

Bond Case Briefs

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WATER LAW - OKLAHOMA

Sinor's Long Bay Marina, LLC v. Wagoner County Rural Water Dist. No. 2

Supreme Court of Oklahoma - May 27, 2014 - P.3d - 2014 OK 43

Two customers of county rural water district brought action contesting the rate charged for providing water to their respective recreational vehicle parks, alleging violations of the Oklahoma Antitrust Reform Act. The District Court entered judgment on jury verdict in favor of customers. Both customers and the district appealed.

The Supreme Court of Oklahoma held that:

- Antitrust Reform Act did not apply to rates charged by a rural water district, and
- Customer's relief to challenge rate charged by district was to seek review first by district, then seek judicial review.

Oklahoma Antitrust Reform Act did not apply to rates charged by a rural water district, where the Antitrust Act did not apply to all pricing activity, but only the pricing activity of a party that met the definition of "person" as set forth in the Act, this section expressly excluded "the State of Oklahoma, its departments and its administrative agencies" from the definition of person, and the Rural Water Act expressly stated that water districts were agencies of the State.

Pursuant to the Rural Water Act, a customer's sole relief to challenge a rate charged by a rural water district was to seek review by the water district and appeal to district court from any adverse decision by the district of such grievance. A complaint by a customer that a rate was discriminatory would make review of the rate by the district "necessary, convenient and appropriate" within the authority granted to the district by the Act, and the district's further powers to "regulate" and "adjust" rates evinced legislative intent that the district decide such complaints in the first instance.