

April 27, 2023

**RE: Customer Notice  
General Rate Case Filing with the Oregon Public Utility Commission**

This notice is to inform customers that Lakeshore Water Company (“Utility”) has filed a general rate revision with the Oregon Public Utility Commission (“PUC”). This notice provides general information regarding the proposed changes and the effect it will have on customers’ bills if approved by the PUC.

**Proposed Rate Adjustment**

Lakeshore Water Company prepared a general rate case filing based on PUC rate case methodology and submitted the rate case to the PUC on April 26, 2023. The 2023 rate case filing proposes an increase in rates over a two-year period. The average monthly bill will increase 148.0% in Year 1 and will then increase 38.9% in Year 2. The proposed rate adjustment is requested to go into effect on January 1, 2024.

We anticipate the proposed rate adjustment will change average monthly water service costs as follows:

<b>Service Size</b>	<b>Current Cost</b>	<b>Proposed Cost Year 1 (Beginning 1/1/2024)</b>	<b>Proposed Cost Year 2 (Beginning 1/1/2025)</b>
<b>Residential 5/8”</b>			
Base Rate (\$/month)	\$30.63	\$46.17	\$64.13
Volumetric Rate (\$/100 gal)	\$0.30	\$0.60	\$0.83
<b>Average Monthly Bill</b>	<b>\$46.07</b>	<b>\$76.96</b>	<b>\$106.88</b>

**Why the Proposed Rate Adjustment?**

From 1999 until January 2023 of this year, rates at Lakeshore Water Company had been unchanged. Last year, the Utility filed a general rate case that captured the increase in operating costs to the Utility that had occurred over those two decades. That rate case did not account for recent capital costs related to the Utility’s construction of a new water treatment plant and storage tank, to replace the originals that had reached their useful life while improving water quality and service reliability. This capital improvement project involved:

- New 40,000 gallon steel storage tank
- New treatment plant building
- New treatment plant equipment
- New distribution system pumping equipment
- New treatment plant controls
- Treatment plant security improvements including new fencing

Please see the attached before and after photos for further detail.

### **Oregon PUC Rate Case Process & Customer Participation**

Lakeshore Water Company held an Open House in 2022 to discuss the water system, capital investments, operating cost increases, and the need to adjust rates to provide for financial viability of the Utility.

Customers may request to receive notice of the time and place of any hearing on the proposed rate adjustment by contacting the Public Utility Commission of Oregon, Administrative Hearings Division, at 503-378-6678.

Copies of the Utility's application, testimony, and exhibits are available at Lakeshore Water Company's main office. To receive a copy, please write to or email:

Lakeshore Water Company  
PO Box 6620  
Portland, OR 97228  
customerservice@puttman.com

The calculations and statements contained in the Utility's filing and this notice are not binding on the PUC.

Lakeshore Water Company is glad to provide additional information about the rate case process. If you are interested, please contact customer service at 971-703-4242 or email customerservice@puttman.com.

Sincerely,  
**Lakeshore Water Company**

Copies to:

1. PUC Administrative Hearings Division, PO Box 1088, Salem OR 97308
2. City of Veneta, PO Box 458, Veneta OR 97487

**Attachment: Treatment Plant & Tank Replacement Project**

**Before**



**After**

