

NOTICE OF PROPOSED WATER RATE INCREASE AND CUSTOMER'S RIGHT TO PETITION PUC FOR RATE REGULATION

Date: November 30, 2022

"NOTICE FROM THE PUBLIC UTILITY COMMISSION OF OREGON"

Customers have the opportunity to file a petition to have the water utility's rates regulated by the Commission. The water utility is proposing rates in excess of the threshold levels set by the Commission. If the Commission receives valid petitions from at least 20 percent of the customers, the Commission will assert jurisdiction over your water utility. Rate regulation requires that all rates and rate changes be approved by the Commission. If the Commission does not receive the sufficient number of valid customer petitions, the water utility's proposed rates will take effect on the date indicated. Petition forms are available on the Commission's website at <https://www.oregon.gov/puc/utilities/Pages/Water-Petition-4-Regulation.aspx>. The petitions must be completed and signed by the customer and must be received by the Commission within 45 days of this notice. Copies of petitions or petitions without an original signature will not be accepted."

"Completed petitions must be mailed to the Consumer Services Section, PO Box 1088, Salem, Oregon 97308-1088 or delivered to 201 High Street SE, Suite 100, Salem, Oregon 97301. Petitions may not be filed electronically. Petitions may not be withdrawn or rescinded. Customers with questions may contact the Consumer Services Section at 1-800-522-2404."

The purpose of the \$5.00 base rate increase is to keep up with the rising labor costs and operational expenses associated with providing safe reliable domestic water. The purpose of the tiered usage rates is to conserve water by giving incentives to reduce water usage and to limit the overuse of the limited supply allocated to our system.

Starting March 1, 2023 the rates for water use for Sun Mountain Water LLC will be.

\$16.00 0-300 gallons used /billing cycle (unchanged from previous years)

\$32.00 Base Rate includes first 4000 gallons of use
(\$5.00 increase from previous years)

4000 – 70,000 gallons \$0.15 per 100 gallons used above first 4000
(unchanged from previous years)

Usage above 70,000 gallons/billing cycle will be at the following rates;

70,000 – 90,000 gallons \$0.20 per 100 gallons used above first 4000

90,000 – 110,000 gallons \$0.25 per 100 gallons used above first 4000

110,000 – 130,000 gallons \$0.30 per 100 gallons used above first 4000

130,000 - 150,000 gallons \$0.35 per 100 gallons used above first 4000

150,000 – 200,000 gallons \$0.40 per 100 gallons used above first 4000

Above 200,000 gallons \$0.60 per 100 gallons used above first 4000

If you use less than 70,000 gallons/monthly billing cycle your rate for water use will increase by \$5.00. This is true for 85% of the patrons of the system.

Water Conservation is the goal of tiered rates.

The State of Oregon owns all the water in the state and Sun Mountain Water has a permit to pump water out of the ground to provide the water for its patrons. There is a limit on the amount of water we can pump at a rate of 0.846cfs (380gpm). During the summer with all of our pumps running we can see the water level in our tanks diminish during the night when the sprinklers are watering.

Pumping more water out of the aquifer is not an option, conserving water is the only solution. Watering on odd and even days according to the matching last number of your street address provides water systems the ability to keep up with demand by only having half of the patrons watering at any given time – **this is important.**

Only a handful of the 300 homes on the water system use above 4000 gallons during the winter (Nov – March) so I can safely say that any use above 5000/ gallons month is going to irrigation. The source of our water is ground water and the purpose of Sun Mountain Water is to provide safe culinary/domestic water to its customers. It is not the intention to provide irrigation water for large areas of your property, that said, a small yard or garden is permissible.

75 homes on our system never exceeded 10,000 gallons/month use all summer!
85% of the customers use less than 70,000 gallons/month during the summer.
15% of the properties use over 70,000 gallons/month, some with usage exceeding 200,000 gallons (enough for 40 homes during winter months).

Sun Mountain Water System LLC
18075 Second Avenue
Bend, OR 97703

Email ; sunmountainwater@gmail.com
Office ; 541 382 7309

Emergency; 541 408 1804 Jamie
541 640 2558 Jerry

Please visit Sun Mountain Water System website for more information and leave us your comments.

If you have further questions about this letter that we can answer feel free to call me at 541 382 7309 or on my cell 541 408 1804.

Thanks – Enjoy the water and the winter season. -- Jamie