

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION**     )  
**OF CAPITOL WATER CORPORATION TO**     ) **CASE NO. CAP-W-08-01**  
**CANCEL THE SURCHARGES CURRENTLY**     )  
**IN EFFECT IN THE STATE OF IDAHO**     ) **ORDER NO. 30690**  
\_\_\_\_\_ )

On November 17, 2008, Capitol Water Corporation (Capitol Water; Company) filed an Application with the Idaho Public Utilities Commission (Commission) requesting authorization to cancel the Commission-approved surcharges that are currently in effect for Schedule 1 non-metered and Schedule 2 metered customers. Capitol Water provides water service to approximately 2,560 residential and 150 commercial customers in the City of Boise’s west bench area.

The Commission in Case No. CAP-W-02-1, Order No. 29035, authorized Capitol Water to incur \$507,000 indebtedness to make certain capital improvements and repairs to the Company’s system and authorized a surcharge to pay the carrying cost of the debt (\$3.10 residential flat-rate surcharge and a metered commercial surcharge of 23.60%). By Order No. 29401 in Case No. CAP-W-03-1 the Commission increased the level of the surcharge upward by \$.45/month for flat rate customers and by 3.5 percentage points for metered customers.

The Company believes that it has now collected enough through the surcharges to retire the underlying debt. The Company requests Commission approval to cease billing the surcharges to customers effective with the December 2008 billings. The Company proposes to submit a final reconciliation of the surcharge collections and disbursements when all final costs are known.

***Commission Findings***

The Commission has reviewed the filings of record in Case No. CAP-W-08-01 and the above-referenced Orders approving surcharges for Capitol Water. The Company requests authority to terminate the Schedule 1 and Schedule 2 surcharges for an effective date of December 1, 2008. The Company contends that it has collected enough through the surcharge to satisfy the loans and retire the debt. The Commission is informed that Staff has reviewed the Company’s books and recommends that the Company’s Application be approved. The

Commission finds it reasonable to approve the Company's Application without further notice or procedure.

### **CONCLUSIONS OF LAW**

The Idaho Public Utilities Commission has jurisdiction over Capitol Water Corporation, a water utility, and its Application in this case pursuant to the jurisdiction granted under Title 61 of the Idaho Code and the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

### **ORDER**

In consideration of the foregoing and as more particularly described above, IT IS HEREBY ORDERED and the Commission does hereby cancel the Capitol Water tariff Schedule 1 and Schedule 2 surcharges that are currently in effect for an effective date of December 1, 2008. For purpose of clarification, the Commission expects that the surcharge will have been applied to the November usage of all Capitol Water's metered and unmetered customers.

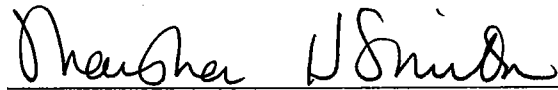
IT IS FURTHER ORDERED and Capitol Water Corporation is directed to submit a final reconciliation of the surcharge collections and disbursements when all final costs are known.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

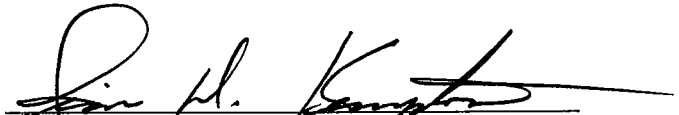
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 26<sup>th</sup>  
day of November 2008.



MACK A. REDFORD, PRESIDENT

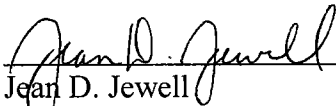


MARSHA H. SMITH, COMMISSIONER



JIM D. KEMPTON, COMMISSIONER

ATTEST:



Jean D. Jewell  
Commission Secretary

bis/O:CAP-W-08-01\_sw