

DECISION MEMORANDUM

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

FROM: LISA NORDSTROM

DATE: MAY 19, 2003

**RE: IN THE MATTER OF THE APPLICATION OF MURRAY WATER WORKS TO
 INCREASE ITS CONNECTION FEE. CASE NO. MUR-W-03-1.**

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 system recently changed ownership and 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.

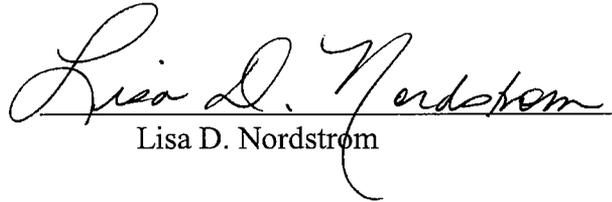
Even though the Company does not anticipate any new connections in the near future, it requests a revision to its connection fee tariff for two reasons. First, the Company wishes to eliminate the customer's ability to install their own service connection. The Company owns and is responsible for the maintenance of the utility mains and services to the property lines. The Company wants to retain control of the method of installation for mains and services. Second, the Company reports that the cost to install a new service is greater than the connection fee presently recovers. Consequently, the Company requests the connection fee be increased from \$125 and \$25 per hour for the installation to a flat fee of \$800.

STAFF RECOMMENDATION

Staff recommends the Commission process this case by Modified Procedure and establish a 21-day comment period.

COMMISSION DECISION

Does the Commission wish to process Murray Water Work's request to increase its connection fee by Modified Procedure?


Lisa D. Nordstrom

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