REFUSAL OF SERVICE

Rule 16: Refusal of Service Due to Customer Accounts (OAR 860-036-0080(1-3))

The Utility may refuse to serve an applicant until receipt of full payment of overdue amounts, or other obligations related to a prior account of the applicant with the Utility, when the following circumstances exist:

- A. An overdue amount remains outstanding by a customer at the service address;
- B. The applicant resided at the service address indicated in (A) during the time the overdue charges were incurred; and
- C. The person indicated in (A) will reside at the location to be served under the new application.
(OAR 860-036-0080)

Service shall not be refused for matters not related to water service. Residential service shall not be refused due to obligations connected with nonresidential service.

If service is refused under this rule, the Utility shall inform the applicant or customer of the reasons for the refusal and of the Commission's dispute resolution process.

Rule 17: Refusal of Service Due to Utility Facilities (OAR 860-036-0080(7))

The Utility shall not accept an application for service or materially change service to a customer if the Utility does not have adequate facilities or water resources to render the service applied for, or if the desired service is of a character that is likely to unfavorably affect reasonable service to other customers.

For refusal of service under this rule, the Utility shall provide a written letter of refusal to the applicant informing applicant that the details upon which the Utility's decision was based may be requested. A copy of such notice will be sent to the Commission. The details will include, but not be limited to:

- A. Current capacity and load measured in gallons or cubic feet per minute;
- B. Current capacity and load measured in pounds per square inch;
- C. Cost to the Utility for additional capacity in order to provide the additional service; and
- D. Information regarding the appeal process of the Utility's refusal to provide service is available through the Commission's dispute resolution process pursuant to OAR 860-036-0025.

Rule 18: Refusal of Service Due to Customer Facilities (OAR 860-036-0080(4-6))

The Utility shall refuse service to an applicant or customer whose facilities do not comply with applicable plumbing codes or, if in the best judgment of the Utility, are of such a character that safe and satisfactory service cannot be given.

If service is refused under this rule, the Utility will provide written notification to the customer within 10 working days stating the reason(s) for refusal and providing information regarding the Commission's complaint process. A copy of the notification will also be sent to the Commission.

METERS

Rule 19: Utility Meters (OAR 860-036-0105)

The Utility shall own, maintain, and operate all meters. Meters placed in service shall be adequate in size and design for the type of service, set at convenient locations, accessible to the Utility, subject to the Utility's control, and placed in a meter box or vault between the street curb and property line. Each meter box or vault shall be provided with a suitable cover.

Where additional meters are furnished by the Utility or relocated for the convenience of the customer, a reasonable charge may be made in accordance with a schedule approved by the Commission.

The water Utility shall have the right to set meters or other devices for the detection and prevention of fraud or waste without notice to the customer.

Each customer shall provide the Utility with regular access to the meter on the customer's property. Failure to permit access at reasonable times and after reasonable notice by the Utility requesting access is grounds for disconnection. (OAR 860-036-0120) Should damage result to the meter from molesting, tampering, or willful neglect on the part of the customer, the Utility shall repair or replace the meter and may bill the customer for the reasonable cost. (OAR 860-036-0105(7))

Rule 20: Meter Testing (OAR 860-036-0110)

The meter shall be tested prior to or within 30 (thirty) days of installation to determine it is accurate to register not more than 2 percent error. No meter shall be allowed to remain in service if it registers an error in excess of 2 percent under normal operating conditions. The Utility shall maintain a record of all meter tests and results. Meter test result records shall include:

- A. Information necessary to identify the meter;

- B. Reason for making the test;
- C. Date of test;
- D. Method of testing;
- E. Meter readings;
- F. Test results; and
- G. Any other information required to permit convenient checking of methods employed.

Rule 21: Customer-Requested Meter Test (OAR 860-036-0115)

A customer may request that the Utility test the service meter; such test shall be made within 20 working days of the receipt of such request at no cost to the customer. The customer has the right to be present during said test, which is to be scheduled at a mutually agreeable time. A written report shall be provided to the customer stating:

- A. Customer's name;
- B. Date of the customer's request;
- C. Address at which the meter has been installed;
- D. Meter identification number;
- E. Date of actual test; and
- F. Test results.

If a customer requests a meter test more often than once in any 12-month period, the deposit listed on the Miscellaneous Service Charges Schedule may be required to recover the cost of the test. If the meter is found to register more than 2 percent fast or slow under conditions of normal operation, the Utility shall refund the deposit to the customer.

BILLING

Rule 22: Billing Information/Late-Payment Charge (OAR 860-036-0120, OAR 860-036-0125 and OAR 860-036-0130)

All bills, except closing bills, are due and payable at the Utility office within 15 days when rendered by deposit in the mail or other reasonable means of delivery, unless otherwise specified on the bill. Closing bills are due and payable upon presentation. The date of presentation is the date on which the Utility mails the bill. Payments made in a form other than cash (noncash payments such as checks, debits, electronic payments) are accepted conditionally.

As near as practical, meters shall be read at monthly, bimonthly, quarterly, or annual intervals on the corresponding day of each meter reading or billing period. The bill shall be rendered immediately thereafter. (OAR 860-036-0120(3) requires water utilities to bill at monthly intervals. A Utility may request upon application special authority by the Commission to bill at intervals other than monthly.)

The Utility will keep a record of at least three years of all billings (flat or metered rates) and three years of meter readings. The Utility shall make reasonable efforts to prepare opening and closing bills from actual

meter readings. When there is good reason for doing so, estimated bills may be submitted. Any estimated billings shall be clearly designated as such.

All water service bills shall show:

- A. Beginning and ending meter readings for the billing period;
- B. Beginning and ending dates of the period of service to which the bill applies;
- C. For all metered bills, beginning and ending meter readings for the period for which the bill is rendered;
- D. Number of units of service supplied stated in gallons or cubic feet;
- E. Schedule number under which the bill was computed;
- F. Delinquent date of the bill;
- G. Total amount due; and
- H. Any other information necessary for the computation of the bill.

All bills become delinquent if not paid within 15 days of the date the Utility mailed or delivered the bill. (OAR 860-036-0125 requires a minimum of 15 days.)

A late-payment charge may be assessed against any account that has an unpaid balance when the next bill is being prepared. The charge will be computed on the delinquent balance owing at the time of preparing the subsequent month's bill at the late-payment rate specified in the Miscellaneous Service Charges Schedule. The late-payment rate will be determined annually by the Commission, and the Utility will be notified of the rate.

If an account is permitted to become delinquent, the Utility may terminate water service by giving proper notice to the customer as provided in Rule 28, prior to or after the Utility assesses the late payment charge.

Rule 23: Returned-Fund Charge

The Returned-Fund Charge listed on the Miscellaneous Service Charges Schedule shall be billed for each occasion a customer submits any type of noncash payment (check, debit, electronic, etc.) that is not honored, for any reason, by a bank or other financial institution.

Rule 24: Prorating of Bills

Initial and final bills will be prorated according to the number of days service was rendered and on the basis of a 31-day month. For metered services, the meter will be read upon opening and closing a customer's account. Consumption will be charged at scheduled rates. Any minimum monthly charge will be prorated.

Rule 25: Adjustment of Bills (860-036-0135)

When an under-billing or over-billing occurs, the Utility shall provide written notice to the customer detailing the circumstances, period of time, and the amount of the adjustment. If it can be shown that the error was due to an identifiable cause, the date of which can be fixed, the overcharge or undercharge shall be computed back to such date. If no date can be fixed, the Utility shall refund the overcharge or re-bill the undercharge for no more than six months' usage. In no event shall an overbilling or under-billing be for more than three years' usage. No billing adjustment shall be required if a meter registers less than 2 percent error under conditions of normal operation.

When a customer is required to repay an under-billing, the customer shall be entitled to enter into a time-payment agreement without regard to whether the customer already participates in such an agreement. If the customer and the Utility cannot agree upon payment terms, the Commission shall establish terms and conditions to govern the repayment obligation. The Utility shall provide written notice advising the customer of the opportunity to enter into a time-payment agreement and of the Commission's complaint process.

DISCONNECTION OF WATER SERVICE

Rule 26: Voluntary Discontinuance (OAR 860-036-0210)

Except for emergencies, customers who (for any reason) wish to have service discontinued shall provide the Utility with at least five business days' advance notice of the requested date of discontinuance of service. The customer is responsible for all service rendered until the Utility receives the customer's notice and the service is discontinued on the requested date.

Rates are based on continuous service. Disconnect and reconnect transactions do not relieve a customer from the obligation to pay the base rate or minimum charge that accumulate during the period of time the service is voluntarily disconnected for up to 12 months. Should the customer wish to recommence service within 12 months at the same premise, the customer will be required to pay the customary minimum monthly charge or base rate as if service had been continuous. The reconnection charge listed on the Miscellaneous Service Charges Schedule will be applicable at the time of reconnection.

Rule 27: Emergency Disconnection (OAR 860-036-0215)

The Utility may terminate service in emergencies when life or property is endangered without following the procedures set forth in OAR 860-036-0245. Immediately thereafter, the Utility will notify the customer and the Commission. When the emergency termination was through no fault of the customer, there shall be no charge made for restoration of service.

Rule 28: Disconnection of Water Service Charge for Cause (OAR 860-036-0205 and 0245)

When a customer fails to comply with the Utility's rules and regulations, or permits a bill or charge for regulated services to become delinquent (except for nonpayment of a time-payment agreement*), the

Utility shall give at least five business days' written notice before water service may be shut off. The notice shall state:

- A. The reason(s) for the proposed disconnection;
- B. The earliest date for disconnection;
- C. The amount to be paid to avoid disconnection;
- D. An explanation of the time-payment provision of OAR 860-036-0125;
- E. Information regarding the Commission's dispute resolution process; and
- F. The Commission's Consumer Services toll-free number, 1-800-522-2404.

Prior to disconnection on the day that the water Utility expects to disconnect service, the Utility must make a good-faith effort to physically contact the customer to be disconnected or an adult at the customer's premise to be disconnected to advise the customer or adult of the proposed disconnection. If contact is not made, the Utility shall leave a notice in a conspicuous place at the customer's premise informing the customer that service has been or is about to be disconnected. The Utility shall document its efforts to provide notice and make that documentation available to the customer upon request.

Service shall not be shut off for non-emergencies on a Friday or the day of a state- or Utility-recognized holiday or the day prior to such holiday. (OAR 860-036-0220)

The Utility shall not disconnect residential service due to the failure to pay or meet obligations associated with nonresidential service. (OAR 860-036-0225)

Residential customers who are notified of pending disconnection may choose between two Time Payment Agreement options. The Utility will offer such customers a choice of a levelized-payment plan and an equal-pay arrearage plan. A Utility may agree to another alternate payment arrangement agreed as long as it mutually agreeable to both the customer and the Utility and the agreement is put in writing. (OAR 860-036-0125)

When a customer fails to comply with the terms of a written time-payment agreement between the customer and the Utility, or the Utility permits a time-payment agreement charge to become delinquent, the Utility shall give at least 15 days' written notice before the water service may be shut off.

Rule 29: Reconnection Charge and Disconnection Visit Charge (OAR 860-036-0080 and 0245(8))

Service shall not be restored until the Utility's rules and regulations are complied with and/or payment is made in the amount overdue and any additional disconnection, reconnection, or disconnection visit charges incurred as listed on the Miscellaneous Service Charges Schedule are paid.

On the day the Utility visits a residential service address to disconnect service (at least 5 days after serving a 5-day disconnect notice) and due to customer action, the Utility does not complete the disconnection. The Utility may charge a Disconnect Site-Visit Charge. The charge will be approved by the Commission and included in the Utility's tariffs.

Rule 30: Unauthorized Restoration of Service

After the water has been disconnected or shut off at the curb stop or at the meter, if any person not authorized by the Utility should turn it on, the water service line may be disconnected without notice. Service shall not be reconnected until all arrearages, all cost-of-service disconnection and reconnection, and the reconnection charge listed on the Miscellaneous Service Charges Schedule are paid in full.

Rule 31: Unauthorized Use

No person shall be allowed to make connection to the Utility mains, or to make any alteration to service connections, or to turn a curb stop off or on to any premises, without written permission of the Utility. Meter tampering, diverting service, or any other unauthorized use of service will automatically cause a disconnection of the water service and meter removal. All fees, costs of disconnection and reconnection, past-due billings, and service charges listed on the Miscellaneous Service Charges Schedule must be paid in full before any service is restored. An advance deposit for restoration of service may be required.

Rule 32: Interruption of Service (OAR 860-036-0075)

The Utility shall have the right to shut off the water supply temporarily for repairs and other necessary purposes. The Utility shall use all reasonable and practicable measures to notify affected customers in advance of such discontinuance of service except in the case of emergency repairs. The Utility shall not be liable for any inconvenience suffered by the customer or damage to the customer's property arising from such discontinuance of service.

The Utility shall keep a record of all service interruptions affecting its whole system or a major section thereof, including the time and date of interruption, duration, and cause or purpose of interruption.

Rule 33: Water Supply/Usage Restrictions (OAR 860-036-0325)

The Utility shall exercise due diligence to furnish a continuous and adequate supply of water to its customers. If water restrictions are necessary to equitably apportion its available water supply among its customers with due regard to public health and safety, the Utility shall provide written notification to its customers and the Commission including:

- A. Reason for the restriction;
- B. Nature and extent of the restriction;
- C. Effective date of the restriction; and
- D. Probable date of termination of such restriction.

Rule 34: Damages/Tampering

Should damage result to any of the Utility's property from molesting or willful neglect by the customer to a meter or meter box located in the customer's building, the Utility will repair or replace such equipment and will bill the customer for the costs incurred.

SERVICE QUALITY

Rule 35: System Maintenance (OAR 860-036-0305)

The Utility shall have and maintain its entire plant, distribution system, and hydrants in such condition that it will furnish safe, adequate, and reasonable continuous service. The Utility shall inspect its facilities in such manner and with such frequency as may be necessary to ensure a reasonably complete knowledge of its condition and adequacy at all times.

The Utility shall keep such records of all routine maintenance as considered necessary for the proper maintenance of its system, including regular flushing schedules, exercising of valves, and valve inspections.

Rule 36: Trouble Call

The trouble-call charge listed on the Miscellaneous Service Charges Schedule may be billed whenever a customer requests that the Utility visit the customer's premises to remedy a service problem and the problem is due to the customer's facilities.

Rule 37: Water Purity (OAR 860-036-0310)

The Utility shall deliver water for domestic purposes free from bodily injurious physical elements and disease-producing bacteria and shall cause such tests to be made and precautions taken as will ensure the constant purity of its supply.

The Utility shall keep a record of all water quality testings, results, monitoring, and reports.

The Utility shall deliver domestic water that is reasonably free from elements that cause physical damage to customer property such as pipes, valves, appliances, and personal property. A water supply that causes such damage will be remedied until the conditions are such as to not reasonably justify the necessary investment.

Rule 38: Water Pressure (OAR 860-036-0315)

Each water Utility shall maintain pressure at a minimum of 20 pounds per square inch (psi) for health reasons to each customer at all times and not exceed a maximum of 125 psi. The 20 psi and 125 psi standards are not presumed to be adequate service and do not restrict the authority of the Commission to require improvements where water pressure or flow is inadequate.

In general, 40 psi of water pressure in the water mains is usually adequate for the purposes of this rule. Adequate pressure may vary depending on each individual water system and its customers' circumstances. In the case of a dispute, the Commission will determine the appropriate water pressure for the water Utility.

Rule 39: Pressure Surveys (OAR 860-036-0320)

The Utility shall have a permanently placed pressure gauge located on a main that is representative of the system's pressure. A portable gauge in good working condition shall be available for checking pressure conditions in any part of the distribution area.

Rule 40: Customer-Requested Pressure Test (OAR 860-036-0320)

Upon customer request, the Utility will perform a water pressure test within 20 working days of the request at no cost to the customer. If the customer requests more than one pressure test within any 12-month period, a deposit to recover the reasonable cost of the additional test may be required of the customer. The deposit shall be returned if the pressure test indicates less than 20 psi or more than 125 psi. The customer or designated representative has the right to be present at the pressure test, and said test shall be conducted at a mutually agreeable time.

For metered service, the pressure will be tested at a point adjacent to the meter on the customer's service line. For non-metered service, the pressure will be tested at the customer's service line or hose bibb or other reasonable point likely to best reflect the actual service pressure.

Rule 41: Maps/Records (OAR 860-036-0335)

The Utility shall keep on file current maps and records of the entire plant showing size, location, character, and date of installation of major plant items, including shut-off valves.

Rule 42: Utility Line Location (One Call Program) (OAR 860-036-0345)

The Utility and its customers will comply with the requirements of OAR 952-001-0010 through and including OAR 952-001-0090 (One Call Program) regarding identification and notification of underground facilities.

Rule 43: Cross Connection/Backflow Prevention Program

The Utility will comply with the rules and regulations for the Cross Connection/Backflow Prevention Program, as provided for in ORS Chapter 333 and the Utility's approved Backflow Prevention Program.

Section D. Cross Connection

- (1) DWF Round Lake Park & Utilities LLC ("DWF") has established a cross-connection program, set forth in its Cross Connection Resolution, as required by the Oregon State Health Division administrative rules. The program is vital to protect the water distribution system from contamination. Cross-connection means any other non-drinkable water system or auxiliary system, sewer, drain conduit, swimming pools, storage, reservoir, plumbing fixture, swamp coolers, spa or any other device which contains, or may contain, contaminated water, sewage or other liquid of unknown or unsafe quality which may be capable of imparting contamination to the public water system as a result of backflow. Bypass arrangements, jumper connections, removable sections, swivel or changeover devices, or other temporary or permanent device through which, or because of which, backflow may occur are considered to be cross connections.
- (2) Under this program DWF requires the customer to install, test and maintain, at the customer's expense, a backflow prevention assembly device. Testing may be made by any person certified by the Oregon State Health Division. The backflow prevention assembly must be tested upon installation and annually thereafter. DWF will have a certified tester on staff.
- (3) The Oregon Public Utility Commission administrative rules require all water utility companies to terminate service for failure to comply with cross connection control rules.

SOURCE OF SUPPLY OTHER THAN WELLS					
IDENTIFY EACH SEPARATELY					
	SOURCE	SOURCE	SOURCE	SOURCE	SOURCE
NAME OR IDENTIFYING	N/A				
TYPE OF SOURCE					
TREATMENT TYPE					
NUMBER OF INTAKES					
FISH SCREENING DEVICES					
WATER RIGHT PERMIT OR CERTIFICATION					
WATER YIELD OF SOURCE REPORT					

	WELL NO. 1	WELL NO. 2	WELL NO. 3	WELL NO. 4	WELL NO. 5
WELL NAME OR IDENTIFYING NO.	39/8-7J				
YEAR CONSTRUCTED	1960				
WATER RIGHT PERMIT OR CERTIFICATION NUMBER	G3112/KL AM14129				
HYDRAULICALLY CONNECTED TO SURFACE WATER (YES OR NO)	No				
WELL DEPTH	220 FT				
WELL DIAMETER	16"				
PUMPING CAPACITY – GPM	350 GPM				
PUMP MOTOR – HP	30 HP				
YIELDS OF WELL IN GPD	504,000 GPD				
CASING	WELDED				
WELL CONSTRUCTION	CABLE				
AUXILIARY POWER	No				

PUMP TYPE & PUMP HP	AVERAGE DAILY DEMAND	ANNUAL PEAK DEMAND	MAXIMUM PUMPING CAPACITY	RANGE OF PRESSURE AT PUMP	RANGE OF PRESSURE AT CUSTOMER'S PROPERTY
WELL PUMP 30 HP	504,000 GPD	504,000 GPD	504,000 GPD	60-70 PSI	40-50 PSI
BOOSTER PUMP 7 HP	288,000 GPD	288,000 GPD	288,000 GPD	40-50 PSI	NA
IRRIGATION PUMP 10 HP	468,000 GPD	468,000 GPD	468,000 GPD	40-50 PSI	NA

STORAGE TANKS/RESERVOIRS IDENTIFY EACH SEPARATELY					
NAME OR IDENTIFYING NUMBER	DESCRIPTION	TANK CAPACITY	GROUND OR ELEVATED	DATE INSTALLED	PRESENT CONDITION
1972	STEEL	250,000	GROUND	1972	Good

WATER TREATMENT FACILITIES				
NAME OR IDENTIFYING NUMBER	TYPE	MAKE	GALLONS PER DAY CAPACITY	METHOD OF MEASUREMENT PRESENT CONDITION
85MHP17-¼	CHLORINE INJECTOR	STENNER	17 GPD	DPD

CUSTOMER LIST

Contact	Street1	City	State	Zip
Steve Hobbs	13902 Ravenwood	Klamath Falls	OR	97601
Ronald Burger	13903 Ravenwood	Klamath Falls	OR	97601
April Anderson	13904 Meadowbrook	Klamath Falls	OR	97601
Jennifer Mullica	3156 Forest Hills Dr. Apt A	Medford	OR	97504-5841
Dennis Hoff	13905 Ravenwood	Klamath Falls	OR	97601
Nicole Maxwell	13907 Ravenwood	Klamath Falls	OR	97601
Scott Schuyler	13908 Meadowbrook	Klamath Falls	OR	97601
Carol Greene	14005 Meadowbrook	Klamath Falls	OR	97601
Glenda Sizemore	277 Emigrant Way	Fernley	NV	89408
Dennis Benz	14008 Ravenwood	Klamath Falls	OR	97601
Michael Akins	14009 Meadowbrook	Klamath Falls	OR	97601
Glenda Sizemore	277 Emigrant Way	Fernley	NV	89408
Quinn Jackson	14010 Ravenwood	Klamath Falls	OR	97601
Danielle Bassett	14011 Ravenwood Dr	Klamath Falls	OR	97601
Floyd Knapp	14013 Ravenwood	Klamath Falls	OR	97601
Allen Hart	14014 Ravenwood	Klamath Falls	OR	97601
Yvonne Hood	14102 Meadowbrook	Klamath Falls	OR	97601
George Sproul	14103 Ravenwood	Klamath Falls	OR	97601
Neil Burkhart	14104 Ravenwood	Klamath Falls	OR	97601
Thomas Arzheimer	2575 Campus Dr. #172	Klamath Falls	OR	97601
William Dickson	14106 Meadowbrook	Klamath Falls	OR	97601
Dixie Kahley	14106 Ravenwood	Klamath Falls	OR	97601
Barry Smeed	14107 Ravenwood	Klamath Falls	OR	97601
John Newell	14108 Ravenwood	Klamath Falls	OR	97601
Kenneth Holmes	14110 Meadowbrook	Klamath Falls	OR	97601
Jerry Barnett	14111 Meadowbrook	Klamath Falls	OR	97601
Jeff Chaffee	14114 Meadowbrook	Klamath Falls	OR	97601
Monte Stenbridge	14203 Ravenwood	Klamath Falls	OR	97601
Dominic Catalano	14204 Meadowbrook	Klamath Falls	OR	97601
Patrick Williams	14204 Ravenwood	Klamath Falls	OR	97601
D.D. Vollmar	14207 Ravenwood	Klamath Falls	OR	97601
Mike Hull	14208 Meadowbrook	Klamath Falls	OR	97601
Alan Bruggman	14208 Ravenwood	Klamath Falls	OR	97601
Peter Morris	14209 Meadowbrook	Klamath Falls	OR	97601
Grace Cox	14209 Ravenwood	Klamath Falls	OR	97601
Mary Balakas	14210 Meadowbrook	Klamath Falls	OR	97601
John Pires	14212 Meadowbrook	Klamath Falls	OR	97601
Hector & Sandra H Hernandez	14212 Ravenwood	Klamath Falls	OR	97601
Charles Mowdy	14213 Meadowbrook	Klamath Falls	OR	97601
Heather Hartley	14213 Ravenwood	Klamath Falls	OR	97601
Dale Clark	14214 Meadowbrook	Klamath Falls	OR	97601
Jeremy Ohlde	14214 Ravenwood	Klamath Falls	OR	97601
Michael Martinez	14302 Meadowbrook	Klamath Falls	OR	97601
John Ramey	14303 Meadowbrook	Klamath Falls	OR	97601

Robert Vinson	14304 Meadowbrook	Klamath Falls	OR	97601
Donna Steinrok	2087 Fiesta Ct.	San Mateo	CA	94403-1558
Scott Haskins	14305 Ravenwood	Klamath Falls	OR	97601
Terry Bergman	14306 Meadowbrook	Klamath Falls	OR	97601
John Troy	14306 Ravenwood	Klamath Falls	OR	97601
Bill Bryant	14307 Meadowbrook	Klamath Falls	OR	97601
Brent Phelps	14307 Ravenwood	Klamath Falls	OR	97601
Leticia Abercrombie	14308 Ravenwood	Klamath Falls	OR	97601
James Johnson	14309 Ravenwood	Klamath Falls	OR	97601
Lori Lane	14310 Ravenwood	Klamath Falls	OR	97601
Cheryl Hall/Bunker	14311 Ravenwood	Klamath Falls	OR	97601
Kurt Harlan	3393 Holbrook	Klamath Falls	OR	97601
Mildred Wells	3396 Holbrook	Klamath Falls	OR	97601
Mary Jole	3401 Holbrook	Klamath Falls	OR	97601
Vester Graham	3404 Holbrook	Klamath Falls	OR	97601
Albert Cook	3405 Holbrook	Klamath Falls	OR	97601
Charles Mears	3409 Holbrook	Klamath Falls	OR	97601
Adrian Lewis	3410 Holbrook	Klamath Falls	OR	97601
David Cyrankowski	3417 Holbrook	Klamath Falls	OR	97601
Lynn Stillman	3520 Holbrook	Klamath Falls	OR	97601
DWF Round Lake MHP	4000 Round Lake Rd	Klamath Falls	OR	97601
DWF Round Lake Golf Course	4000 Round Lake Rd	Klamath Falls	OR	97601

DWF Round Lake Park & Utilities LLC**Attachment
EXHIBIT B****Question 45 – Complaints (4)**

Following are the four (4) complaints that we have taken from customers, or have been informed of by the PUC.

DATE	CUSTOMER NAME	CUSTOMER ADDRESS	COMPLAINT / ISSUE	TAKEN BY/ PUC Specialist
01/21/2009	Hartley, Abraham & Heather	14213 Ravenwood .	Due date & late fee	
7/22/09	Burger, Ronald	13903 Ravenwood	Water pressure	Carol Chipps
9/1/09	Hobbs, Sue Ellen	13902 Ravenwood	Water quality & Pressure	Charla Muntz
10/9/09	Greene, Carol	14005 Meadowbrook	Backflow device	Carol Chipps