

## DECISION MEMORANDUM

**TO:** COMMISSIONER KJELLANDER  
COMMISSIONER SMITH  
COMMISSIONER REDFORD  
COMMISSION SECRETARY  
COMMISSION STAFF  
LEGAL

**FROM:** CECELIA A. GASSNER

**DATE:** MARCH 7, 2007

**SUBJECT:** MORNING VIEW WATER COMPANY, INC.'S GENERAL RATE CASE APPLICATION, CASE NO. MNV-W-06-1

On December 8, 2006, Morning View Water Company, Inc. filed a general rate case Application seeking authority to increase its rates approximately 40%. The Company issued a notice to its customers with the latest billings notifying them that it is seeking a 35% increase. If approved, a 35% increase would result in an increase in the monthly bills of customers with ¼ acre of \$7.70, customers with ½ acre of \$10.10, and customers of 1 acre of \$12.50. Two customers have filed comments.

### THE APPLICATION

The Company states that a rate increase is necessary to pay for increased power costs, taxes, salaries, repairs, maintenance and general operations costs. The Commission approved a rate increase for the Company in 2002, and implemented a surcharge of \$5.00 per month to fund a contingency reserve account. Order No. 29104.

### STAFF RECOMMENDATION

Staff will need to work with the Company to perform an audit and inspection. Staff recommends the Commission suspend the implementation of the proposed increase. *Idaho Code* §§ 61-622 and 61-623. Staff also recommends that a notice of the Company's Application be issued and that the matter be processed by Modified Procedure with a comment period of ninety (90) days. Staff further recommends scheduling a date for a public workshop in early April, but not scheduling a public hearing at this time.

## COMMISSION DECISION

Does the Commission wish to issue a notice of the Company's Application?

Does the Commission wish to suspend the implementation of the proposed rate increase pursuant to *Idaho Code* §§ 61-622 and 61-623?

How does the Commission wish to proceed with this matter?

  
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CECELIA A. GASSNER

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