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Attorney for the Commission Staff

**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. )  
 )  
 ) COMMENTS OF THE  
 ) COMMISSION STAFF**

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**COMES NOW** the Staff of the Idaho Public Utilities Commission, by and through its attorney of record, Lisa Nordstrom, Deputy Attorney General, and submits the following comments in response to the Notice of Application, Modified Procedure and Comment/Protest Deadline issued in Order No. 29250 on May 30, 2003.

**APPLICATION**

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.

Last year the system 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, and more specifically, the cost to

install a new service connection. The current connection fee is \$125 for materials, which customers can either install themselves or pay the Company \$25 per hour for installation.

Even though the Company does not anticipate any new customer connections in the near future, it requests a revision to its one-time 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. The Company also wishes 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 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.

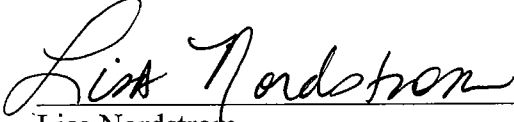
#### **STAFF COMMENTS**

Staff has reviewed the Company's Application and supporting documentation. 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. The requested \$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 IPUC Utility Customer Relations Rules, IDAPA 31.21.01000 and Utility Customer Information Rules, IDAPA 3121.02000.

#### **STAFF RECOMMENDATION**

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

Respectfully submitted this 26<sup>th</sup> day of June 2003.

  
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Lisa Nordstrom  
Deputy Attorney General


Technical Staff: Michael Fuss  
Bob Smith

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## CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 26TH DAY OF JUNE 2003,  
SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN  
CASE NO. MUR-W-03-01, BY MAILING A COPY THEREOF, POSTAGE PREPAID,  
TO THE FOLLOWING:

ARLEN LISH  
MURRAY WATER WORKS  
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SECRETARY