

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	CASE NO. FLS-W-09-01
OF FALLS WATER COMPANY FOR)	
AUTHORITY TO INCREASE ITS RATES)	NOTICE OF
AND CHARGES.)	PUBLIC WORKSHOP
)	
)	NOTICE OF
)	MODIFIED PROCEDURE
)	
)	ORDER NO. 30899

On August 4, 2009, Falls Water Company filed an Application for authority to increase its total revenue requirement by \$143,496.81, or 14.39%. The Company requests that the Application be processed by Modified Procedure and that the tariff changes become effective September 10, 2009.

On September 2, 2009, the Commission issued a Notice of Application, set a deadline for intervention, and suspended the Company’s proposed September 10, 2009, effective date. Order No. 30893. No persons petitioned to intervene. The parties recommend that the case be processed under Modified Procedure with the Commission Staff holding a public workshop in Idaho Falls.

THE APPLICATION

Falls Water provides water service to more than 3,600 residential and commercial customers in an area generally north of the City of Ammon and northeast of the City of Idaho Falls in Bonneville County. Application at 2. The Company last increased its basic rates and charges in January 2008. Order No. 30484. Since that time, the Company has put a new well into service (Well #9), began installing meters and MXU transmitters in an effort to upgrade its system, moved offices and acquired new office furniture, and replaced a hydrant on the water system. *Id.* at 2. As a result, the Company requests an increase in its total revenue requirement of \$143,496.81.

Falls Water proposes to increase the base rate for all metered schedules from \$14.00 to \$18.00, an increase of 29%. However, the Company proposes to decrease the commodity rate from \$0.667 per 1,000 gallons to \$0.601 per 1,000 gallons, a decrease of 10%. The Company maintains that these changes will cause the average residential metered customer to experience

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an increase of approximately 14.88%; the average multi-family residential customer to experience an increase of 8.51%; and the average commercial customer to experience an increase of 4.22%. The Company has placed more emphasis on the basic charge to alleviate winter cash flow issues. *Id.* at 5. Furthermore, because all of its customers are metered, the Company proposes to cancel the Residential Flat Rate Schedule 2. *Id.* The Company requests a return on its common equity of 12%. *Id.* at 4. The Company further proposes use of a 2008 test year.

The Company proposes a new non-recurring charge of \$10.00 for testing meters. The Company explains that many customers question their bills at the beginning of the summer irrigation period, but their meters rarely test inaccurately. A charge for testing meters would place the burden on the customers responsible for causing the cost to be incurred and remove it from the general body of ratepayers.¹ The Company also requests a new charge of \$20.00 for returned checks and a late payment charge of 1% per month.

NOTICE OF PUBLIC WORKSHOP

YOU ARE HEREBY NOTIFIED that the Commission Staff will hold a public workshop for customers of Falls Water. 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 the Staff questions about the Company's Application and learn how they can further participate in the proceedings. Representatives of the Company may also be available. The Staff will hold its public workshop on **THURSDAY, OCTOBER 8, 2009, AT 7:00 P.M. IN THE HARTWELL ROOM OF THE COLONIAL ARTS THEATER, LOCATED AT 490 A STREET, IDAHO FALLS, IDAHO.**

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

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter and will proceed under Modified

¹ If the customer's meters tested outside the manufacturer's specification of plus or minus 1.5% of the factory calibrated test meter the Company would replace the meter and waive the \$10.00 fee.

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 within twenty-one (21) days from the service date of this Order. 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 Application shall be mailed to the Commission and the Applicant at the addresses reflected below:

Commission Secretary	Robert E. Smith
Idaho Public Utilities Commission	2209 N. Bryson Road
PO Box 83720	Boise, ID 83713
Boise, ID 83720-0074	E-Mail: utilitygroup@yahoo.com

Street Address for Express Mail:	K. Scott Bruce, General Manager
472 W. Washington Street	Falls Water Company
Boise, ID 83702-5918	2180 N. Deborah Drive
	Idaho Falls, ID 83401
	E-Mail: scott1@fallswater.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 the Commission has jurisdiction over this matter pursuant to Title 61 of the Idaho Code and specifically *Idaho Code* §§ 61-124, 61-125,

61-129, 61-622, and 61-623. The Commission may enter any final Order consistent with its authority under Title 61.

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

ORDER

IT IS HEREBY ORDERED that this case be processed under Modified Procedure. Interested persons and the parties may file written comments no later than twenty-one (21) days from the service date of this Order.

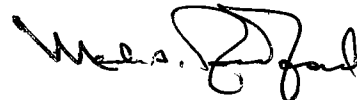
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 16th day of September 2009.



JIM D. KEMPTON, PRESIDENT

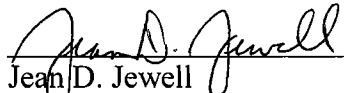


MARSHA H. SMITH, COMMISSIONER



MACK A. REDFORD, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

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