

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION OF )**  
**MURRAY WATER WORKS TO INCREASE ITS )** **CASE NO. MUR-W-03-1**  
**CONNECTION FEE. )**  
**\_\_\_\_\_ )** **ORDER NO. 29294**

On April 28, 2003, the Commission received a request from Murray Water Works to increase its hookup fee from \$125 to \$800. The Murray Water Works system serves the original town site of Murray located on National Forest Highway No. 9 in Shoshone County, Idaho. Murray is situated on Pritchard Creek approximately 16 miles northeast of the City of Wallace near the Montana Border. The public system predates the Commission and serves approximately 30 residential customers. The Commission issued a Notice of Application, Modified Procedure and Comment Deadline on May 30, 2003. Order No. 29250. Commission Staff was the only party to file comments. After reviewing the comments and record in this case, the Commission approves the Application as set out in greater detail below.

**THE APPLICATION**

Following a change in system ownership, the Commission issued Mr. and Mrs. Arlen Lish Certificate No. 404 on September 25, 2002. Order No. 29119. The new owners accepted the tariffs that were in place at the time of the transfer of ownership. The Company has since reviewed the tariffs relative to the operation of the system, more specifically the cost to install a new service connection. The current connection fee is \$125 for materials, and either the customer can install their own service or pay the Company \$25 per hour for the installation.

Even though the Company does not anticipate any new connections in the near future, it requests a revision to its connection fee tariff for two reasons. First, the Company wishes to eliminate the customer's ability to install their own service connection. The Company owns and is responsible for the maintenance of the utility mains and services to the customers' property lines. Consequently, the Company wants to retain control of the method of installation for mains and services. Second, the Company reports that the cost to install new service is greater than the connection fee presently recovers. Accordingly, the Company requests the one-time connection fee

be increased from \$125 and \$25 per hour for installation to a flat fee of \$800 for both materials and installation.

### **STAFF COMMENTS**

Staff's comments indicated that it is fairly common for regulated water companies to request that only its representatives be allowed to perform maintenance or install new services on its mains. Staff believes that the level of effort and material costs as described by the Company's cost estimate to install new service connections are reasonable. Although the Company estimated the total cost at \$945.26, it is asking for only an \$800 hookup fee. According to Staff, an \$800 hookup fee is within the normal range of hookup fees of other regulated water companies. In addition to filing this tariff, the Company worked with the Consumer Assistance Staff to bring its billing statements, disconnection notices and rules summary into compliance with Utility Customer Relations Rules, IDAPA 31.21.01.000 and Utility Customer Information Rules, IDAPA 31.21.02.000.

Staff recommended approval of the Company's Application and stated that it stands ready to assist the Company in updating the associated tariff pages as necessary to properly show the appropriate one-time hookup fee.

### **COMMISSION FINDINGS**

The Commission has reviewed and considered Murray's Application in Case No. MUR-W-03-1. The Commission has also considered Staff's analysis and recommendation in this matter. The Commission continues to find that the issues presented are suitable for processing under Modified Procedure, i.e., by written submission rather than by hearing. IDAPA 31.01.01.204.

In considering the filings of record, the Commission finds Murray's Application and the proposed changes to its hookup fee to be reasonable. Based upon the evidence in the record, the Commission finds that the proposed hookup fee increase is cost-based and will recover the Company's reasonable expenses to extend service to new customers. Given that other water utilities charge comparable hookup fees, the Commission further finds the Company's proposed increase to be fair, just and equitable. We also note that the Commission did not receive any comments objecting to the Company's proposed fee increase. For the reasons described above, we find it appropriate to approve Murray Water Works' Application.

**CONCLUSION OF LAW**

The Idaho Public Utilities Commission has jurisdiction over this matter and Murray Water Works, a water utility, pursuant to the authority and power granted under Title 61 of the Idaho Code and the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*


**ORDER**

IT IS HEREBY ORDERED that Murray Water Works' Application requesting to increase its hookup fee from \$125 to \$800 be approved.

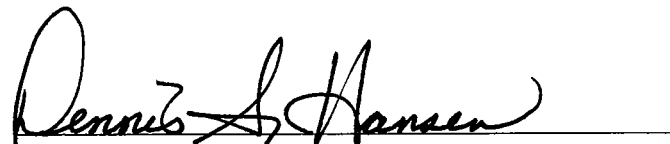
IT IS FURTHER ORDERED that Murray Water Works submit tariff sheets consistent with this Order to the Commission.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho, this 15<sup>th</sup> day of July 2003.

  
PAUL KJELLANDER, PRESIDENT

  
MARSHA H. SMITH, COMMISSIONER

  
DENNIS S. HANSEN, COMMISSIONER

ATTEST:

  
Jean D. Jewell  
Commission Secretary

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