

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION )  
OF MURRAY WATER WORKS SYSTEMS ) CASE NO. MUR-W-10-01  
FOR AUTHORITY TO INCREASE ITS )  
RATES AND CHARGES FOR WATER ) NOTICE OF APPLICATION  
SERVICE )  
)  
) NOTICE OF  
) MODIFIED PROCEDURE  
)  
)  
) ORDER NO. 31013**

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**NOTICE OF APPLICATION**

YOU ARE HEREBY NOTIFIED that on January 13, 2010, Murray Water Works Systems ("Murray" or "Company") filed an Application requesting authority from the Commission to increase its rates and charges for water service. The Application included, as attachments, a copy of the Company's 2008 Annual Report and copies of water bills from other water companies operating in the nearby area, including the East Shoshone Water District. The Application did not include an effective date for the proposed increase in rates and charges.

YOU ARE FURTHER NOTIFIED that the Company's Application states that certain capital improvements (e.g., new water meters) are needed in order to isolate water leakage and control summer water usage. The Company claims that a general increase in rates and charges is needed in order to invest in machinery and maintain the system.

YOU ARE FURTHER NOTIFIED that Murray estimates that it has invested \$15,000 and 360 hours of labor installing a new water main through the town of Murray, Idaho (located approximately 72 miles east of Coeur d'Alene, Idaho).

YOU ARE FURTHER NOTIFIED that the Applicant made the following requests regarding rate design and structure:

1. Schedule 1 and Schedule 3 – Rates for residential water use to be increased from \$26 per month to \$40 per month. Rates for commercial customers to be increased from \$24 per month for all commercial customers to \$60 per month for a 1" service line and to \$75 per month for a 2" service line. The Company is also asking for an increase in hookup fees from \$800 to \$2,000 plus parts and labor; and a new charge of \$5.00 monthly charge for inactive customers.

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2. Schedule 2 – An increase in the turn on/turn off fee for March 1 to October 1 from \$25 to \$50, and an increase in the turn on/turn off fee for October 1 to March 1 from \$50 to \$75.

YOU ARE FURTHER NOTIFIED that the proposed rates represent an increase of 54% for residential customers and an increase of 131% for commercial customers with a 1" service line and 188% for commercial customers with a 2" service line effective January 10, 2010.

YOU ARE FURTHER NOTIFIED that Murray has not been granted a rate increase since July 15, 2003.

YOU ARE FURTHER NOTIFIED that Murray's revenue requirement, and every component of it, both rate base and expense, are at issue. The Commission may grant, deny, or modify the revenue requirement requested and may find a revenue requirement different from that proposed by any party is just, fair and reasonable. IDAPA 31.01.01.124.01.

YOU ARE FURTHER NOTIFIED that the rates and charges of all Idaho retail customers, both recurring and non-recurring, including those of any special contract customers, are at issue, and every component of every existing and proposed rate and charge is at issue. The Commission may approve, reject or modify the rates and charges proposed and may find that rates and charges different from those proposed by any party are just, fair and reasonable. IDAPA 31.01.01.124.02.

YOU ARE FURTHER NOTIFIED that the Commission may approve, reject or modify existing or proposed relationships between and among rates and charges within, between or among customer classes or rate groupings and may approve, reject or modify existing or proposed relationships among and between customer classes or rate groupings. IDAPA 31.01.01.124.02.

YOU ARE FURTHER NOTIFIED that the Commission may abolish, reduce or create rate blocks or categories of rates and charges, abolish, create or reduce components of rates and charges, abolish, reduce or create customer classes or rate groupings, and abolish reduce or create absolute or relative differences among and between existing classes or rate groupings of customers. IDAPA 31.01.01.124.02.

YOU ARE FURTHER NOTIFIED that the tariffs, practices, rules and regulations, service, instrumentalities, equipment, facilities, classifications, and customer relations of the utility are at issue and the Commission may address any of them in its order. IDAPA 31.01.01.124.02.

YOU ARE FURTHER NOTIFIED that the Commission Staff shall conduct an audit of the Company's Application, work papers and all documents and files relevant to this matter. Following such audit, the Staff shall present to the Commission its findings and recommendations. After reviewing the Staff's audit and recommendations, the Commission will issue an Order regarding the further processing of this rate case.

YOU ARE FURTHER NOTIFIED that the Idaho Public Utilities Commission has jurisdiction over Murray, its filing and the issues pertaining to this case pursuant to Title 61 of the Idaho Code and specifically *Idaho Code* §§ 61-502, 61-622 and 61-623.

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.*

#### **NOTICE OF MODIFIED PROCEDURE**

YOU ARE FURTHER NOTIFIED that the Commission has reviewed the Company's filing in Case No. MUR-W-10-01 and finds that the public interest may not require a formal hearing in this matter and will proceed under Modified 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 concerning Murray's request to increase its rates and charges may file a written comment in support or opposition with the Commission within **sixty (60) days** from the 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 should be mailed to the Commission and Murray at the addresses reflected below:

Commission Secretary  
Idaho Public Utilities Commission  
PO Box 83720  
Boise, ID 83720-0074

Arlen Lish, Owner  
Murray Water Works  
PO Box 117  
Kingston, ID 83839

Street Address for Express Mail:

472 W. Washington Street  
Boise, ID 83702-5918

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](http://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.

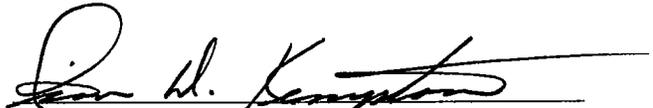
YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

YOU ARE FURTHER NOTIFIED that Murray's filing can be viewed at [www.puc.idaho.gov](http://www.puc.idaho.gov) by clicking on "File Room" and then "Water Cases," or it can be viewed during regular business hours at the Idaho Public Utilities Commission, 472 West Washington Street, Boise, Idaho.

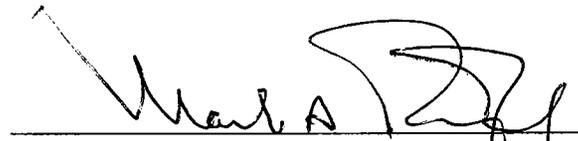
#### **ORDER**

IT IS HEREBY ORDERED that the Application of Murray Water Works Systems for authority to increase its rates and charges for water service be processed by Modified Procedure, IDAPA 31.01.01.201-204. Interested persons may file written comments no later than sixty (60) days from the service date of this Order.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 25<sup>th</sup>  
day of February 2010.

  
JIM D. KEMPTON, PRESIDENT

  
MARSHA H. SMITH, COMMISSIONER

  
MACK A. REDFORD, COMMISSIONER

ATTEST:

  
Jean D. Jewell  
Commission Secretary

O:MUR-W-10-01\_np

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