DECISION MEMORANDUM

TO:COMMISSIONER HANSEN

COMMISSIONER NELSON

COMMISSIONER SMITH

MYRNA WALTERS

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DON HOWELL

STEPHANIE MILLER

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KATHY STOCKTON

BEVERLY BARKER

JEAN JEWELL

ROSE SCHULTE

DAVID SCOTT

WORKING FILE

FROM:SCOTT WOODBURY

DATE:AUGUST 18, 1998

RE:CASE NO. BRN-W-98-1 (BRIAN WATER CORPORATION)

RATE CASE

On August 3, 1998, Brian Water Corporation (Brian Water; Company) filed an Application with the Idaho Public Utilities Commission (Commission) requesting a 10% increase in tariff rates to build up depleted cash reserves to take care of “future emergency repairs such as water line breaks and replacement of the backup pump and regular maintenance.”

The Company’s water rates were last adjusted by the Commission in Order No. 22880 issued December 12, 1989.  The proposed rate increase, if authorized, would change rates as follows:

|  |  |  |
| --- | --- | --- |
|  | Existing Rates | Proposed Rates |
| 0-4,000 gal/mo (min chg)Each add’l 1,000 gal/mo | $7.91$0.83 | $8.70$0.91 |

The proposed increase would generate approximately a $980 increase in annual revenue.  As reflected in the Company’s filed 1997 annual report, Brian Water provides water service to 47 residential customers and received annual revenue in 1997 of $9,831.07 from annual metered sales of 8,529,000 gallons.  Brian Water is a regulated water utility providing water service under Certificate of Public Convenience and Necessity No. 260 to residential customers in Brian Park Subdivision, a development located a few miles east of Boise, Idaho off of State Highway 21 in Ada County.  The Company is registered with the Idaho Secretary of State as a not-for-profit corporation.

Staff Analysis and Recommendation

Staff has yet to schedule an audit in this matter or perform any investigation or discovery.  No effective date has been requested by the Company.  For the present moment, Staff recommends that the Commission issue a Notice of Application.  When Staff completes its investigation it will file a report with the Commission recommending further procedure.

Commission Decision

Staff recommends that the Commission issue a Notice of Application in Case No. BRN-W-98-1.  Does the Commission agree with Staff’s proposed procedure?  If not, what is the Commission’s preference?

Scott Woodbury

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