
IDAHO PUBLIC UTILITIES COMMISSION
For Immediate Release
Case No. CAP-W-03-1, Order No. 29401
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Contact: Gene Fadness (208) 334-0339
Website: www.puc.state.id.us

Capitol Water customers will pay less

Boise – One of two surcharges assessed the nearly 2,800 customers of Capitol Water goes away next month while a second surcharge increases slightly. The result is a net decrease of \$2.82 per month for flat-rate customers and 27 percent for metered customers. Capitol Water serves about 2,800 customers in southwest Boise.

A \$400,000 loan the company secured in 1997 is being paid off early resulting in the elimination of a \$3.27 per month surcharge assessed flat-rate customers and an additional 25.2 percent increase charged to metered customers. The loan account, scheduled to be retired in August 2004, had accrued surplus funds that will now be used to retire the \$63,000 loan balance.

However, flat-rate customers will notice a reduction of only \$2.82 to their bills because the commission's order authorizing the elimination of the 1997 loan surcharge also approves a 45-cent per month increase in a surcharge added to customer bills in 2002 for a second loan for \$500,000 the company took out to finance system improvements.

The commission said the company was under-collecting the amount needed to pay off the second loan because it had not taken into account yearly changes in the electric rates the company pays to Idaho Power and also did not include income taxes for years 2001 and 2002. "The purpose of including these items in the calculation it to make Capitol Water whole, neither benefiting nor penalizing the company," the commission said. Commission staff expressed concern that potential shortages in the second surcharge account could cause the company to file a general rate case to recover those costs.

Residential flat-rate customers were paying \$3.10 a month on the second loan and metered customers were paying an additional 23.6 percent. That rate now increases to \$3.55 per month for flat-rate customers and 27 percent for metered customers.

The commission's final order and other documents related to this case can be accessed on the commission's Web site at www.puc.state.id.us. Click on "File Room," then on "Water Cases" and scroll down to Case Number to FLS-W-03-1.

Interested parties may petition the commission for reconsideration by no later than Jan. 9, 2004.

END