

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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| CAPITOL WATER CORPORATION'S |) | CASE NO. CAP-W-18-01 |
| APPLICATION TO INCREASE ITS |) | |
| SCHEDULE NO. 3 PURCHASE POWER |) | NOTICE OF APPLICATION |
| ADJUSTMENT RATE |) | |
| |) | NOTICE OF |
| |) | MODIFIED PROCEDURE |
| |) | |
| |) | NOTICE OF COMMENT |
| |) | DEADLINE |
| |) | |
| |) | ORDER NO. 34088 |

On May 30, 2018, Capitol Water Corporation filed an Application to adjust its Schedule No. 3 Purchased Power Adjustment Rate to “recover the Company’s cost of electricity related to Idaho Power Company’s electric rate schedules that have been approved by the Idaho Public Utilities Commission.” Application at 1. Capitol Water proposes an effective date of July 15, 2018.¹

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED Capitol Water requests a decrease in its Schedule 3 rates. It states that the proposed decrease is driven by a drop in electric power expenses. *Id.* The Company claims that its current 3.1% PPCA rate is too high when factoring in the lower power rates. *Id.* The Company requests a new PPCA rate of 2.61%. *Id.*

YOU ARE FURTHER NOTIFIED that Capitol Water states that its “current base rates were established by Order No. 30762 in Case No. CAP-W-08-02.” *Id.* Capitol Water summarizes the order: “the Commission adopted a three (3) year average of 1,454,401KWh of electricity consumption at an average cost of 5.19¢, to establish rates for Applicant.” *Id.* This results in a total electric power cost rate of \$75,483.41. *Id.*

YOU ARE FURTHER NOTIFIED the Company claims that its actual cost in 2017 was \$17,034 more than what is embedded in base rates, but \$3,170 lower than what is currently

¹ The Company’s Application contains two different requested effective dates: July 15, 2018, and August 1, 2018. Because the submitted tariffs are dated July 15, 2018, we are proceeding under the assumption that the reference to August 1, 2018, was an unintentional error.

being charged after factoring in the current PPCA mechanism. *Id.* at 2-4. In sum, Capitol Water is seeking the Commission's authorization to decrease its current Schedule No. 3 Purchased Power Cost Adjustment Rate from 3.1% to a revised rate of 2.61%.

YOU ARE FURTHER NOTIFIED that Capitol Water included a worksheet with the Application detailing its calculations (Exhibit No. 1), a copy of the proposed Schedule No. 3 in legislative format (Exhibit No. 2), a copy of a direct customer notice and a news release that will be printed in the Idaho Statesman and Idaho Business Review. *Id.* (Exhibit Nos. 3-4).

YOU ARE FURTHER NOTIFIED that the Commission finds it appropriate to suspend the Company's proposed effective date of July 15, 2018, for a period of thirty days, until August 15, 2018, unless the Commission issues an earlier Order accepting, rejecting, or modifying the Company's Application. *See Idaho Code* §§ 61-622(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-18-01, 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-18-01 may file a written comment in support or opposition with the Commission **by no later than July 12, 2018**. 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

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

Street Address for Express Mail:

472 W. Washington Street
Boise, ID 83702-5918

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 "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 Capital Water may file reply comments, if necessary, **no later than July 19, 2018**.

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. 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 July 15, 2018, effective date that the Company proposed for its rate increase is suspended for a period of thirty days, until July 15, 2018, unless the Commission issues an earlier Order accepting, rejecting, or modifying the Application.

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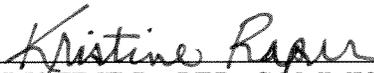
IT IS FURTHER ORDERED that the Application of Capitol Water Corporation shall be processed by Modified Procedure, IDAPA 31.01.01.201-204. Persons interested in submitting written comments in this matter must do so by no later than July 12, 2018.

IT IS FURTHER ORDERED that Capital Water may file reply comments, if necessary, by no later than July 19, 2018.

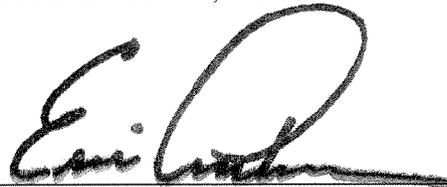
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this ^{19th} day of June 2018.



PAUL KJELLANDER, PRESIDENT



KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Diane M. Hanian
Commission Secretary

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