

Jean Jewell

From: Anga Velasquez
Sent: Monday, April 22, 2013 6:34 AM
To: Jean Jewell
Subject: FW: water rate increase case spl w 13-01

From: Lee Partyka [<mailto:partyka32@gmail.com>]
Sent: Saturday, April 20, 2013 11:38 AM
To: Anga Velasquez
Subject: water rate increase case spl w 13-01

To whom it may concern:

I am a resident of spirit lake east and have been so since the last water co was in place. Yes , the water system has been reliable and I am grateful of that, but the asking of 106% increase is absurd. I believe that the rates already have been increased by the way they calculate the rate after the first base gal usage fee. I think at this time a increase of this magnitude is unjustified and when does anybody's salary incur a jump of this sort. I operate on a very tight budget and I can see a small increase of 3% as reasonable but I urge you not to approve the large request as asked for in this case,

Thank You

Lee partyka
34754 n st joe dr
spirit lake , id 83869
208 699 3033

Jean Jewell

From: lawsoncl@gmail.com
Sent: Saturday, April 20, 2013 9:04 AM
To: Jean Jewell; Beverly Barker; Gene Fadness
Subject: PUC Comment Form

A Comment from Chris Lawson follows:

Case Number: SPL-W-13-01
Name: Chris Lawson
Address: 31647 N Priest River Drive
City: Spirit Lake
State: ID
Zip: 83869
Daytime Telephone:
Contact E-Mail: lawsoncl@gmail.com
Name of Utility Company: Spirit Lake East Water Company
Acknowledge: acknowledge

Please describe your comment briefly:

Since their change in ownership, the Spirit Lake East Water Company has a history of requesting exorbitant rate increases every few years. Thankfully most of the time, the PUC has been diligent enough to review those requests and only approve reasonable and justifiable increases.

In 2004, the SLE Water Company filed a PUC request to nearly quadruple increase its hookup from \$650 to \$2500. It should also be noted that they had already started billing customers the higher fee without waiting for a PUC decision.

In April 2006, the SLE Water Company requested doubling the rate from \$12 to \$24 per month. A PUC review at that time found this request to be unjustifiable given their current income and expenses. The company did have significant one-time expenses to bring the system up to code and repair several maintenance issues. A reasonable increase from \$12 to \$12.50 was granted to allow amortization of the repair costs.

In 2009, SLE again requested and was approved to raise their non-recurring costs. This included raising the hookup fee to \$2500 despite the previous PUC decision that this cost was excessive. A review of the PUC decision shows the request was approved with very little review, unlike the 2004 decision which properly determined a \$2500 hookup fee was unsubstantiated and would be one of the highest in the state.

The notification letter sent out to the customers bears little resemblance to the reasons cited in the actual request to the PUC. It makes several unsubstantiated claims for why such a large rate increase is necessary. It cites repair work done prior to 2007 such as repairing the mainline leaks, fixing the reservoir, and a backup power generator. These costs were supposed to be paid by the cost adjustment approved in 2007. No major work has actually been done to the system since then, or any evidence provided to support a need to double their revenue.

The actual request filed with the PUC only specifies a desire to upgrade to monthly billing as the reason for the rate increase. This was requested under the notion that it will spot problems and leakage issues sooner. This makes no sense as they are only reading the meters a few times a year and using estimated billing the rest of the year. It's impossible to read the meters on a monthly basis as the meters are under snow for half of the year.

The PUC request letter includes attached budget data from 2010 and 2011 that is not broken down to show the actual recurring versus non-recurring costs. The request should be based on recurring costs and forecasted non-recurring costs - not vague, non-specific plant cost numbers from 3 years ago. The only thing that can be gleaned from the numbers provided is that this company is poorly run and doesn't not performed adequate accounting of their costs.

I am respectfully requesting that the PUC audit the finances of the Spirit Lake Water Company to determine if they actually need to increase revenue and if a rate increase is supported then approve an appropriate increase. Having the SLE Water Company blindly request to double their rates every few years is inexcusable. Doubling the base water rate will make SLE Water Company one of the most expensive water utilities in the county.

The form submitted on <http://www.puc.idaho.gov/forms/ipuc1/ipuc.html>
IP address is 50.37.157.196
