

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION )  
OF CAPITOL WATER CORPORATION FOR ) CASE NO. CAP-W-15-01  
AUTHORITY TO DECREASE ITS )  
SCHEDULE NO. 3 PURCHASE POWER ) NOTICE OF APPLICATION  
ADJUSTMENT RATE )  
)  
) NOTICE OF  
) MODIFIED PROCEDURE  
)  
)  
) ORDER NO. 33347**

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On June 22, 2015, Capitol Water Corporation (“Capitol Water” or “Company”) filed an Application seeking Commission authority to decrease its Schedule No. 3 Purchased Power Adjustment Rate to recover the Company’s cost of electricity related to Idaho Power Company’s (“Idaho Power”) electric rate schedules that have been approved by the Commission.

**NOTICE OF APPLICATION**

YOU ARE HEREBY NOTIFIED that Capitol Water proposes an effective date of September 1, 2015, for the proposed change to its Schedule No. 3 Purchased Power Adjustment Rate.

YOU ARE FURTHER NOTIFIED that Capitol Water claims that the proposed rate change is necessitated by changes to Idaho Power’s rates and charges that have a corresponding effect on the Company’s costs for electric power. The Company requests that the Commission take official notice of Idaho Power’s rates and charges currently in effect and on file with the Commission.

YOU ARE FURTHER NOTIFIED that Capitol Water states that its current base rates were established by the Commission in Order No. 30762 (Case No. CAP-W-08-02). Capitol Water added that in that case the Commission approved a three-year average of 1,454,401 kWh of electricity consumption at an average cost of 5.19¢ to establish rates for the Company. Accordingly, Capitol Water estimates that its total cost for electric power is \$75,483.41.

YOU ARE FURTHER NOTIFIED that Capitol Water claims that its average cost per kWh at Idaho Power’s current rates is 7.02¢ per kWh, resulting in a current annual cost for electric power of \$102,108 (1,454,401 x 7.02). Capitol Water states that this new amount

constitutes a net increase in its annual electric power cost of \$26,625, or 35.3%, above the base \$75,483.41 amount approved by the Commission in Order No. 30762.

YOU ARE FURTHER NOTIFIED that Capitol Water estimates its costs associated with the preparation and filing of this Application to be \$1,100. Capitol Water is seeking the Commission's authorization to recover the preparation and filing costs, along with the electric power costs described above, by decreasing its current Schedule No. 3 Purchased Power Cost Adjustment Rate from 4.46% to a revised rate of 4.25%.

YOU ARE FURTHER NOTIFIED that Capitol Water attached Exhibit No. 1 – the Company's calculations at Idaho Power's currently approved electric rates – to its Application. Also attached to the Application is Exhibit No. 2, a copy of the Company's current approved Schedule No. 3 in legislative format that shows the proposed change to the Purchased Power Cost Adjustment.

YOU ARE FURTHER NOTIFIED that Capitol Water included a revised Schedule No. 3, the proposed power cost adjustment rate, with an effective date of September 1, 2015.

YOU ARE FURTHER NOTIFIED that Capitol Water provided workpapers to Commission Staff demonstrating its calculations.

YOU ARE FURTHER NOTIFIED that Capitol Water states that it notified its customers of its Application through a customer notice included in customer bills mailed on July 1, 2015, and via a news release to the Idaho Statesman and the Idaho Business Review newspapers contemporaneous with this filing, attached as Exhibit Nos. 3 and 4.

YOU ARE FURTHER NOTIFIED that Capitol Water requests that the Commission process its Application pursuant to Modified Procedure.

#### **NOTICE OF MODIFIED PROCEDURE**

YOU ARE FURTHER NOTIFIED that the Commission has reviewed the Company's filing in Case No. CAP-W-15-01, and finds 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 concerning Capitol Water's Application in Case No. CAP-W-15-01 may file a written comment

in support or opposition with the Commission within **21 days from the date of this Notice**. The comment must contain a statement of reasons supporting the comment. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this filing should be mailed to the Commission and Capitol Water at the addresses reflected below:

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

Street Address for Express Mail:

472 W. Washington Street  
Boise, ID 83702-5918

Robert Price, President  
Capitol Water Corp.  
2626 Eldorado  
Boise, ID 83704  
E-mail: [capitolwatercorp@yahoo.com](mailto:capitolwatercorp@yahoo.com)

Robert E. Smith  
2209 N. Bryson Rd.  
Boise, ID 83713  
E-mail: [utilitygroup@yahoo.com](mailto: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](http://www.puc.idaho.gov). Click the "Case Comment or Question Form" under the "Consumers" tab, and complete the form using the case number as it appears on the front of this document. These comments must also be sent to the Company at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that the Application and supporting documents have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application is also available on the Commission's web site at [www.puc.idaho.gov](http://www.puc.idaho.gov). Click on the "File Room" tab at the top of the page, scroll down to "Open Water Cases," and then click on the case number as shown on the front of this document.

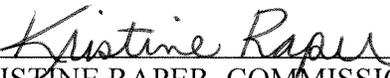
YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and,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

**ORDER**

IT IS HEREBY ORDERED that the Application of Capitol Water Corporation shall 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 21 days from the service date of this Order.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 24<sup>th</sup> day of July 2015.

  
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PAUL KJELLANDER, PRESIDENT

  
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KRISTINE RAPER, COMMISSIONER

ATTEST:

  
\_\_\_\_\_  
Jean D. Jewell  
Commission Secretary

O:CAP-W-15-01\_np