

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION) CASE NO. CAP-W-06-01
OF CAPITOL WATER CORPORATION FOR)
AUTHORITY TO INCREASE ITS RATES) NOTICE OF
AND CHARGES FOR WATER SERVICE IN) MODIFIED PROCEDURE
THE STATE OF IDAHO)
) NOTICE OF
) PUBLIC WORKSHOP
)
) ORDER NO. 30124

On June 21, 2006, Capitol Water Corporation (“Capitol Water” or “Company”) filed a general rate case application seeking authority to increase its rates approximately 27.8%. If approved the Company’s revenues would increase by \$132,449 annually. Capitol Water provides service to approximately 2,875 customers in Boise, Idaho. The Company’s Application includes proposed tariffs and requests an effective date of August 1, 2006.

On July 7, 2006, the Commission issued Order No. 30098, providing notice of the Application and directing the Commission Staff to conduct an audit of the Company. The Staff performed the audit and submitted its general findings to the Commission.

NOTICE OF MODIFIED PROCEDURE

YOU ARE HEREBY NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter and will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities Commission’s Rules of Procedure, IDAPA 31.01.01.201 through .204. The Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a written comment in support or opposition with the Commission on or before October 12, 2006; the deadline for filing reply comments is October 26, 2006. The comment must contain a statement of reasons supporting the position. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application shall be mailed to the Commission and the Applicant at the addresses reflected below:

NOTICE OF MODIFIED PROCEDURE
NOTICE OF PUBLIC WORKSHOP
ORDER NO. 30124

Commission Secretary
Idaho Public Utilities Commission
PO Box 83720
Boise, ID 83720-0074

Street Address for Express Mail:

472 W. Washington Street
Boise, ID 83702-5983

H. Robert Price
Capitol Water Corp.
2626 Eldorado
Boise, ID 83704
E-Mail: capitolwatercorp@worldnet.att.net

Robert E. Smith
2209 N. Bryson Road
Boise, ID 83713
E-Mail: utilitygroup@yahoo.com

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Comments and Questions" icon, and complete the comment form, using the case number as it appears on the front of this document. These comments must also be sent to the Applicant at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

YOU ARE FURTHER NOTIFIED that persons desiring to intervene in this case for the purpose of presenting evidence or cross-examining witnesses must file a Petition to Intervene with the Commission pursuant to Rule 72 and 73 of the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.* Persons desiring to present their views without parties' rights of participation and cross-examination are not required to intervene and may present their comments without prior notification to the Commission or to other parties.

YOU ARE FURTHER NOTIFIED that the Application and supporting workpapers and exhibits have been filed with the Commission and are available for public inspection during regular working hours at the Commission offices. The Application and supporting documents are also available on the Commission's website at www.puc.idaho.gov under the "File Room" icon and then "Water Cases."

YOU ARE FURTHER NOTIFIED that the Commission has jurisdiction over this matter pursuant to Title 61 of the Idaho Code, and specifically *Idaho Code* §§ 61-502, 61-622 and 61-623.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, 31.01.01.000 et seq.

NOTICE OF PUBLIC WORKSHOP

YOU ARE FURTHER NOTIFIED that the Commission Staff will hold a public workshop for Capitol Water customers regarding the Application. The purpose of the public workshop is to provide customers with an overview of the Company's Application and dispense information. At the workshop, customers will have an opportunity to ask questions of the Staff regarding the Company's rate case. Representatives of Capitol Water may also be available. The Staff will hold its public workshop on **MONDAY, SEPTEMBER 25, 2006 AT 7:00 P.M. IN THE COMMISSION'S HEARING ROOM, 472 W. WASHINGTON STREET, BOISE, IDAHO (208) 334-0300.**

YOU ARE FURTHER NOTIFIED that all hearings and workshops in this matter will be held in facilities meeting the accessibility requirements of the Americans with Disabilities Act (ADA). Persons needing the help of a sign language interpreter or other assistance in order to participate in or to understand testimony and argument at a workshop may ask the Commission to provide a sign language interpreter or other assistance at the hearing. The request for assistance must be received at least five (5) working days before the hearing by contacting the Commission Secretary at:

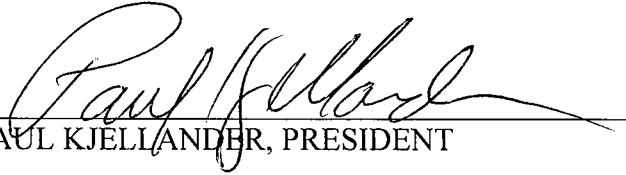
IDAHO PUBLIC UTILITIES COMMISSION
PO BOX 83720
BOISE, IDAHO 83720-0074
(208) 334-0338 (Telephone)
(208) 334-3762 (FAX)
E-Mail: secretary@puc.idaho.gov

ORDER

IT IS HEREBY ORDERED that the Application of Capitol Water be processed by Modified Procedure, IDAPA 31.01.01.201-.204. Persons interested in submitting written comments in this matter must do so no later than October 12, 2006. Reply comments from the Company must be submitted no later than October 26, 2006.

IT IS FURTHER ORDERED that a public workshop shall be held on Monday, September 25, 2006, at 7:00 p.m. in the Commission's Hearing Room.


DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 6th day of September 2006.


PAUL KJELLANDER, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


DENNIS S. HANSEN, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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