



IDAHO PUBLIC UTILITIES COMMISSION
For Immediate Release / August 12, 2003
Case No. FLS-W-03-1
Contact: Gene Fadness (208) 334-0339

Idaho Falls area water increase delayed pending audit

BOISE – The effective date of a proposed 46 percent increase for residential customers of an Idaho Falls area water company has been suspended to allow time for staff from the Idaho Public Utilities Commission to audit the company.

Falls Water Company, which serves about 2,000 business and residential customers east of Idaho Falls and north of Ammon, asked the commission to approve the increase to be effective Oct. 15. Commissioners voted this week to approve a staff recommendation to suspend the effective date so that staff can inspect the company's physical plant and audit its books in early September and come back before the commission by mid-September with a recommendation of further procedure.

The commission will not make a decision before giving customers an opportunity to comment through a formal comment period to be announced after the audit. The commission may also schedule a public workshop or hearing depending on what recommendations are made following the audit.

An application submitted by Kelly Howell, Falls Water president, says the company is operating at a loss. Nine hundred of 1500 meters are in need of replacement over the next 10 years and maintenance on fire hydrants is not being completed due to lack of funds and manpower, the company states. Also, about 50 street valves are in disrepair with an additional 25 that need installing.

If the increase is approved, metered residential customers would experience an average monthly increase of \$6.39, or 46 percent, and metered commercial customers an increase of \$15.96, or 79 percent. Non-metered (flat rate) residential customers would have their bills increased by \$4.27, or 31 percent.

A copy of the company's application is available on the commission's Web site at www.puc.state.id.us. Click on "File Room," and then on "Water Cases," and scroll down to FLS-W-03-1. Copies are also available at commission offices, 472 W. Washington St., Boise.