

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF THE APPLICATION</b>	)	
<b>OF TETON SPRINGS WATER AND SEWER</b>	)	<b>CASE NO. TTS-W-08-01</b>
<b>COMPANY, LLC FOR THE ISSUANCE OF A</b>	)	
<b>CERTIFICATE OF CONVENIENCE AND</b>	)	
<b>NECESSITY, FOR APPROVAL OF RATES</b>	)	
<b>AND CHARGES FOR WATER SERVICE,</b>	)	
<b>AND FOR APPROVAL OF RULES AND</b>	)	<b>ORDER NO. 30736</b>
<b>REGULATIONS GOVERNING THE</b>	)	
<b>RENDERING OF WATER SERVICE</b>	)	
	)	

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On May 20, 2008, Teton Springs Water and Sewer Company, LLC (Teton Springs; Company) filed an Application with the Idaho Public Utilities Commission (Commission) requesting a Certificate of Convenience and Necessity (Certificate) to provide domestic, culinary water service in Teton County, Idaho to customers within the Teton Springs Golf and Casting Club planned unit development – *Idaho Code* § 61-526; IDAPA 31.01.11. The Company also requested that the Commission approve a change in existing rates and charges for water service, approve an annual revenue requirement of \$298,082 and approve the Company’s proposed Rules and Regulations Governing the Rendering of Water Service. The Company serves approximately 278 customers.

On June 12, 2008, the Commission in interlocutory Order No. 30571 issued Certificate of Convenience and Necessity No. 475 to Teton Springs, authorized continued water service under the existing flat rates, and suspended the remainder of the Company’s Application.

On January 21, 2009, the Commission issued final Order No. 30718 in Case No. TTS-W-08-01 approving unmetered quarterly rates (based upon supply line size), as set forth in Order No. 30718 Appendix Page 4 (Rate Analysis) and as more particularly described in the Order language.

**Stipulation and Petition for Clarification**

On February 10, 2009, a Stipulation and Petition for Clarification of Order No. 30718 was filed by Teton Springs and Commission Staff. IDAPA 31.01.01.325 (Clarification of Orders). As reflected in the Stipulation, in the opinion of Teton Springs, the Order No. 30718 rate analysis schedule (Appendix Page 4) creates an ambiguity as to the rate to be charged to

individual dwelling units located within multiple family dwelling structures. Both Teton Springs and Staff believe the applicable rate for such customers is the rate for 1-inch residential service. The parties to the Stipulation request a clarification to that effect.

***Commission Findings***

The Commission has reviewed and considered the filings of record in Case No. TTS-W-08-01, including our final Order No. 30718 and the Stipulation and Petition for Clarification filed by Teton Springs and Commission Staff. Clarification is requested regarding our Order No. 30718 and the applicable rate to be charged to tenants in multi-family units.

Order No. 30718 rate design Appendix (Page 4) reflects that the number of Teton Springs customers under current tariff are as follows:

Residential	196
Commercial	8
Multi-Family	<u>74</u>
Total	278

The following Appendix section “Commission-approved rates based on supply line size” combines residential and multi-family customer counts (270) under 1-inch residential – sf/mf supply line size.

As reflected in the Order discussion of rate design

Staff agrees with the reasonableness of the Company’s proposal to use a uniform flat charge for both single-family residential customers and multi-family unit customers. None of the single and multi-family units use water from the Company’s domestic water system for lawn irrigation. Outdoor water is provided by a separate pressurized irrigation system. Staff therefore believes that the water usage in single-family homes and multi-family units is similar. Order No. 30718 p. 17.

The Commission stated:

The Commission finds for now that it is just and reasonable for the Company to charge a quarterly flat rate for water service. The Company provides potable well water for domestic culinary use, not outdoor irrigation. Based on nature of use, **we find it reasonable that residential single-family and multi-family unit customers be provided service at the same flat rate.** We also find it reasonable to calculate customer tariff rates based on service sizes (1-inch to 6-inch) under the methodology proposed by Staff. Order No. 30718 p. 19 (emphasis added).

The ambiguity in the Order No. 30718 language as to the appropriate rate to be charged to multi-family unit customers, we are informed and find, is a result of the Company's post-Order information sharing with Staff that the 74 tenants in the two multi-family unit buildings are not individually billed by the Company; instead, the Company provides only two billings, one to each condominium association. One multi-family building is served with a 3-inch line and the other is served with a 6-inch line. The Order language, we find, reflects that for purposes of revenue requirement recovery, multi-family unit tenants and residential customers are to be treated as equivalent and are to be assessed rates based on the 1-inch – residential sf/mf supply line size.

### **CONCLUSIONS OF LAW**

Teton Springs Water and Sewer LLC is a water corporation subject to our jurisdiction pursuant to *Idaho Code* §§ 61-125 and 61-129. The Commission has jurisdiction over the issues raised in this case and in the Stipulation and Petition for Clarification pursuant to Idaho Code, Title 61, and the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

### **ORDER**

IT IS HEREBY ORDERED and the Commission hereby adopts the clarification to Order No. 30718 set forth above regarding the applicable rate to be charged tenants of multi-family units.

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.

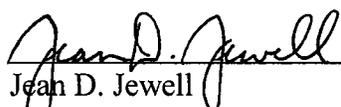
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 27<sup>th</sup>  
day of February 2009.

  
MACK A. REDFORD, PRESIDENT

  
MARSHA H. SMITH, COMMISSIONER

  
JIM D. KEMPTON, COMMISSIONER

ATTEST:

  
Jean D. Jewell  
Commission Secretary

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