

## DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER  
COMMISSIONER REDFORD  
COMMISSIONER SMITH  
COMMISSION SECRETARY  
LEGAL  
WORKING FILE**

**FROM: CHRIS HECHT**

**DATE: JANUARY 16, 2014**

**RE: TETON WATER & SEWER, LLC'S REQUEST TO REVISE ITS  
GENERAL RULES AND REGULATIONS; CASE NO. TTS-W-13-01**

### BACKGROUND

On December 15, 2013, Teton Springs Water & Sewer LLC (Company") requested a change to its General Rules and Regulations, Section 6 – Billing and Payment, particularly paragraph 6.5.

Commission Order No. 32685 (Case No. TTS-W-08-01) authorized the Company to bill its residential customers a Basic Flat Rate Service charge of \$118.00 per quarter. In addition, because many of the residential customers are seasonal residents and the results of customers disconnecting and reconnecting throughout the year could have a negative effect on the Company's revenue, the Commission allowed the Company a Reconnection After Seasonal Disconnect Charge. This charge is equal to two quarters of the applicable rate, currently \$236 for residential customers. It is applied when a customer requests service after they have been disconnected more than 30 days.

Currently, if a customer requests service after a disconnection of more than thirty (30) days, the Company bills the customer the quarterly charge of \$118 and the Reconnection after Seasonal Disconnect Charge of \$236. However, as a result of a customer complaint to the Commission regarding the Company's practice of billing for the full quarterly charge of \$118 regardless of the amount of time of actual service, the Company has agreed to pro-rate the quarterly charge to reflect the actual period of service to a customer. The Company will continue the practice of billing the Reconnection after Seasonal Disconnect Charge.

Commercial customers also pay a flat rate charge on a quarterly basis. The amount charged varies by the size of the customer's service line.

The Company has requested a revision to Paragraph 6.5 to reflect its new billing practice. to read as follows:

6.5 Where services are provided for a period less than the Billing Period, the amount charged shall be equivalent to the actual number of months and days in which service is provided during that current billing period.

Staff recommends revised wording as follows:

6.5 Where services are provided for a period less than the entire quarterly billing period, the amount charged shall be pro-rated based on the actual number of days service is provided.

The Company has accepted Staff's revision. The Company is not requesting any changes to its Rate Schedule 1 – Recurring Charges or its Rate Schedule 2 – Non-Recurring Fees and Charges. The Company is only asking the Commission to allow it to pro-rate charges for service provided for less than a full billing period. The policy would apply to both residential and commercial customers. The Company has not requested an effective date, instead asking that any action on the part of the Commission be taken as soon as possible.

#### **STAFF RECOMMENDATION**

Staff believes that there should be no significant effect on the Company's revenue requirements as a result of this change. Staff believes it is appropriate for the Company to pro-rate the quarterly charges to reflect actual usage and Staff recommends approval of the changes to Paragraph 6.5 of the General Rules and Regulations as revised by Staff. Staff will work with the Company in filing the revised tariff page. Staff recommends that the revised tariff become effective February 1, 2014.

#### **COMMISSION DECISION**

Does the Commission wish to approve the Company's revision of its General Rules and Regulations, particularly Paragraph 6.5 with an effective date of February 1, 2014?

  
Chris Hecht