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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION  
OF UNITED WATER IDAHO INC. FOR  
AUTHORITY TO INCREASE ITS RATES  
AND CHARGES FOR WATER SERVICE IN  
THE STATE OF IDAHO

Case No. UWI-W-04-04

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

EXHIBIT 6 TO THE

DIRECT TESTIMONY OF FRANK GRADILONE III

## UNITED WATER IDAHO

### SUMMARY OF ADJUSTMENTS TO OPERATING REVENUE UNDER PRESENT RATES FOR THE TWELVE MONTHS ENDED JULY 31, 2004

LINE NO. ACCOUNT	ACCOUNT TITLE	(1) Revenue Per Books for 12 Months Ended 7/31/04 [LOWID Income Statement]	(2) Elimination of Carriage Hills & Unbilled Revenues [See notes]	(3) Revenue Per Books less Eliminations & Re-class [ (1) + (2) ]	(4) DIFFERENCE BILL ANALYSIS TO BOOKS Amount [ (3) - (6) ]	(5) Percent [ (4) / (3) ]	(6) Revenue Per Bill Analysis for 12 Months Ended 7/31/04 [Exh 6 Sch 13 Pg 20]	(7) Pro Forma Revenue for 12 Months Ended 7/31/04 [Col. (6)]
<b>TARIFFED SERVICES</b>								
<b>METERED WATER SALES:</b>								
1.	461100 Residential	\$ 21,161,384	(\$ 5,605) [A]	\$ 21,155,779	\$ 38,532	0.18%	\$ 21,117,247	\$ 21,117,247
2.	461200 Commercial	\$ 8,947,665		\$ 8,947,665	(\$ 16,459)	-0.18%	\$ 8,964,124	\$ 8,964,124
3.	461400 Public Authority	\$ 161,883		\$ 161,883	\$ 2,185	1.35%	\$ 159,698	\$ 159,698
4.	<b>Total Metered Sales</b>	<b>\$ 30,270,932</b>	<b>(\$ 5,605)</b>	<b>\$ 30,265,327</b>	<b>\$ 24,258</b>	<b>0.08%</b>	<b>\$ 30,241,069</b>	<b>\$ 30,241,069</b>
<b>FIRE PROTECTION:</b>								
5.	462000 Private Fire Protection	\$ 490,058		\$ 490,058	(\$ 5,683)	-1.16%	\$ 495,741	\$ 495,741
6.	<b>Total Tariffed Services</b>	<b>\$ 30,760,990</b>	<b>(\$ 5,605)</b>	<b>\$ 30,755,385</b>	<b>\$ 18,575</b>	<b>0.06%</b>	<b>\$ 30,736,810</b>	<b>\$ 30,736,810</b>
<b>OTHER REVENUE</b>								
7.	471000 Customer Fees Revenue	\$ 44,656		\$ 44,656			\$ 44,656	\$ 44,656
8.	471000 Bulk Hydrant Sales	\$ 86,334		\$ 86,334			\$ 86,334	\$ 86,334
9.	472000 Rents-Construction Meters	\$ 12,220		\$ 12,220			\$ 12,220	\$ 12,220
10.	474900 Unbilled Revenue	\$ 95,542	(95,542) [B]	\$ 0			\$ 0	\$ 0
11.	475200 O&M Contract Revenue	\$ 480		\$ 480			\$ 480	\$ 480
12.	<b>Total Other Revenue</b>	<b>\$ 239,232</b>	<b>(\$ 95,542)</b>	<b>\$ 143,690</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 143,690</b>	<b>\$ 143,690</b>
13.	<b>TOTAL REVENUE</b>	<b>\$ 31,000,222</b>	<b>(\$ 101,147)</b>	<b>\$ 30,899,075</b>	<b>\$ 18,575</b>	<b>0.06%</b>	<b>\$ 30,880,500</b>	<b>\$ 30,880,500</b>

[A] Elimination of revenues from Carriage Hills

[B] Elimination of unbilled revenue estimate since all consumption is assumed to be billed on a pro forma basis

NOTES:

**NORMALIZING ADJUSTMENTS TO OPERATING REVENUE UNDER PRESENT RATES  
& TOTAL REVENUES UNDER FINAL RATES  
FOR THE TEST YEAR ENDED JULY 31, 2004 & THE PRO FORMA YEAR ENDED MAY 31, 2005**

LINE NO.	ACCOUNT TITLE	(3) ADJUSTMENTS TO REVENUE			(5) Annualization of Growth Thru 5/31/05 [Exhib Sch3 Pg 7.13]	(6) Normalized Revenue for Pro Forma Year [ (1) + (2) - (3) ]	(7) REVENUE AT PROPOSED RATES		(8) Revenue Change by Category [ (6) - (7) ]	(9) Percent Change in Revenue [ (8) / (7) ]
		(1) Adjusted Revenue for 12 Months Ended 7/31/04 [Exhib Sch1 Pg1]	(2) Full Pricing of South County [Exhib Sch3 Pg 21]	(4) Annualization of Growth During Year [Exhib Sch3 Pg 7.13]			Revenues for Pro Forma Year	Revenues for Pro Forma Year		
<b>TARIFFED SERVICES</b>										
<b>METERED WATER SALES:</b>										
1.	Residential	\$ 21,117,247	\$ 79,126	\$ 218,539	\$ 356,120	\$ 21,624,541	\$ 26,457,556	\$ 4,833,015	22.35%	
2.	Commercial	\$ 8,964,124	\$ 9,270	\$ 56,768	\$ 94,613	\$ 9,090,562	\$ 10,868,285	\$ 1,777,723	19.56%	
3.	Public Authority	\$ 159,698	\$ 0	\$ 0	\$ 0	\$ 156,049	\$ 185,717	\$ 29,668	19.01%	
4.	<b>Total Metered Sales</b>	<b>\$ 30,241,069</b>	<b>\$ 88,397</b>	<b>\$ 275,307</b>	<b>\$ 450,733</b>	<b>\$ 30,871,152</b>	<b>\$ 37,511,558</b>	<b>\$ 6,640,406</b>	<b>21.51%</b>	
<b>FIRE PROTECTION:</b>										
5.	Private Fire Protection	\$ 495,741	\$ 0	\$ 12,502	\$ 10,418	\$ 518,661	\$ 630,436	\$ 111,775	21.55%	
6.	<b>Total Tariffed Services</b>	<b>\$ 30,736,810</b>	<b>\$ 88,397</b>	<b>\$ 287,809</b>	<b>\$ 461,151</b>	<b>\$ 31,389,812</b>	<b>\$ 38,141,994</b>	<b>\$ 6,752,182</b>	<b>21.51%</b>	
<b>OTHER REVENUE</b>										
7.	Customer Fees Revenue	\$ 44,656	\$ 0	\$ 0	\$ 1,329	\$ 45,985	\$ 61,670	\$ 15,685	34.11%	
7.	Bulk Hydrant Sales	\$ 86,334	\$ 0	\$ 0	\$ 0	\$ 86,334	\$ 86,334	\$ 0	0.00%	
8.	Rents-Construction Meters	\$ 12,220	\$ 0	\$ 0	\$ 0	\$ 12,220	\$ 12,220	\$ 0	0.00%	
9.	Unbilled Revenue	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.00%	
10.	O&M Contract Revenue	\$ 480	\$ 0	\$ 0	\$ 0	\$ 480	\$ 480	\$ 0	0.00%	
11.	<b>Total Other Revenue</b>	<b>\$ 143,690</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,329</b>	<b>\$ 145,019</b>	<b>\$ 160,704</b>	<b>\$ 15,685</b>	<b>10.82%</b>	
<b>TOTAL REVENUE</b>										
12.	<b>Total Revenue</b>	<b>\$ 30,880,500</b>	<b>\$ 88,397</b>	<b>\$ 287,809</b>	<b>\$ 462,480</b>	<b>\$ 31,534,832</b>	<b>\$ 38,302,699</b>	<b>\$ 6,767,867</b>	<b>21.46%</b>	
						<b>REVENUE REQUIREMENT</b>		<b>REVENUE REQUIREMENT</b>		
						<b>\$ 38,302,702</b>		<b>\$ 38,302,702</b>		<b>(\$ 3)</b>
						<b>PERCENT DIFFERENCE REVENUE REQUIREMENT vs RATE PROOF</b>		<b>PERCENT DIFFERENCE REVENUE REQUIREMENT vs RATE PROOF</b>		<b>0.00%</b>

# **REPORT ON WATER SERVICE REVENUES FOR UNITED WATER IDAHO FOR THE TEST YEAR August 1, 2003 through July 31, 2004**

## **INTRODUCTION**

This report assesses historical water consumption use patterns for United Water Idaho (United or Company), and derives pro forma: (1) billed water consumption and revenues; (2) fire protection service revenues; and (3) other miscellaneous revenues, for the test year defined as the period from August 1, 2003 through July 31, 2004. Since, the capital projects in this case are projected through May 2005, the analysis was extended to account for expected growth from the end of the test year through May 31, 2005. The 12-month period ending May 31, 2005 is referred to as the pro forma year herein.

For this assessment, the historical record for the period January 1986 through July 2004 was analyzed. The data, which came from the Company's billing system and other records, included: monthly-billed consumption and customers served by class data, for each of the three sectors in the United Water Idaho system—residential, commercial and public; fire service counts by size and type; and, customer service fees and other miscellaneous revenue sources.

Linear regression models were developed to assess residential, commercial and public sector water consumption patterns. Trending analysis was employed to project fire protection services and other revenues. These were combined to produce the total

pro forma water consumption and revenue estimates for the test year and the pro forma period.

Before reporting the results of these analyses, the following section will describe the linear regression modeling technique, and why it was used in the analysis.

## **L**INEAR REGRESSION MODELING

Multiple linear regression analysis is a statistical data modeling technique that is used to describe in mathematical terms the relationships between variables. In this case a regression model was developed to assess the relationship between the amount of water consumed by customers in each sector, and a number of factors that are known to affect water use. The result of a regression analysis is an equation that defines the relationship between the variable the analyst wishes to predict (in this case, water consumption) and other variables that are correlated in a systematic way to that variable (in this case, weather conditions, seasonal patterns, and the addition of new customers to the system). These correlated variables are also known as explanatory variables.

A multiple linear regression equation is expressed in general form as:

$$Y = a + bX + cZ + \dots + nN$$

An example of a simple equation that could be used to predict water consumption as explained by the number of customers and the average daily temperature in the system area would be expressed in the form:

$$\text{Consumption} = a + b * \text{number of customers} + c * \text{average temperature}$$

The regression analysis provides values for "a", which is a constant (a fixed number), and "b" and "c", which are known as coefficients (there is one coefficient generated for each variable that is correlated to the variable that is being modeled). Coefficients can be positive or negative depending upon the relationship between the variable one is predicting and the explanatory variables. To use this equation to predict water consumption for any month, the number of customers to be served in the month is multiplied by the coefficient "b", and the temperature in the month is multiplied by "c

and then this result is added to the value for the constant "a". For example, if the actual regression equation was:

$$\text{Consumption (ccf)} = 10,000 + 20 * \text{number of customers} - 50 * \text{average temperature}$$

Then consumption for a month in a system that has 50,000 customers and the average temperature was 70 degrees would be predicted to be 1,006,500 CCF [i.e.,  $10,000 + (20 * 50,000) - (50 * 70)$ ].

The first step in regression analysis is the creation of a database of historical data that accurately reflects the phenomenon the analyst would like to model. In the process of developing a regression model database, the analyst may use the data in its raw form (for example, the number of customers served), may transform it (for example, take the log of the variable), or may find that it is necessary to add extra variables (referred to as dummy variables) to take into account events or patterns in the time series that are known to have affected the data, but that are not readily quantifiable (such as a recession, or, changes in non-weather related water use patterns). The data included in the database used in the analysis of billed consumption are described below.

**Variables Included in Modeling Database:** A primary determinant of water demand is the number of customers served. Hence the first variable assessed was the number of customers served in United's service area.

Weather conditions have been shown to effect water consumption patterns in numerous studies of water demand behavior. Based on the underlying climatic regime in an area, and the nature of the customer base, a number of weather related variables have been found to be correlated with water consumption; these include: average temperature, cooling degree days, number of days over 90 degrees Fahrenheit, total rainfall, number of days with rainfall, amount of rain per rainfall event. These weather data for the official U.S. Weather Service station for Boise, Idaho (Station CXUS56 KBOI 010933) was obtained for this analysis.

Substantial changes in the underlying characteristics of the customer base also affect water use patterns. Since 1980 a key factor that has been effecting water use in the UWID service area, and indeed across the nation, was the passage of Federal Standards that mandated lower water use for all water using fixtures in households. These standards, affecting toilets, faucets and showerheads, have resulted in a long run decrease in the amount of water used per customer across the U.S. The customers in United's service area have also been subject to this trend. In addition, one other factor has resulted in a more pronounced downward pressure on use per customer in the residential sector; the passage of regulations in the mid-1990s that required all new construction to use alternate lawn water supplies, if such supply was available. Customers that must use available irrigation water for lawn watering clearly do not use as much water during the summer months as customers that rely on United Water Idaho's supply. For the purposes of this analysis it was assumed that 75% of all new customers added to the system during the tear year and through the pro forma period had access to, and are using alternate water supply for lawn watering.

Finally, the changing seasons and economic activity patterns also need to be accounted for. For example, in the summer months, warmer temperatures and drier conditions in general, result in higher water use due to increased lawn watering, outdoor activities and business uses—for example, air conditioning make-up water and evaporative cooling systems. (Specific weather conditions in a month will either suppress or enhance the basic pattern, hence monthly weather data is included in the analysis to help develop a better predictive model of water demand behavior.) The specific months included in the database to measure these pattern effects was determined by an indexing procedure. The indices were developed using a medial averaging methodology.

Arithmetic averages are sensitive to outliers; that is, extreme data points either on the high or low end. The medial average is the arithmetic average of a data set, excluding the high and low values in it. Using a medial average is a systematic way to remove extremes from a data set, thus yielding more stable results. The monthly

pattern index developed for each sector is shown in Exhibit 6, Schedule 3, Page 1 of 25.

**Model Verification** Regression analysis provides the analyst with measures of how good the model is at explaining the variable the analyst is trying to project, and defines in statistical terms how accurate the model is.

The first step in verifying the validity of a regression model is to determine the goodness-of-fit of the equation as defined by the statistics generated in the process. The overall goodness of fit is represented by a statistic called R-squared. R-squared is a measure of the total variance explained by the regression equation. If there were no relationship between the explanatory variables and the predicted variable, then R-squared would be 0%; if there were a perfect relationship between the variables, then R-squared would be 100%. In general, higher r-squares are associated with better predictive ability, although a high R-squared is no guarantee of absolute predictive ability.

In any regression analysis there remains a danger that the R-squared value may reflect nothing more than spurious correlation. For this reason, in addition to determining the "goodness-of-fit", as measured by the R-squared statistic, it is necessary to test the logic and believability of the regression equation both as to the size and the direction of any apparent causality, and to verify the accuracy of the model by comparing actual consumption in past periods against the estimates generated by the model.

The second step in the verification process is therefore to determine if the equation makes intuitive sense. For example, the coefficient representing the number of days over 90 degrees Fahrenheit should be positive, confirming the intuitive notion that as the temperature increases, so to does water consumption. Likewise, the number of days with precipitation, as logically expected, should be negatively correlated with water demand.

The final step in the verification process is using the model to estimate consumption over the same time period as the original database. The model, while

showing variances in each year, on an average basis for the entire base period should yield low absolute total and percentage variances

The regression modeling was performed on an IBM PC compatible computer using the Microsoft Excel 2000 Version of the software package. A number of iterations and combinations of weather variables were tried; the results here represent the best-fit models for each sector.

## **M**METERED SALES CONSUMPTION ANALYSIS

***Residential Sector Consumption Analysis:*** Exploratory data analysis revealed that weather conditions, as expected, affected water use in the United Water Idaho service territory. The residential sector also exhibited a strong seasonal pattern, with consumption in the summer months being up to four times as high as the winter months. Therefore, regression models were developed that took into account the impact of weather conditions and the change in the seasons.

Given the large difference in the demand patterns between the summer and winter seasons, and the fact that weather variables have a negligible impact on water use patterns in the winter (and that therefore weather fluctuations are not highly correlated with water use in the winter), it was also decided to assess water consumption separately for the winter and summer periods. Based on an analysis of water use patterns over the course of the year, the months of December through May were established as the winter/base period, while June through November was established as the summer/peak period (Exhibit 6, Exhibit 3, Page 1 of 25). The evident shifting forward in time of the periods is the result of the lag in billing customers every two months. For example, this results in including months such as May in the winter/base period, even though intuitively one would think it should be included in the summer/peak period. And, vice versa November is in the summer/peak period rather than the winter/base period.

***WINTER PERIOD ANALYSIS:*** The number of residential customers served by month in United's service area is shown in Exhibit 6, Schedule 3, Page 2 of 25. As shown on

this table, number of residential customers has been exhibiting a steady upward trend, with the trend being disturbed on three occasions due to recoding of customers and acquisitions.

In early 1989 apartment buildings in the service area were reclassified as commercial customers resulting in a loss of 897 "residential" customers in the dataset, resulting in "negative" growth in the sector for that year. In the 1996-97 period about 1,000 customers in Garden City, Warm Springs Mesa, Redwood Creek, Island Woods and Banbury were added to the system, bumping up the growth for that year. The recoding of customers in 1989 and the addition of customers in the 1996-97 period did not seem to appreciably affect the amount of water used per customer; use per customers continued to decrease at about the same rate as it had been since the early 1990s, owing to the introduction of water saving plumbing fixture standards at the Federal level.

In 1999, South County, Barber and Raintree were added. These systems added 4,800 customers to the system, representing a large one-time increase of over 9% in the residential customer base, and more importantly induced a further decrease in the trend in the amount of water used per customer (see Exhibit 6, Schedule 3, Page 3 of 25).

In the end it was found that for the winter period, a regression of residential water use per customer versus time and a dummy variable to account for the addition of the 4,800 customers in 1999, resulted in the best fit, even though the R-squared for the equation representing residential water use for the winter season was a relatively low 18.5% (Exhibit 6, Schedule 3, Page 4 of 25). On closer examination it was found that in this case, the low R-squared was to be expected because the trend in residential water use per customer in the winter/base months in the system was virtually flat. (In regression analysis, the statistical goal is to minimize the squares of the differences between the actual data and the trend line. In the case where the data and trend line are essentially a flat line, the differences will sum to zero, yielding an R-squared of zero, even if there is a perfect fit. This situation is illustrated in Exhibit 6, Schedule 3,

Page 5 of 25.) In these cases the analyst relies on the general fit of the data to the line and the magnitude of the standard error. The standard error should be low, and in this case it is only 1.47.

*SUMMER PERIOD:* For the summer period, the number of customers, average monthly temperature, total monthly rainfall and dummy variables to account for the monthly pattern of use over the summer months, proved to be the best combination of variables. The statistics for the regression analyses for the residential sector are summarized in Exhibit 6, Schedule 3, Page 4 of 25. The R-squared for the equation for peak use per customer was quite good — 93.2%—particularly given the complexity of the phenomena being measured.

While variances were of course greater in individual months, over the entire period 1986 through 2004 (as shown in Exhibit 6, Schedule 3, Page 6 of 25) the **annual** residential consumption estimated by the regression equation for winter period varied by only 0.24%, while the variance for the summer period was only 1.75%. As shown in Exhibit 6, Schedule 3, Page 6 of 25 the regression estimates of annual residential water demand per customer has exhibited a steady downward trend, while overall water demands have been increasing due to the underlying growth in the number of customers served.

*NORMALIZING ADJUSTMENTS:* The next step in the analysis was to normalize metered sales revenues for the weather conditions during the summer/peak period and the change in the customers in the winter/base period. This normalization was accomplished by continuing the dummy variable for the addition of customers through the test year and computing the regression results for the summer/peak period using the long run (1986-2003) average weather conditions for the months June through November. The total normalizing adjustment as shown in Exhibit 6, Schedule 3, Page 7 of 25, amounts to 144,922 units or \$146,491; i.e., if the weather had been “normal” during the test year revenues would have been this much lower under the existing rate structure.

GROWTH ADJUSTMENTS: During the test year the number of customers served increased. In order to account for a full year of fixed service charges for these customers it was assumed that these additional customers were added to the system in the same proportion with respect to the size of the meter as customers in the existing system (Exhibit 6, Schedule 3, Page 9 of 25). The assessment of the amount of water these customers used was complicated by the fact that a large proportion of new customers that have been added to the system since 1997 have had use of alternate irrigation water supplies; these customers clearly use less water than customers that use United Water Idaho supply for irrigation purposes. To account for this bifurcation, it was decided to assume that 25% of the customers added during the test year used United Water Idaho supply for irrigation, and that 75% had access to, and used, alternate supply. For new customers that use United Water Idaho supply for irrigation, water use was assumed to be equivalent to the 5 year average of the United Water Idaho system for the period 1992 to 1996; i.e., the 5 years before the rule was changed. On average customers in the system before the rule changed, used 165 KG per year (Exhibit 6, Schedule 3, Page 7 of 25). To assess the amount of water for customers that utilize alternative irrigation supplies the Company was able to identify and isolate 5 areas in the system (based on meter reading books) that used alternate supply exclusively for irrigation. As shown in Exhibit 6, Schedule 3, Page 8 of 25, over the past 4 years this group of customers consumed only 118 KG of water on average per year. As also shown in the Exhibit, these customers also had a different seasonal distribution of use from the customer bases as a whole. For this type of customer nearly 42% of all water use occurred during the winter months (versus 35% for the system as a whole). And conversely summer use for these customers only accounted for 58% of total annual use, versus 66% for the system as a whole. So using a half year convention to assess the use for the 1,841 customer added during the test year, a total of 119,804 KG of water was consumed; and pricing this use out at the prevailing rates results in an additional \$135,525 in revenues. Adding this amount to the added fixed

service charges of \$83,014 yields a total adjustment for customer growth in the test year of \$218,539 (Exhibit 6, Schedule 3, Page 7 of 25)

For the twelve months following the end of the test year (August 2004 through July 2005) the number of customers added to the system was projected to total 1,800, i.e., about the same as that which was added during the test year. To account for the impact of this expected growth through May 2005, 10/12ths of these customers were added to the analysis (representing the number of months from August 2004 to May 2005) and since these customers represent the full count of customers expected at May 31, 2005 for rate making purposes the expected revenues for these customers was priced on a full year basis. As calculated on Exhibit 6, Schedule 3, Page 7 of 25 and summarized in Exhibit 6, Schedule 3, Page 7 of 25 an adjustment of an additional \$356,120 was made to pro forma revenues to account for these customers.

**Commercial Sector Consumption Analysis:** In 1996 Micron Technologies, United's largest customer at the time informed the Company that it had embarked on a major efficiency and water reuse program. Given the expected magnitude of the shift in demand and the overall large size of Micron it was decided to treat Micron separately from the rest of the commercial sector in the proir rate case. Micron no longer is the single largest user in the system. Indeed in the test year its demand was less than 15% of its peak demand of 451,000 KG in 1995-96, and barely 1/3 of what it was as recently as 2002-2003. During the test year Micron consumption amounted to only 68,593 KG (Exhibit 6, Schedule 3, Page 10 of 25). While Micron would seem to no longer require a separate analysis in order to make comparisons between the prior case and this case easier, and leaving open the possibility that Micron's usage pattern may yet change again, it was decided to continue to back out Micron's use from the commercial sector's consumption history before the regression analysis proceeded. (The consumption for Micron was added back into the commercial sector, later in the analysis.) The effect is to lease test year consumption unchanged.

The assessment of the commercial sector's consumption for the test year, showed that a regression model of total monthly consumption, versus the number of

commercial customers, average monthly temperature, total rainfall, and monthly pattern variables to account for the variability in billing patterns and seasonal economic activity for the months June through December, proved to be the best model (Exhibit 6, Schedule 3, Page 11 of 25). The R-squared for this equation was just under 96%. On an annual basis the regression estimates for the commercial sector were within 0.5% of actual results on a normalized basis (Exhibit 6, Schedule 3, Page 12 of 25).

**NORMALIZING ADJUSTMENTS:** The next step in the analysis was to normalize metered sales revenues for the weather conditions during the test year. This normalization was accomplished by computing the regression results for the summer/peak period using the long run average weather conditions for the months June through December. The total normalizing adjustment as shown in Exhibit 6, Schedule 3, Page 13 of 25, amounts to 30,253 KG or \$34,213; i.e., if the weather had been "normal" during the test year revenues would have been 0.38% lower in the test year under the existing rate structure.

**GROWTH ADJUSTMENTS:** During the test year 130 new commercial customers were added to the system. In order to account for a full year of fixed service charges for these customers it was assumed that these additional customers were added to the system in the same proportion with respect to the size of the meter as customers in the existing system (Exhibit 6, Schedule 3, Page 9 of 25). On average commercial customers in the system consumed 636 KG of water on a normalized basis during the test year (Exhibit 6, Schedule 3, Page 14 of 25). The distribution of billed water use by season for the commercial sector was 40% during the winter period and 60% for the summer period. Using the half-year convention methodology to assess the water use for the 130 commercial customers added during the test year, yields a total of additional 41,351 KG of water use for the sector. Pricing this use out at the prevailing rates results in an additional \$46,764 in revenues. Adding this amount to the added fixed service charges of \$10,004 yields a total adjustment for customer growth in the test year of \$56,768 (Exhibit 6, Schedule 3, Page 13 of 25)

For the twelve months following the end of the test year (August 2004 through July 2005) the number of customers added to the system was projected to total the same as during the test year, i.e., 130 customers. To account for the impact of this expected growth through May 2005, 10/12ths of these customers (108) were added to the analysis (representing the number of months from August 2004 to May 2005) and since these customers represent the full count of customers expected at May 31, 2005 for rate making purposes the expected revenues for these customers was priced on a full year basis. As calculated on Exhibit 6, Schedule 3, Page 13 of 25 and summarized in Exhibit 6, Schedule 1, Page 2 of 2 an adjustment of an additional \$94,613 was made to account for this growth through May 2005.

**Public Sector Consumption Analysis:** The analysis of the public sector paralleled the analysis of the residential and commercial sectors. Again, a regression equation that incorporated the average daily temperature and the total rainfall, and monthly pattern variables for the months of May through December, were included in the model (Exhibit 6, Schedule 3, Page 15 of 25). The R-squared for the public sector model was also quite good at just over 87%. On average the regression estimates of annual public sector consumption were within two-tenths of a percent of actual consumption on a normalized basis. The total weather normalization for the public sector amounted to -3,119 CCF (Exhibit 6, Schedule 3, Page 16 of 25). Based on the distribution of use by billing period (summer versus winter) this results in a revenue adjustment of (\$3,650) for the sector in the test year. No change in the number of public sector customers occurred during the test year, and no changes are expected through May 2005, so there was no need to make adjustments for growth.

## **P**PRIVATE FIRE PROTECTION SERVICES REVENUE

Private Fire Protection revenues at current rates collected during the test year totaled \$495,741, as shown in Exhibit 6, Schedule 3, Page 17 of 25. Due to growth in the number of private fire services during the year and anticipated through May 2005

an additional \$22,920 in revenues were added to the total to derive annualized private fire revenues of \$518,661 for the pro forma year (Exhibit 6, Schedule 3, Page 18 of 25).

## **O**THER REVENUES

The Company receives revenues from a number of customer service related charges (including miscellaneous service revenues, rents for construction meters, and other water revenue). During the test year these revenues totaled \$143,690, or less than 0.50% of total revenues. In addition, \$95,542 in unbilled revenues was recorded on the books during the test year.

The first adjustment to other revenues was to eliminate unbilled revenues, since the analysis for the test year assumes that all fixed service charges and consumption for all customers were billed and collected.

Other Revenues for the test year were adjusted upwards by \$1,329 to account for customer growth during the test year. In addition United Water Idaho proposes to increase a number of customer service charges to bring them more in line with the actual cost to deliver the service and the pricing of such fees of other utilities in the State. These additional charges are projected to increase customer service fees by \$15,685 going forward (Exhibit 6, Schedule 3, Page 19 of 25).

## **B**ILL ANALYSIS AND PRO FORMA REVENUE ESTIMATE FOR TEST YEAR:

Total revenue for metered sales booked during the test year for the basic United Water Idaho system amounted to \$30,270,932 (Exhibit 6, Schedule 1, Page 1 of 2). One adjustment was made to these revenues for the test year to account for the pending sale of Carriage Hills to the City of Nampa, IPUC Order No. 29625. During the test year these Carriage Hills customers generated \$5,605 in revenues that will not be realized going forward. Subtracting these revenues yields an adjusted test year billed revenue total of \$30,265,327. Revenues as per the determinants in the bill analysis for the test year as billed amounted to \$30,241,069; \$24,258 or 0.08% less than the book total (Exhibit 6, Schedule 1, Page 1 of 2). The bill analysis determinants (Exhibit 6, Schedule 3, Page 20 of 25) were thus established as the basis for the pro

forma analysis (Exhibit 6, Schedule 1, Page 1 of 2, Column 7). (Exhibit 6, Schedule 4, Pages 1-4 show the derivation of the bill determinants for each subsystem and the system as a whole.)

Fire protection revenue as per the books amounted to \$490,058 (Exhibit 6, Schedule 1, Page 1 of 2, Column 1). Revenues as per the determinants (Exhibit 6, Schedule 3, Page 17 of 25) in the bill analysis were slightly higher at \$495,741 or 1.16% (Exhibit 6, Schedule 1, Page 1 of 2, Column 6). The bill determinants as per the bill analysis were used moving forward (Exhibit 6, Schedule 1, Page 1 of 2, Column 7).

Four adjustments were made to metered sales revenues for the test year. First, an adjustment was made to account for the increase in revenues that would have been realized if the customers in South County that were under the last step of a rate phase-in for part of the test year, were priced at United's existing rate structure. As shown in Exhibit 6, Schedule 3, Page 21 of 25 pricing all customers at the prevailing United rates for the test year would have yield an additional \$88,397 in revenues; \$79,126 in the residential sector and \$9,270 in the commercial sector. Second, the decrease in consumption indicated by the weather normalization was deducted from the bill determinants. Next, the increase in the number of customers served by meter size and the amount of additional consumption calculated for the annualization adjustment for customer growth during the test year and to account for growth in the system through May 2005 were added to the bill determinants. The resulting bill determinants for United through May 2005 are shown in Exhibit 6, Schedule 3, Page 22 of 25. These adjustments (which are summarized in Exhibit 6, Schedule 1, Page 2 of 2) result in net metered sales revenue of \$31,389,812 for the United system for the adjusted test year.

## **REVENUE ANALYSIS SUMMARY & PROPOSED RATE SCHEDULE CHANGES**

The test year in this case has been established as August 1, 2003 through July 31, 2004. Total pro forma revenues for United Water Idaho for the test year after annualizing for growth were \$31,634,797 (Exhibit 6, Schedule 1, Page 2 of 2). Based on this filing the Company is asking for an increase in revenues of \$6,767,870, for a total revenue requirement of \$38,302,702, or an overall increase of 21.46%.

Based on the results of the cost of service study conducted in conjunction with this case, the Company proposes to increase rates to meet its revenue requirements on the following manner:

- Fixed service charges, plus 36.4%: The cost of service study found that fixed charges should be increased by 51.1%. It was decided that making such a large change in this component of the rate structure at one time would be too disruptive. Hence, it was decided to split the difference between the 51.1% increase as called for in the cost of service study, and the overall increase required.
- Fire protection charges, plus 21.5%: The cost of service study found that fire protection charges could be decreased. However, it was decided to not move rates in this direction at this time, but simply to increase the fire protection sector approximately the same amount as the overall increase requested.
- Water Use / commodity charges, plus 16.9%: Based on the decision to increase fixed service charges by 36.5%, and fire protection charges by 21.5%, water use charges would need to be increase by 16.9% to meet the revenue requirement. In terms of rate design, it was also decided to maintain the summer/winter rate structure and keep the differential at 25%.

In order to generate the revenue requirement tariffed rates would have to be increased by 21.51% (this is slightly higher than the overall increase to compensate for the categories of other revenues— Rents and Other Revenue—that will not be affected by the tariff change.) The derivation of the proposed rate schedule is shown in Exhibit 6, Schedule 3, Page of 23 of 25. The rate proof for the residential, commercial and public sectors for the United Water Idaho service area is shown in Exhibit 6, Schedule 3, Page 24 of 25. And finally, the proof of fire rates is shown in Exhibit 6, Schedule 3, Page 25 of 25. Total revenues generated by the proposed tariffs are \$38,302,699, \$3.00 less than the revenue requirement. The proposed tariff schedule is included as Exhibit 7 of the filing.

## **T**ARIFF CHANGES

Upon review of the United Water Idaho tariff, it was decided to take the opportunity presented by this proceeding to update the tariff to conform to current IPU standards, and remove a number of tariff pages associated with the phase in of rates for a number of system that were acquired in prior years. Most of the changes were cosmetic in nature and/or involve correcting grammatical or unclear language. The only change made to the tariff that is of substance is in Section 71 of the Rules and Regulations. The words "and/or Commercial" was inserted after "Industrial" on the fourth line of the section in reference to situations where developers of subdivisions pay for services when the size and location of the service cannot be initially determined. We believe the rule should also include the commercial sector because this is the most common type of development after residential; we do not typically see any purely industrial developments. In the past we were not collecting service line cost CIAC on commercial developments where the service size and location could not be determined up front and thus we were paying to install them later. This change in the tariff will insure that developers of both industrial and commercial projects pay this cost.

The remaining changes made and the reasons for the change are as follows:

- Table of Contents: Updated and renumbering to reflect changes made elsewhere in the tariff
- Schedule 1: Proposed changes to tariff rates
- Schedule 1A: Change in wording to conform to IPUC standards
- Schedule 1B: Deletion of a page that referred to a page that had previously been withdrawn
- Schedule 1C: Deletion of a page that referred to a page that had previously been withdrawn
- Schedule 1D: Deletion of tariff page for a rate schedule no longer in effect
- Schedule 1E: Renumbering of page due to changes elsewhere
- Schedule 1F: Deletion of a page that referred to a page that had previously been withdrawn
- Schedule 1G: Deletion of tariff page for a rate schedule no longer in effect
- Schedule 1H: Deletion of tariff page for a rate schedule no longer in effect
- Schedule 2: Deletion of a page that referred to a page that had previously been withdrawn
- Schedule 3: Renumbering of page and proposed changes to tariff rates
- Schedule 4: Renumbering of page and proposed changes to tariff rates
- Schedule 4A: Deletion of tariff page for a rate schedule no longer in effect
- Schedule 5: Deletion of a page that referred to a page that had previously been withdrawn
- Schedule 6: Renumbering of page and proposed changes to tariff rates
- Schedule 7: Consolidation of all Miscellaneous Service fees into one schedule in the tariff. In the existing tariff a number of miscellaneous charges were specified within a number of Rules and Regulations. To improve the clarity of the tariff and to facilitate simpler updates in the future, the numeric fees in the Rules and Regulations were eliminated and moved to Schedule 5.
- Schedule 8: Renumbering of page and proposed changes to tariff rates
- Rules and Regulations 1: Rewording of tariff to enhance clarity and readability
- Rules and Regulations 4: Deletion of numeric miscellaneous charge in Rule and note of move of numeric charge to Schedule 5

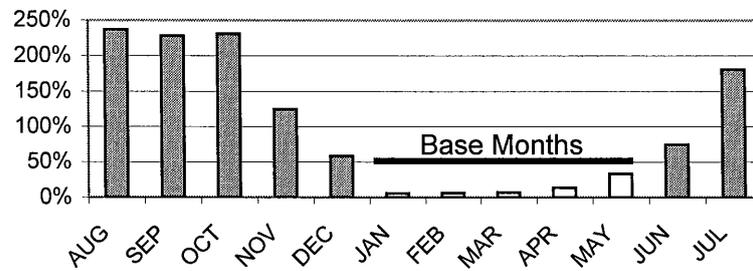
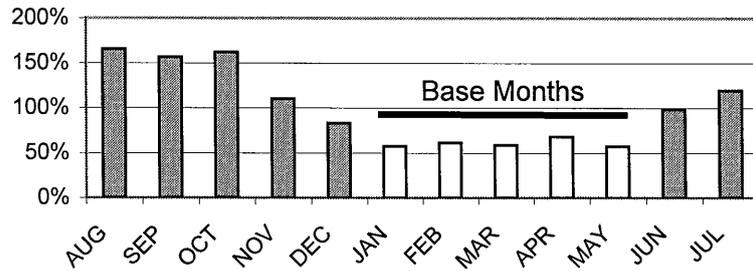
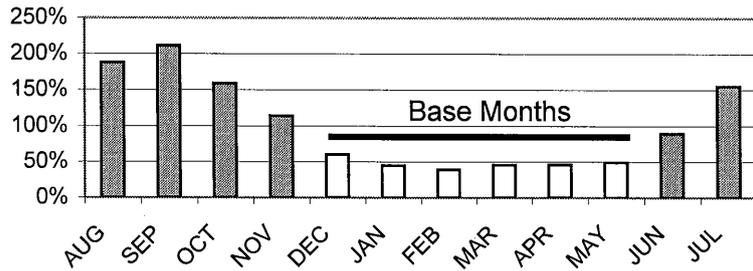
- Rules and Regulations 8: Correction in references to Rules and Regulations in the City of Boise Municipal and the Uniform Plumbing Codes
- Rules and Regulations 9: Rewording of tariff to enhance clarity and readability
- Rules and Regulations 10: Deletion of numeric miscellaneous charge in Rule and note of move of numeric charge to Schedule 5
- Rules and Regulations 15: Change in wording to clarify or reflect changes made elsewhere in the tariff
- Rules and Regulations 17: Change in wording to clarify or reflect changes made elsewhere in the tariff
- Rules and Regulations 28: Deletion of numeric miscellaneous charge in Rule and note of move of numeric charge to Schedule 5
- Rules and Regulations 30: Correction in reference to IPUC Rules and Regulations as revised
- Rules and Regulations 32: Rewording of tariff to enhance clarity and readability
- Rules and Regulations 33: Rewording of tariff to enhance clarity and readability
- Rules and Regulations 35: Correction in reference to IPUC Rules and Regulations as revised
- Rules and Regulations 39: Deletion of numeric miscellaneous charge in Rule and note of move of numeric charge to Schedule 5
- Rules and Regulations 42B: Deletion of numeric miscellaneous charge in Rule and note of move of numeric charge to Schedule 5
- Rules and Regulations 42E: Rewording of tariff to enhance clarity and readability
- Rules and Regulations 43: Change in wording to clarify or reflect changes made elsewhere in the tariff
- Rules and Regulations 45: Rewording of tariff to enhance clarity and readability
- Rules and Regulations 46: Correction to office hours to reflect change in opening time, from 9:00 AM to 8:00 AM
- Rules and Regulations 49: Correction company name from Boise Water Corporation to United Water Idaho
- Rules and Regulations 61: Increase in the number of days developers have to adjust any difference between the amount deposited and the actual cost of relocating facilities, from ten to thirty days.

- Rules and Regulations 63: Rewording of tariff to enhance clarity and readability
- Rules and Regulations 73: Change in internal reference to reflect renumbering of the tariff

# UNITED WATER IDAHO

## Index of Use by Month

BOLD = SEASONAL MONTHS	Residential	Commerial	Public
	August	<b>188%</b>	<b>166%</b>
September	<b>211%</b>	<b>157%</b>	<b>228%</b>
October	<b>159%</b>	<b>162%</b>	<b>231%</b>
November	<b>114%</b>	<b>110%</b>	<b>124%</b>
December	60%	<b>83%</b>	<b>58%</b>
January	45%	58%	6%
February	39%	61%	6%
March	46%	59%	7%
April	46%	68%	14%
May	49%	58%	<b>34%</b>
June	<b>89%</b>	<b>99%</b>	<b>74%</b>
July	<b>155%</b>	<b>120%</b>	<b>180%</b>



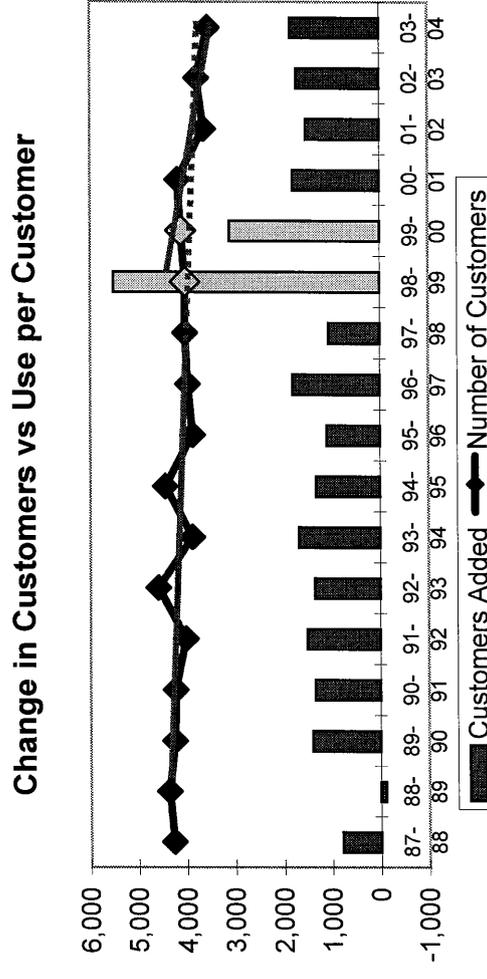
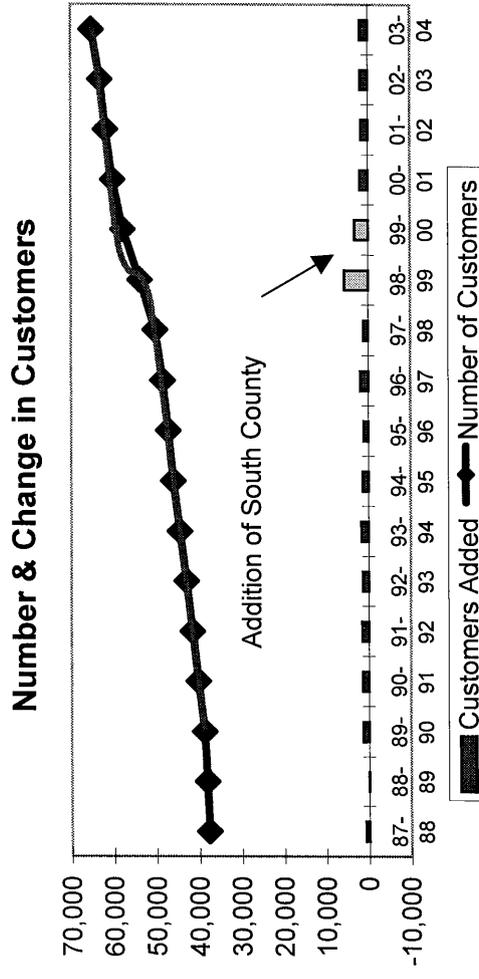
# UNITED WATER IDAHO

## Residential Customer Sector Adjustments

August to July	Customer Count	Change in Customers
86-87	36,999	674
87-88	37,719	791
88-89	38,171	(108) < Multi-family to Commercial
89-90	38,775	1,397
90-91	40,203	1,342
91-92	41,557	1,506
92-93	43,016	1,347
93-94	44,514	1,677
94-95	46,088	1,322
95-96	47,167	1,096
96-97	48,520	1,801 < Addition of Garden City +
97-98	50,221	1,055
98-99	53,760	5,505 < Addition of South County +
99-00	57,782	3,100
00-01	60,233	1,794
01-02	61,895	1,519
02-03	63,172	1,712
03-04	65,210	1,841

# UNITED WATER IDAHO

## Change in Customer & Water Use



**UNITED WATER IDAHO**  
**SUMMARY REGRESSION ANALYSIS OUTPUT RESIDENTIAL SECTOR**

**WINTER PERIOD REGRESSION ANALYSIS**

Regression Statistics			
Multiple R	18.46%		
R Square	3.41%		
Adjusted R Square	1.65%		
Standard Error	1.47		
Observations	113		

ANOVA				
	df	SS	MS	Significance F
Regression	2	8.44E+00	4.22E+00	2
Residual	110	2.39E+02	2.17E+00	0
Total	112	2.47E+02		

Variables	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%
Intercept	8.42	3.94	2.14	0.03	0.61	16.22
Time	0.00	0.00	-0.37	0.71	0.00	0.00
New systems added	-0.43	0.50	-0.86	0.39	-1.42	0.56

**SUMMER PERIOD REGRESSION ANALYSIS**

Regression Statistics			
Multiple R	93.16%		
R Square	86.79%		
Adjusted R Square	85.75%		
Standard Error	120.406		
Observations	110		

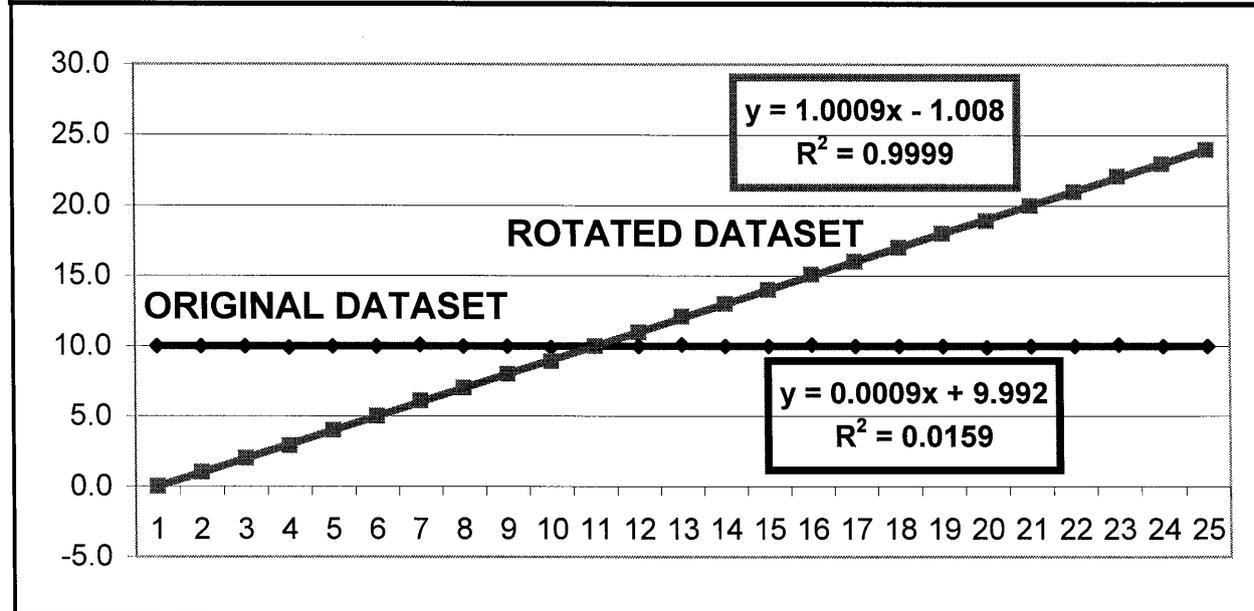
ANOVA				
	df	SS	MS	Significance F
Regression	8	9.62E+12	1.20E+12	0
Residual	101	1.46E+12	1.45E+10	
Total	109	1.11E+13		

Variables	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%
Intercept	-461,388	327,340	-1.41	0.16	-1,110,743	187,966
Customers	13	1	9.56	0.00	10	15
Temperature	13,676	6,233	2.19	0.03	1,311	26,040
Rainfall	-153,533	30,393	-5.05	0.00	-213,825	-93,242
June	-133,955	60,669	-2.21	0.03	-254,307	-13,604
July	70,514	98,650	0.71	0.48	-125,180	266,208
August	151,354	127,728	1.18	0.24	-102,024	404,733
September	281,723	122,933	2.29	0.02	37,857	525,588
October	92,767	80,522	1.15	0.25	-66,968	252,501

# UNITED WATER IDHAO SIMULATION OF ROTATING A DATASET

TIME PERIOD	ACTUAL DATA SET	ROTATIONAL FACTOR	ROTATED DATA SET
1	10.0	-10	0
2	10.0	-9	1
3	10.0	-8	2
4	9.9	-7	3
5	10.0	-6	4
6	10.0	-5	5
7	10.1	-4	6
8	10.0	-3	7
9	10.0	-2	8
10	9.9	-1	9
11	10.0	0	10
12	10.0	1	11
13	10.1	2	12
14	10.0	3	13
15	10.0	4	14
16	10.1	5	15
17	10.0	6	16
18	10.0	7	17
19	10.0	8	18
20	9.9	9	19
21	10.0	10	20
22	10.0	11	21
23	10.1	12	22
24	10.0	13	23
25	10.0	14	24



# UNITED WATER IDAHO

## Residential Sector Water Consumption Analysis

ANNUAL PERIODS August to July	TOTAL WATER USE & CUSTOMERS				WINTER PERIOD WATER USE				SUMMER PERIOD WATER USE				TOTAL							
	Annual Consumption (KG)	Average Number of Customers	Use per Customer (KG/YR)	184	ACTUAL		REGRESSION		Annual Consumption (KG)	Use per Customer (KG/YR)	141	145	ACTUAL		REGRESSION		TOTAL NORMALIZED CONSUMPTION (KG)	Actual vs Estimate Amount	Percent	Use per Customer (KG/YR)
					Consumption (KG)	Use per Customer (KG/YR)	Consumption (KG)	Use per Customer (KG/YR)					Consumption (KG)	Use per Customer (KG/YR)	Consumption (KG)	Use per Customer (KG/YR)				
86-87	6,812,688	36,999	184	1,587,575	43	1,567,008	20,367	1.30%	5,235,113	141	5,356,549	-131,436	-2.57%	6,923,558	110,870	1.63%	187			
87-88	7,163,465	37,719	190	1,656,692	44	1,597,867	58,825	3.55%	5,506,723	146	5,410,137	96,636	1.75%	7,008,004	-155,461	-2.17%	185			
88-89	7,105,599	38,171	186	1,618,610	43	1,598,597	20,013	1.24%	5,486,989	143	5,448,496	38,493	0.70%	7,047,094	-38,505	-0.82%	184			
89-90	6,489,169	38,775	167	1,648,280	42	1,631,083	17,197	1.04%	4,840,889	125	5,481,521	-640,632	-13.23%	7,112,603	623,434	9.61%	184			
90-91	6,571,454	40,203	163	1,624,883	40	1,688,781	-63,898	-3.93%	4,946,271	124	5,586,993	-640,722	-12.95%	7,275,774	704,320	10.72%	181			
91-92	7,811,171	41,557	188	1,919,862	46	1,746,200	173,662	9.05%	5,891,309	142	5,689,259	202,050	3.43%	7,435,459	-375,712	-4.81%	179			
92-93	6,960,903	43,016	162	1,681,298	39	1,803,338	-122,040	-7.26%	5,279,605	123	5,799,466	-519,861	-9.85%	7,602,804	641,901	9.22%	177			
93-94	7,528,303	44,514	169	1,988,112	44	1,860,197	127,915	6.43%	5,540,191	125	5,909,509	-369,318	-6.67%	7,769,706	241,403	3.21%	175			
94-95	7,849,807	46,088	170	1,782,005	39	1,907,013	-125,008	-7.02%	6,067,802	132	6,030,623	37,179	0.61%	7,937,637	87,830	1.12%	173			
95-96	7,459,090	47,167	158	1,870,980	40	1,947,750	-76,770	-4.10%	5,588,110	119	6,114,505	-526,395	-9.42%	8,062,255	603,165	8.09%	171			
96-97	8,130,551	48,520	168	1,949,325	40	1,994,611	-45,286	-2.32%	6,181,226	128	6,214,229	-33,003	-0.53%	8,208,840	78,289	0.96%	170			
97-98	7,573,096	50,221	151	2,024,367	40	2,067,983	-43,616	-2.15%	5,548,279	111	6,341,004	-792,725	-14.28%	8,408,987	833,891	11.04%	168			
98-99	8,832,924	53,760	164	2,241,466	41	2,128,607	112,859	5.04%	6,591,458	125	6,534,479	56,979	0.86%	8,663,086	-168,838	-1.92%	164			
99-00	9,860,854	57,782	171	2,425,088	42	2,225,519	199,569	8.23%	7,435,766	130	6,879,086	556,680	7.49%	9,104,606	-756,249	-7.67%	159			
00-01	9,333,013	60,233	155	2,171,008	36	2,282,249	-111,241	-5.12%	7,162,005	119	7,887,101	-74,904	-1.05%	9,369,350	36,337	0.39%	156			
01-02	9,679,807	61,895	156	2,316,821	38	2,340,190	-23,369	-1.01%	7,362,986	119	7,212,899	150,087	2.04%	9,553,089	-126,718	-1.31%	155			
02-03	9,358,555	63,172	148	2,240,702	36	2,403,311	-162,609	-7.26%	7,117,853	113	7,315,704	-197,851	-2.78%	9,719,015	360,460	3.85%	154			
03-04	10,083,857	65,210	155	2,607,643	40	2,479,437	128,206	4.92%	7,476,214	115	7,435,498	16,716	0.22%	9,938,935	-144,922	-1.44%	153			
Average	8,033,573			1,964,151	41	1,959,430	4,720.8	0.24%	6,069,422	127	6,215,059	-145,637	-2.40%	8,174,489	-140,916	-1.75%				

**UNITED WATER IDAHO**  
**Residential Customer Sector Adjustments**

<b>ADJUSTMENT FOR WEATHER &amp; USE PATTERN CHANGES</b>					
	ACTUAL CONSUMPTION	NORMALIZED CONSUMPTION	NORMALIZING ADJUSTMENT	TARRIFF RATE	REVENUE ADJUSTMENT
WINTER	2,607,643	2,479,437	(128,206)	\$ 0.9825	(\$ 125,962)
SUMMER	7,476,214	7,459,498	(16,716)	\$ 1.2281	(\$ 20,529)
<b>TOTAL</b>	<b>10,083,857</b>	<b>9,938,935</b>	<b>(144,922)</b>		<b>(\$ 146,491)</b>
<b>ADJUSTMENT FOR GROWTH DURING TEST YEAR</b>					
	TOTAL CUSTOMERS	BASE CUSTOMERS	ALTERNATE SUPPLY		
NEW CUST ADDED	1,841	25%	75%		
1/2 YEAR CONVENTION	921	230	690		
USE PER CUST (Avg 92-93 to 96-97)		165	118 (Exh)		
<b>TOTAL USE</b>		<b>38,062</b>	<b>81,742</b>	<b>119,804</b>	
		WINTER PERIOD	SUMMER PERIOD		
UWID BASE S/W SHARE		34.29%	65.71%		
UWID BASE USE		13,052	25,010		
ALTERNATE S/W SHARE		41.84%	58.16%		
ALTERNATE USE		34,201	47,541 (Exh)		
<b>TOTAL USE</b>		<b>47,253</b>	<b>72,551</b>		
TARRIF RATES		\$ 0.9825	\$ 1.2281		
REVENUE		\$ 46,426	\$ 89,099	\$ 135,525	
<b>TOTAL FIXED CHARGES</b>				<b>\$ 83,014</b>	
<b>TOTAL ADJUSTMENT</b>				<b>\$ 218,539</b>	
<b>ADJUSTMENT FOR GROWTH THROUGH MAY 2005</b>					
	TOTAL CUSTOMERS	BASE CUSTOMERS	ALTERNATE SUPPLY		
NEW CUST ADDED (Aug-May)	1,500	25%	75%		
CUSTOMER BY TYPE		375	1,125		
USE PER CUST		165	118		
<b>TOTAL USE</b>		<b>62,023</b>	<b>133,203</b>		
		WINTER PERIOD	SUMMER PERIOD		
UWID BASE S/W SHARE		34.29%	65.71%		
UWID BASE USE		21,268	40,755		
ALTERNATE S/W SHARE		41.84%	58.16%		
ALTERNATE USE		55,733	77,470		
<b>TOTAL USE</b>		<b>77,001</b>	<b>118,225</b>		
TARRIF RATES		\$ 0.9825	\$ 1.2281		
REVENUE		75,653	145,192	\$ 220,845	
				<b>FIXED CHARGES</b>	<b>\$ 135,275</b>
				<b>TOTAL ADJUSTMENT</b>	<b>\$ 356,120</b>

# UNITED WATER IDAHO

## Water Use by Residential Customers in Alternate Irrigation Areas

SUMM WINT	Redwood Creek		Hobble Creek		Bristol Heights		Rockhampton		Surprise Valley		TOTALS		SEASONAL DIST		USE PER CUSTOMER
	Customer Count	Cons	Customer Count	Cons	Customer Count	Cons	Customer Count	Cons	Customer Count	Cons	Customer Count	Cons	Winter	Summer	
Oct-00	75	3,096	448	7,056	375	13,310	-	-	-	-	898	23,462			
Dec-00	79	1,605	472	6,133	376	7,948	-	-	-	-	927	15,666			
Jan-01	80	1,320	485	5,502	376	7,948	-	-	-	-	941	14,770			
Mar-01	87	1,320	489	5,540	375	5,722	95	925	441	6,014	1,487	19,521			
May-01	97	2,299	502	8,628	375	10,400	102	991	444	5,990	1,520	28,308			
Jul-01	103	4,381	504	10,725	375	13,726	122	1,687	444	7,693	1,548	38,212	49,977	89,982	115
Sep-01	109	2,896	508	12,330	375	18,293	126	1,763	444	6,998	1,562	42,280			
Jan-02	110	1,913	506	6,196	374	12,815	157	6,208	445	6,125	1,592	33,257			
Nov-01	111	3,728	508	10,425	374	12,815	157	6,208	445	6,125	1,595	39,301			
Mar-02	115	1,761	507	6,179	375	5,502	200	2,037	446	5,681	1,643	21,160			
May-02	119	3,284	508	10,329	377	13,560	206	1,987	446	5,673	1,656	34,833			
Jul-02	128	4,181	508	11,591	377	14,329	215	3,260	439	7,226	1,667	40,587	93,718	117,700	131
Sep-02	123	3,389	446	9,285	353	11,565	213	4,177	441	7,128	1,576	35,544			
Nov-02	133	2,764	446	7,069	351	9,145	218	3,207	444	6,654	1,592	28,839			
Jan-03	141	2,391	505	7,465	351	9,145	218	3,207	444	6,654	1,659	28,862			
Mar-03	143	2,224	507	6,244	374	5,640	224	2,471	445	5,419	1,693	21,998			
May-03	150	3,425	504	7,767	374	8,760	216	2,355	446	6,029	1,690	28,336			
Jul-03	154	4,347	522	11,628	371	16,834	225	3,233	445	6,833	1,717	42,875	79,699	106,755	113
Sep-03	159	3,654	526	9,371	344	10,859	224	4,084	468	7,197	1,721	35,165			
Nov-03	165	3,360	533	9,617	373	9,169	228	3,163	467	6,870	1,766	32,179			
Jan-04	175	2,864	534	7,730	373	9,169	228	3,163	467	6,870	1,777	29,796			
Mar-04	184	2,935	537	7,461	377	6,587	257	2,776	465	6,205	1,820	25,964			
May-04	194	6,849	540	10,500	372	12,602	274	3,429	466	6,396	1,846	39,776			
Jul-04	195	5,247	537	10,394	373	17,103	277	3,948	461	6,689	1,843	43,381	87,939	118,322	115
<b>TOTAL BY SEASON</b>												311,333	432,759	118	
<b>DISTRIBUTION BY SEASON</b>												41.84%	58.16%		

# UNITED WATER IDAHO

## BILLS RENDERED & FIXED SERVICE CHARGES

FIXED SERVICE CHARGES	RESIDENTIAL		COMMERCIAL		PUBLIC		
	BILL IN TEST YEAR	DISTRI-BUTION	BILL IN TEST YEAR	DISTRI-BUTION	BILL IN TEST YEAR	DISTRI-BUTION	
5/8"	78,540	20.29%	2,919	6.23%	9	1.70%	
3/4"	273,960	70.77%	12,332	26.32%	57	10.65%	
1"	33,540	8.66%	14,113	30.12%	152	28.63%	
1 1/2"	679	0.18%	8,796	18.77%	105	19.86%	
2"	384	0.10%	7,885	16.83%	202	38.06%	
3"	7	0.00%	593	1.27%	6	1.10%	
4"	0	0.00%	201	0.43%	0	0.00%	
6"	0	0.00%	18	0.04%	0	0.00%	
8"	0	0.00%	6	0.01%	0	0.00%	
<b>TOTAL</b>	<b>387,110</b>		<b>46,863</b>		<b>531</b>		
<b>FIXED SERVICE CHARGES FOR CUSTOMERS ADDED DURING YEAR</b>							
New services in test year	1,841		130		0		
1/2 year convention	921		65		0		
Added bills rendered	5,523		390		0		
<b>SIZE</b>	<b>RATE</b>	<b>BILLS RENDERED</b>	<b>FIXED REVENUE</b>	<b>BILLS RENDERED</b>	<b>FIXED REVENUE</b>	<b>BILLS RENDERED</b>	<b>FIXED REVENUE</b>
5/8"	\$ 14.57	1,121	\$ 16,326	24	\$ 354	0	\$ 0
3/4"	\$ 14.57	3,909	56,949	103	1,495	0	0
1"	\$ 19.19	479	9,183	117	2,254	0	0
1 1/2"	\$ 31.05	10	301	73	2,273	0	0
2"	\$ 44.88	5	246	66	2,945	0	0
3"	\$ 82.49	0	9	5	407	0	0
4"	\$ 131.28	0	0	2	219	0	0
6"	\$ 252.63	0	0	0	37	0	0
8"	\$ 381.20	0	0	0	19	0	0
<b>Total</b>		<b>5,523</b>	<b>\$ 83,014</b>	<b>390</b>	<b>\$ 10,004</b>	<b>0</b>	<b>\$ 0</b>
<b>TOTAL ANNUALIZED BILLS RENDERED</b>							
<b>SIZE</b>	<b>BILLS RENDERED</b>	<b>BILLS RENDERED</b>	<b>BILLS RENDERED</b>				
5/8"	79,660	2,943	9				
3/4"	277,869	12,435	57				
1"	34,018	14,231	152				
1 1/2"	689	8,869	105				
2"	389	7,951	202				
3"	8	598	6				
4"	0	202	0				
6"	0	18	0				
8"	0	6	0				
<b>Total</b>	<b>392,633</b>	<b>47,253</b>	<b>531</b>				
<b>FIXED SERVICE CHARGES FOR CUSTOMERS ADDED THRU 5/05</b>							
New services test year + 1	1,800		130		0		
New services thru 5/05	1,500		108		0		
Added bills rendered	9,000		650		0		
<b>SIZE</b>	<b>RATE</b>	<b>BILLS RENDERED</b>	<b>FIXED REVENUE</b>	<b>BILLS RENDERED</b>	<b>FIXED REVENUE</b>	<b>BILLS RENDERED</b>	<b>FIXED REVENUE</b>
5/8"	\$ 14.57	1,826	26,605	40	590	0	0
3/4"	\$ 14.57	6,369	92,802	171	2,492	0	0
1"	\$ 19.19	780	14,964	196	3,756	0	0
1 1/2"	\$ 31.05	16	490	122	3,788	0	0
2"	\$ 44.88	9	401	109	4,909	0	0
3"	\$ 82.49	0	14	8	679	0	0
4"	\$ 131.28	0	0	3	365	0	0
6"	\$ 252.63	0	0	0	61	0	0
8"	\$ 381.20	0	0	0	32	0	0
<b>Total</b>		<b>9,000</b>	<b>135,275</b>	<b>650</b>	<b>16,673</b>	<b>0</b>	<b>0</b>
<b>TOTAL BILLS RENDERED THRU 5/05</b>							
<b>SIZE</b>	<b>BILLS RENDERED</b>	<b>BILLS RENDERED</b>	<b>BILLS RENDERED</b>				
5/8"	81,486	42,931	2,984				
3/4"	284,239	149,752	12,606				
1"	34,798	24,147	14,426				
1 1/2"	705	791	8,991				
2"	398	647	8,060				
3"	8	23	606				
4"	0	0	205				
6"	0	0	18				
8"	0	0	6				
<b>Total</b>	<b>401,633</b>	<b>47,903</b>	<b>531</b>				

**UNITED WATER IDAHO**  
**Micron Industries Water Sales**

Period from August to July	Water Sales to Micron in KG
<b>86-87</b>	46,952
<b>87-88</b>	140,289
<b>88-89</b>	208,444
<b>89-90</b>	343,943
<b>90-91</b>	265,503
<b>91-92</b>	126,869
<b>92-93</b>	57,352
<b>93-94</b>	111,661
<b>94-95</b>	246,804
<b>95-96</b>	<b>451,025</b>
<b>96-97</b>	439,347
<b>97-98</b>	283,595
<b>98-99</b>	180,978
<b>99-10</b>	251,647
<b>00-01</b>	303,747
<b>01-02</b>	204,543
<b>02-03</b>	121,143
<b>03-04</b>	<b>68,593</b>
<b>04-05</b>	<b>68,593</b>

# UNITED WATER IDAHO

## SUMMARY REGRESSION ANALYSIS OUTPUT COMMERCIAL SECTOR

Regression Statistics			
Multiple R	95.76%		
R Square	91.69%		
Adjusted R Square	91.30%		
Standard Error	48,549		
Observations	222		

ANOVA					
	df	SS	MS	F	Significance F
Regression	10	5.49E+12	5.49E+11	233	0
Residual	211	4.97E+11	2.36E+09		
Total	221	5.99E+12			

Variable	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%
Intercept	-118,296	30,590	-3.87	0.00	-178,597	-57,994
Customers	43	3	16.55	0.00	38	49
Temperature	1,910	626	3.05	0.00	676	3,144
Rainfall	-20,907	7,217	-2.90	0.00	-35,133	-6,681
June	123,165	17,138	7.19	0.00	89,382	156,948
July	150,913	21,264	7.10	0.00	108,997	192,829
August	301,411	24,835	12.14	0.00	252,454	350,368
September	259,060	24,522	10.56	0.00	210,720	307,400
October	306,060	20,389	15.01	0.00	265,867	346,252
November	135,907	15,195	8.94	0.00	105,953	165,861
December	80,977	12,564	6.45	0.00	56,210	105,745

# UNITED WATER IDAHO

## Commercial Water Use Analysis

Period from August to July	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Actual Water Use as Booked (KGI) [ UWID Books ]	Normalized Water Use with Actual Weather [ Reg Est ]	Difference Actual vs Regression [ (2) - (1) ]	Percent Difference Actual vs Regression [ (3) / (1) ]	Normalized Water Use with Normal Weather [ Reg Est ]	Difference Actual vs Regression [ (5) - (1) ]	Percent Difference Actual vs Regression [ (6) / (1) ]
86-87	2,969,291	2,935,568	-33,723	-1.14%	2,950,270	-19,020	-0.64%
87-88	3,123,874	3,054,634	-69,240	-2.22%	3,049,982	-73,892	-2.37%
88-89	3,283,527	3,275,939	-7,587	-0.23%	3,338,969	55,442	1.69%
89-90	3,436,737	3,686,747	250,010	7.27%	3,754,728	317,991	9.25%
90-91	3,739,132	3,835,904	96,772	2.59%	3,855,341	116,209	3.11%
91-92	4,064,624	4,053,234	-11,390	-0.28%	3,955,954	-108,669	-2.67%
92-93	3,674,860	3,916,476	241,616	6.57%	4,056,567	381,707	10.39%
93-94	3,974,808	4,174,545	199,737	5.03%	4,156,433	181,626	4.57%
94-95	4,163,561	4,164,687	1,126	0.03%	4,232,388	68,827	1.65%
95-96	4,184,050	4,214,776	30,726	0.73%	4,297,135	113,085	2.70%
96-97	4,429,975	4,324,556	-105,419	-2.38%	4,379,816	-50,159	-1.13%
97-98	4,292,623	4,429,748	137,125	3.19%	4,511,083	218,460	5.09%
98-99	4,977,942	4,642,743	-335,199	-6.73%	4,658,386	-319,556	-6.42%
99-00	5,048,041	4,821,474	-226,568	-4.49%	4,774,087	-273,955	-5.43%
00-01	5,052,430	4,835,903	-216,527	-4.29%	4,841,717	-210,713	-4.17%
01-02	4,936,492	4,981,326	44,834	0.91%	4,909,347	-27,145	-0.55%
02-03	4,805,973	4,994,646	188,673	3.93%	4,976,978	171,005	3.56%
03-04	5,074,861	5,085,182	10,321	0.20%	5,044,608	-30,253	-0.60%
Average	4,179,600	4,190,449	10,849	0.26%	4,207,988	28,388	0.68%

## UNITED WATER IDAHO

### Commercial Customer Sector Adjustments

<b>ADJUSTMENT FOR WEATHER &amp; USE PATTERN CHANGES</b>				
USAGE				
<u>ADJUSTMENT</u>				
ACTUAL USE	5,074,861			
NORMALIZED USE	5,044,608			
ADJUSTMENT	-30,253			
SHARE OF USE				
USE BY PERIOD				
TARIFF RATE				
REVENUE ADJUSTMENT				
WINTER	39.58%	-11,973	\$ 0.9825	(\$ 11,763)
SUMMER	60.42%	-18,280	\$ 1.2281	(\$ 22,450)
TOTAL		-30,253		(\$ 34,213)
<b>ADJUSTMENT FOR GROWTH DURING TEST YEAR</b>				
ANNUALIZATION				
<u>OF USE</u>				
NEW CUSTOMERS ADDED	130			
1/2 YEAR CONVENTION	65			
USE PER CUST	636			
ADDED BILLED USE	41,351			
SHARE OF USE				
USE BY PERIOD				
TARIFF RATE				
REVENUE ADJUSTMENT				
WINTER	39.58%	16,365	0.9825	16,079
SUMMER	60.42%	24,986	1.2281	30,685
TOTAL				46,764
TOTAL FIXED CHARGES				10,004
TOTAL ADJUSTMENT				56,768
<b>ADJUSTMENT FOR GROWTH THROUGH MAY 2005</b>				
USAGE				
<u>ADJUSTMENT</u>				
NEW CUST THRU 5/05	108			
USE PER CUST	636			
ADDED BILLED USE	68,918			
SHARE OF USE				
USE BY PERIOD				
TARIFF RATE				
REVENUE ADJUSTMENT				
WINTER	39.58%	27,275	0.9825	26,798
SUMMER	60.42%	41,643	1.2281	51,142
TOTAL				77,940
TOTAL FIXED CHARGES				16,673
TOTAL ADJUSTMENT				94,613

# UNITED WATER IDAHO

## Commercial Water Use per Customer Analysis

Period from August to July	(1) Actual Billed Water Use per Customer [ KG/YR ]	(2) Normalized Water Use per Customer with Actual Weather		(3) Difference Actual vs Regression		(4) Percent Difference Actual vs Regression		(5) Normalized Water Use per Customer with Normal Weather		(6) Difference Actual vs Regression		(7) Percent Difference Actual vs Regression	
		[ Reg Est ]		[ (2) - (1) ]		[ (3) / (1) ]		[ Reg Est ]		[ (5) - (1) ]		[ (6) / (1) ]	
86-87	757	749	9	749	9	1.14%	753	5	753	5	0.64%		
87-88	766	749	17	749	17	2.22%	747	18	747	18	2.37%		
88-89	702	700	2	700	2	0.23%	714	-12	714	-12	-1.69%		
89-90	632	678	-46	678	-46	-7.27%	691	-59	691	-59	-9.25%		
90-91	664	682	-17	682	-17	-2.59%	685	-21	685	-21	-3.11%		
91-92	706	704	2	704	2	0.28%	688	19	688	19	2.67%		
92-93	621	662	-41	662	-41	-6.57%	686	-65	686	-65	-10.39%		
93-94	639	672	-32	672	-32	-5.03%	669	-29	669	-29	-4.57%		
94-95	642	642	0	642	0	-0.03%	653	-11	653	-11	-1.65%		
95-96	628	632	-5	632	-5	-0.73%	645	-17	645	-17	-2.70%		
96-97	653	637	16	637	16	2.38%	645	7	645	7	1.13%		
97-98	625	645	-20	645	-20	-3.19%	656	-32	656	-32	-5.09%		
98-99	689	643	46	643	46	6.73%	645	44	645	44	6.42%		
99-00	679	648	30	648	30	4.49%	642	37	642	37	5.43%		
00-01	672	643	29	643	29	4.29%	644	28	644	28	4.17%		
01-02	644	650	-6	650	-6	-0.91%	641	4	641	4	0.55%		
02-03	609	633	-24	633	-24	-3.93%	631	-22	631	-22	-3.56%		
03-04	640	641	-1	641	-1	-0.20%	636	4	636	4	0.60%		

# UNITED WATER IDAHO

## SUMMARY REGRESSION ANALYSIS OUTPUT PUBLIC SECTOR

Regression Statistics	
Multiple R	87.09%
R Square	75.85%
Adjusted R Square	74.59%
Standard Error	3,191
Observations	223

ANOVA					
	df	SS	MS	F	Significance F
Regression	11	6.75E+09	6.14E+08	60	0
Residual	211	2.15E+09	1.02E+07		
Total	222	8.90E+09			

Variables	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%
Intercept	-1,644	2,340	-0.70	0.48	-6,258	2,970
Customers	61	10	6.07	0.00	41	80
Temperature	27	60	0.45	0.65	-91	144
Rainfall	-1,185	476	-2.49	0.01	-2,122	-248
May	24	1,211	0.02	0.98	-2,364	2,411
June	795	1,597	0.50	0.62	-2,353	3,943
July	6,086	2,001	3.04	0.00	2,141	10,031
August	7,396	2,311	3.20	0.00	2,842	11,951
September	7,207	2,274	3.17	0.00	2,724	11,690
October	7,627	1,872	4.07	0.00	3,937	11,317
November	2,795	1,312	2.13	0.03	209	5,382
December	653	912	1	0	-1,146	2,451

# UNITED WATER IDAHO

## Public Authority Water Consumption Analysis

	REGRESSION ESTIMATES										
	Using Actual Weather Data					Using Normalized Weather Data					
	Actual Annual Consumption (KG)	Actual Average Number of Customers	Actual Use per Customer (KG)	Regression Estimate	Difference Actual vs Estimate Amount	Percent	Use per Customer	Regression Estimate	Difference Actual vs Estimate Amount	Percent	Use per Customer
86-87	39,116	66	47	60,134	-1,751.5	-90.91%	67	60,246	-112.1	-0.19%	66
87-88	42,241	78	49	62,838	-1,716.4	-33.85%	67	61,940	897.3	1.43%	66
88-89	50,249	62	58	59,896	-803.9	28.07%	57	61,396	-1,500.2	-2.50%	63
89-90	51,173	66	56	60,310	-761.4	-38.77%	60	63,332	-3,022.1	-5.01%	60
90-91	65,805	71	62	70,294	-374.1	-25.13%	65	69,323	970.6	1.38%	61
91-92	77,715	75	71	74,856	238.3	-105.18%	70	70,776	4,080.1	5.45%	59
92-93	74,621	63	68	60,492	1,177.4	169.33%	45	65,450	-4,958.5	-8.20%	55
93-94	77,123	80	69	76,210	76.1	-205.71%	67	73,620	2,590.1	3.40%	63
94-95	82,033	103	71	70,033	1,000.0	25.10%	57	73,196	-3,162.9	-4.52%	61
95-96	73,619	70	67	64,637	748.5	90.26%	47	68,476	-3,839.1	-5.94%	55
96-97	93,137	79	78	70,979	1,846.5	52.45%	56	74,951	-3,972.4	-5.60%	61
97-98	63,038	77	54	68,534	-458.0	27.65%	54	73,620	-5,085.4	-7.42%	60
98-99	95,891	103	71	88,334	629.8	-4.61%	64	89,535	-1,201.2	-1.36%	66
99-00	88,155	98	64	90,310	-179.6	-49.44%	65	88,930	1,380.4	1.53%	64
00-01	90,194	99	63	89,302	74.3	-198.85%	64	86,264	1,037.5	1.16%	63
01-02	103,767	111	74	96,433	611.2	-257.39%	70	92,682	3,751.0	3.89%	66
02-03	89,209	127	62	93,612	-366.9	-92.95%	66	93,529	82.6	0.09%	67
03-04	91,383	125	66	89,086	191.4	-13.91%	64	86,264	821.3	0.92%	64
Difference in Billed Consumption: Actual to Normalized for the Test Year										-4,169 CCF	

**UNITED WATER IDAHO**  
**Private Fire Protection Revenue at Current Rates**

Private Fire Service Size	Number of Services as of 7/04	Current Monthly Rate	Bi Monthly Bills per Year	Annual Revenue
3"	222	\$ 11.83	6	\$ 31,515
4"	348	\$ 17.93	6	\$ 74,876
6"	435	\$ 44.53	6	\$ 232,447
8"	130	\$ 73.17	6	\$ 114,145
10"	10	\$ 114.11	6	\$ 13,693
12"	6	\$ 170.93	6	\$ 12,307
<b>SUBTOTAL</b>	<b>1,151</b>			
Fire Hydrants	170	\$ 7.16	6	\$ 14,606
<b>SUB TOTAL SERVICES</b>	<b>1,321</b>			
Other	Number of Services as of 7/04	Current Monthly Rate	Bi Monthly Bills per Year	Annual Revenue
Ada County Highway *	1	\$ 179.32	6	\$ 2,152
<b>SUB TOTAL SERVICES</b>	<b>1</b>			
<b>TOTAL FIRE SERVICES</b>	<b>1,322</b>		<b>TOTAL</b>	<b>\$ 495,741</b>
NOTE: * Access to hydrants for street cleaning by Ada County DPW				<b>BILL ANALYSIS</b>
				<b>\$ 495,675</b>
				<b>DIFFERENCE</b>
				<b>\$ 66</b>

**UNITED WATER IDAHO  
Private Fire Protection Revenue at May 2005**

Private Fire Service Size	Number of Services as of 5/05	Current Monthly Rate	Bi Monthly Bills per Year	Annual Revenue
3"	234	\$ 11.83	6	\$ 33,219
4"	365	\$ 17.93	6	\$ 78,533
6"	458	\$ 44.53	6	\$ 244,737
8"	136	\$ 73.17	6	\$ 119,413
10"	10	\$ 114.11	6	\$ 13,693
12"	6	\$ 170.93	6	\$ 12,307
<b>SUBTOTAL</b>	<b>1,209</b>			
Fire Hydrants	170	\$ 7.16	6	\$ 14,606
<b>SUB TOTAL SERVICES</b>	<b>1,379</b>			
<b>Other</b>	<b>Number of Services as of 5/05</b>	<b>Current Monthly Rate</b>	<b>Bi Monthly Bills per Year</b>	<b>Annual Revenue</b>
Ada County Highway	1	\$ 179.32	6	\$ 2,152
<b>SUB TOTAL SERVICES</b>	<b>1</b>			
<b>TOTAL FIRE SERVICES</b>	<b>1,380</b>		<b>TOTAL</b>	<b>\$ 518,661</b>
			<b>Revenue increase due to growth through 5/05</b>	<b>\$ 22,920</b>

# UNITED WATER IDAHO

## Miscellaneous Service Charges

TYPE OF CHARGE	Current Charge	# of Events in Test Year	Total TY Revenue	# of Events in Rate Year (3% Inc)	Proposed Charge	Total Proposed Revenue
Reconnection During Normal Business Hours	\$ 20.00	878	\$ 17,560	904	\$ 22.50	\$ 20,340
Reconnection between 4:31 pm to 8:00 pm	\$ 30.00	371	\$ 11,130	279	\$ 40.00	\$ 11,160
Reconnection between 8:01 pm to 7:59 am	\$ 30.00		\$ 0	103	\$ 80.00	\$ 8,240
Returned Check Charge	\$ 15.00	536	\$ 8,041	552	\$ 20.00	\$ 11,040
Field Collection Charge	\$ 15.00	529	\$ 7,935	545	\$ 20.00	\$ 10,900
<b>TOTAL</b>		<b>2,314</b>	<b>\$ 44,666</b>	<b>2,383</b>		<b>\$ 61,680</b>
					<b>DIFFERENCE</b>	<b>\$ 17,014</b>
					<b>INCREASE DUE TO NEW RATED</b>	<b>\$ 15,685</b>
					<b>INCREASE DUE TO GROWTH</b>	<b>\$ 1,329</b>

# UNITED WATER IDAHO

## Summary Bill Analysis as Billed

TOTAL AS BILLED		RESIDENTIAL		COMMERCIAL		PUBLIC AUTHORITY		TOTAL ALL SECTORS	
		Bills Rendered	Fixed Revenue	Bills Rendered	Fixed Revenue	Bills Rendered	Fixed Revenue	Total Bills Rendered	Total Fixed Revenue
<b>FIXED CHARGES</b>									
	Bi-monthly Charge								
Meter 5/8" Size 3/4"		78,540	\$ 1,144,183	2,919	\$ 42,523	9	\$ 131	81,468	\$ 1,186,838
1"		273,960	3,980,956	12,332	179,556	57	824	286,349	4,161,336
1 1/2"		33,540	637,338	14,113	270,628	152	2,917	47,805	910,884
2"		679	21,086	8,796	272,919	105	3,273	9,580	297,278
3"		384	17,205	7,885	353,436	202	9,068	8,471	379,710
4"		7	618	593	48,861	6	483	607	49,962
6"		0	0	201	26,149	0	0	201	26,149
8"		0	0	18	4,426	0	0	18	4,426
Flat Rate Service		0	0	6	2,320	0	0	6	2,320
		269	14,604	0	0	0	0	269	14,604
<b>Subtotal Fixed Charges</b>		<b>387,110</b>	<b>\$ 5,815,991</b>	<b>46,863</b>	<b>\$ 1,200,819</b>	<b>531</b>	<b>\$ 16,697</b>	<b>434,773</b>	<b>\$ 7,033,507</b>
<b>COMMODITY CHARGES</b>									
	Unit Cost for Water								
Winter billed in CCF		4,605,504	4,516,400	2,719,583	2,670,559	28,773	28,269	7,353,860	7,215,228
Summer billed in CCF		8,825,318	10,784,856	4,152,218	5,092,746	93,422	114,732	13,070,958	15,992,334
<b>Subtotal Use Charges</b>		<b>13,430,822</b>	<b>\$ 15,301,256</b>	<b>6,871,801</b>	<b>\$ 7,763,305</b>	<b>122,195</b>	<b>\$ 143,001</b>	<b>20,424,818</b>	<b>\$ 23,207,562</b>
<b>TOTAL SECTOR REVENUE</b>			<b>\$ 21,117,247</b>		<b>\$ 8,964,124</b>		<b>\$ 159,698</b>		<b>\$ 30,241,069</b>

# UNITED WATER IDAHO

## Summary Bill Analysis at Existing Rates

ALL AT UWID RATES		RESIDENTIAL		COMMERCIAL		PUBLIC AUTHORITY		TOTAL ALL SECTORS	
		Bills Rendered	Fixed Revenue	Bills Rendered	Fixed Revenue	Bills Rendered	Fixed Revenue	Total Bills Rendered	Total Fixed Revenue
<b>FIXED CHARGES</b>	Bi-monthly Charge								
	Meter 5/8" Size 3/4"	78,540	\$ 1,144,321	2,919	\$ 42,530	9	\$ 131	81,468	\$ 1,186,982
	1"	273,960	3,991,604	12,332	179,677	57	824	286,349	4,172,105
	1 1/2"	33,540	643,627	14,113	270,831	152	2,917	47,805	917,375
	2"	679	21,086	8,796	273,115	105	3,273	9,580	297,474
	3"	384	17,233	7,885	353,898	202	9,068	8,471	380,199
	4"	7	618	593	48,931	6	483	607	50,032
	6"	0	0	201	26,338	0	0	201	26,338
	8"	0	0	18	4,426	0	0	18	4,426
	Flat Rate Service	269	14,604	6	2,320	0	0	6	2,320
<b>Subtotal Fixed Charges</b>	<b>387,110</b>	<b>\$ 5,833,092</b>	<b>46,863</b>	<b>\$ 1,202,065</b>	<b>531</b>	<b>\$ 16,697</b>	<b>434,773</b>	<b>\$ 7,051,854</b>	
<b>COMMODITY CHARGES</b>	Unit Cost for Water								
	Winter billed in CCF	4,605,504	4,524,907	2,719,583	2,671,991	28,773	28,269	7,353,860	7,225,168
	Summer billed in CCF	8,825,318	10,838,373	4,152,218	5,099,339	93,422	114,732	13,070,958	16,052,444
<b>Subtotal Use Charges</b>	<b>13,430,822</b>	<b>\$ 15,363,281</b>	<b>6,871,801</b>	<b>\$ 7,771,330</b>	<b>122,195</b>	<b>\$ 143,001</b>	<b>20,424,818</b>	<b>\$ 23,277,611</b>	
<b>TOTAL SECTOR REVENUE</b>		<b>\$ 21,196,373</b>		<b>\$ 8,973,394</b>		<b>\$ 159,698</b>		<b>\$ 30,329,465</b>	
Adjustment		\$ 79,126		\$ 9,270		\$ 0		\$ 88,397	

# UNITED WATER IDAHO

## Summary Bill Analysis at Existing Rates

THRU MAY 2005		RESIDENTIAL		COMMERCIAL		PUBLIC AUTHORITY		TOTAL ALL SECTORS	
	Bi-monthly Charge	Bills Rendered	Fixed Revenue	Bills Rendered	Fixed Revenue	Bills Rendered	Fixed Revenue	Total Bills Rendered	Total Fixed Revenue
<b>FIXED CHARGES</b>									
Meter 5/8"	\$ 14.57	81,486	\$ 1,187,251	2,984	\$ 43,473	9	\$ 131	84,479	\$ 1,230,856
Size 3/4"	\$ 14.57	284,239	4,141,355	12,606	183,664	57	824	296,901	4,325,843
1"	\$ 19.19	34,798	667,773	14,426	276,841	152	2,917	49,376	947,532
1 1/2"	\$ 31.05	705	21,877	8,991	279,176	105	3,273	9,801	304,326
2"	\$ 44.88	398	17,880	8,060	361,752	202	9,068	8,661	388,699
3"	\$ 82.49	8	641	606	50,017	6	483	620	51,141
4"	\$ 131.28	0	0	205	26,922	0	0	205	26,922
6"	\$ 252.63	0	0	18	4,524	0	0	18	4,524
8"	\$ 381.20	0	0	6	2,371	0	0	6	2,371
Flat Rate Service	\$ 54.29	269	14,604					269	14,604
<b>Subtotal Fixed Charges</b>		<b>401,633</b>	<b>\$ 6,051,381</b>	<b>47,903</b>	<b>\$ 1,228,741</b>	<b>531</b>	<b>\$ 16,697</b>	<b>450,336</b>	<b>\$ 7,296,820</b>
<b>COMMODITY CHARGES</b>									
Winter billed in CCF	\$0.9825	4,601,552	4,521,025	2,751,251	2,703,104	28,039	27,548	7,380,841	7,251,677
Summer billed in CCF	\$1.2281	8,999,377	11,052,135	4,200,567	5,158,717	91,038	111,803	13,290,982	16,322,655
<b>Subtotal Use Charges</b>		<b>13,600,929</b>	<b>\$ 15,573,160</b>	<b>6,951,818</b>	<b>\$ 7,861,820</b>	<b>119,076</b>	<b>\$ 139,351</b>	<b>20,671,823</b>	<b>\$ 23,574,332</b>
<b>TOTAL SECTOR REVENUE</b>			<b>\$ 21,624,541</b>		<b>\$ 9,090,562</b>		<b>\$ 156,049</b>		<b>\$ 30,871,152</b>
<b>DIFFERENCE TEST YEAR vs THRU MAY 2005</b>									
<b>REVENUE IN TEST YEAR</b>			<b>\$ 21,196,373</b>		<b>\$ 8,973,394</b>		<b>\$ 159,698</b>		<b>\$ 30,329,465</b>
<b>REVENUE INCREASE THRU MAY 2005</b>			<b>\$ 428,168</b>		<b>\$ 117,167</b>		<b>(\$ 3,650)</b>		<b>\$ 541,686</b>

# UNITED WATER IDAHO

## Existing & Final Tariffs

METER SIZE	EXISTING CHARGE	NOMINAL CHARGE	PROPOSED CHARGE	PERCENT CHANGE
<b>METERED SERVICE TARIFFS</b>				
Fixed Service Charges				
5/8"	\$ 14.57	19.8647	<b>\$ 19.86</b>	36.31%
3/4"	\$ 14.57	19.8647	<b>\$ 19.86</b>	36.31%
1"	\$ 19.19	26.1636	<b>\$ 26.16</b>	36.32%
1 1/4"	\$ 31.05	42.3336	<b>\$ 42.37</b>	36.46%
1 1/2"	\$ 31.05	42.3336	<b>\$ 42.37</b>	36.46%
2"	\$ 44.88	61.1894	<b>\$ 61.24</b>	36.45%
3"	\$ 82.49	112.4669	<b>\$ 112.51</b>	36.39%
4"	\$ 131.28	178.9872	<b>\$ 179.02</b>	36.37%
6"	\$ 252.63	344.4357	<b>\$ 344.47</b>	36.35%
8"	\$ 381.20	519.7281	<b>\$ 519.76</b>	36.35%
10"	\$ 532.85	726.4877	<b>\$ 726.52</b>	36.35%
Street Sprinkler Rate	\$ 179.23	244.3622	<b>\$ 244.39</b>	36.36%
Flat Rate Service	\$ 54.29	74.0190	<b>\$ 74.05</b>	36.40%
Commodity Rates (CCF)				
WINTER PERIOD	\$0.9825	1.148837	<b>\$1.1487</b>	16.92%
SUMMER PERIOD	\$1.2281	1.436047	<b>\$1.4360</b>	16.93%
Commodity Rates (KG)				
WINTER PERIOD	\$1.3134	1.535759	<b>\$1.5358</b>	16.93%
SUMMER PERIOD	\$1.6418	1.919698	<b>\$1.9197</b>	16.93%
<b>PRIVATE FIRE PROTECTION TARIFFS</b>				
Fixed Service Charges				
3"	\$ 11.83	14.3735	<b>\$ 14.37</b>	21.47%
4"	\$ 17.93	21.7850	<b>\$ 21.78</b>	21.47%
6"	\$ 44.53	54.1040	<b>\$ 54.10</b>	21.49%
8"	\$ 73.17	88.9016	<b>\$ 88.90</b>	21.50%
10"	\$ 114.11	138.6437	<b>\$ 138.64</b>	21.50%
12"	\$ 170.93	207.6800	<b>\$ 207.68</b>	21.50%
Private Hydrant	\$ 7.16	8.6994	<b>\$ 8.70</b>	21.51%

# UNITED WATER IDAHO

## Summary Bill Analysis at Proposed Rates

THRU MAY 2005		RESIDENTIAL		COMMERCIAL		PUBLIC AUTHORITY		TOTAL ALL SECTORS	
		Bills Rendered	Fixed Revenue	Bills Rendered	Fixed Revenue	Bills Rendered	Fixed Revenue	Total Bills Rendered	Total Fixed Revenue
FIXED CHARGES	Bi-monthly Charge								
	Meter 5/8"	81,486	\$ 1,618,313	2,984	\$ 59,258	9	\$ 179	84,479	\$ 1,677,749
	Size 3/4"	284,239	5,644,977	12,606	250,348	57	1,123	296,901	5,896,448
	1"	34,798	910,315	14,426	377,393	152	3,977	49,376	1,291,685
	1 1/2"	705	29,853	8,991	380,956	105	4,467	9,801	415,275
	2"	398	24,397	8,060	493,620	202	12,373	8,661	530,391
	3"	8	874	606	68,219	6	659	620	69,753
	4"	0	0	205	36,713	0	0	205	36,713
	6"	0	0	18	6,169	0	0	18	6,169
	8"	0	0	6	3,233	0	0	6	3,233
Flat Rate Service		269	19,919	0		0		269	19,919
Subtotal Fixed Charges		401,633	\$ 8,248,648	47,903	\$ 1,675,909	531	\$ 22,779	450,336	\$ 9,947,335
COMMODITY CHARGES		Billed Use	Use Revenue	Billed Use	Use Revenue	Billed Use	Use Revenue	Total Billed Use	Total Use Revenue
	Unit Cost for Water								
	Winter billed in CCF	4,601,552	5,285,803	2,751,251	3,160,362	28,039	32,208	7,380,841	8,478,373
	Summer billed in CCF	8,999,377	12,923,106	4,200,567	6,032,014	91,038	130,730	13,290,982	19,085,850
	Subtotal Use Charges	13,600,929	\$ 18,208,908	6,951,818	\$ 9,192,376	119,076	\$ 162,938	20,671,823	\$ 27,564,223
TOTAL SECTOR REVENUE			\$ 26,457,556		\$ 10,868,285		\$ 185,717		\$ 37,511,558
DIFFERENCE TEST YEAR vs THRU MAY 2005									
REVENUE IN TEST YEAR			\$ 21,624,541		\$ 9,090,562		\$ 156,049		\$ 30,871,152
REVENUE INCREASE THRU MAY 2005			\$ 4,833,015		\$ 1,777,723		\$ 29,668		\$ 6,640,406

**UNITED WATER IDAHO**  
**Private Fire Protection Revenue at Final Rates**

Private Fire Service Size	Number of Services as of 5/05	Proposed Monthly Rate	Bi Monthly Bills per Year	Annual Revenue
3"	234	\$ 14.37	6	\$ 40,351
4"	365	\$ 21.78	6	\$ 95,396
6"	458	\$ 54.10	6	\$ 297,334
8"	136	\$ 88.90	6	\$ 145,085
10"	10	\$ 138.64	6	\$ 16,637
12"	6	\$ 207.68	6	\$ 14,953
<b>SUBTOTAL</b>	<b>1,209</b>			
Fire Hydrants	170	\$ 8.70	6	\$ 17,748
<b>SUB TOTAL SERVICES</b>	<b>1,379</b>			
Other	Number of Services as of 5/05	Proposed Bi Monthly Rate	Bi Monthly Bills per Year	Annual Revenue
Ada County Highway	1	\$ 244.39	6	\$ 2,933
<b>SUB TOTAL SERVICES</b>	<b>1</b>			
<b>TOTAL FIRE SERVICES</b>	<b>1,380</b>		<b>TOTAL</b>	<b>\$ 630,436</b>
			<b>Revenue increase due to change in rates</b>	<b>\$ 111,775</b>

# UNITED WATER IDAHO

## Summary Bill Analysis Base System Area

MAIN SYSTEM (Water 18)		RESIDENTIAL		COMMERCIAL		PUBLIC AUTHORITY		TOTAL ALL SECTORS	
		Bills Rendered	Fixed Revenue	Bills Rendered	Fixed Revenue	Bills Rendered	Fixed Revenue	Total Bills Rendered	Total Fixed Revenue
<b>FIXED CHARGES</b>									
Meter 5/8"	\$ 14.57	78,526	\$ 1,144,117	2,912	\$ 42,435	9	\$ 131	81,447	\$ 1,186,683
Size 3/4"	\$ 14.57	258,155	3,761,315	12,206	177,847	57	824	270,418	3,939,987
1"	\$ 19.19	28,651	549,806	13,948	267,663	152	2,917	42,751	820,387
1 1/2"	\$ 31.05	673	20,900	8,701	270,176	105	3,273	9,480	294,349
2"	\$ 44.88	376	16,885	7,730	346,929	202	9,068	8,308	372,882
3"	\$ 82.49	7	618	580	47,859	6	483	594	48,960
4"	\$ 131.28	0	0	179	23,477	0	0	179	23,477
6"	\$ 252.63	0	0	18	4,426	0	0	18	4,426
8"	\$ 381.20	0	0	6	2,320	0	0	6	2,320
Flat Rate Service	\$ 54.29	269	14,604					269	14,604
<b>Subtotal Fixed Charges</b>		<b>366,388</b>	<b>\$ 5,508,244</b>	<b>46,281</b>	<b>\$ 1,183,133</b>	<b>531</b>	<b>\$ 16,697</b>	<b>413,469</b>	<b>\$ 6,708,075</b>
<b>COMMODITY CHARGES</b>									
Unit Cost for Water		<b>Billed Use</b>	<b>Use Revenue</b>	<b>Billed Use</b>	<b>Use Revenue</b>	<b>Billed Use</b>	<b>Use Revenue</b>	<b>Total Billed Use</b>	<b>Total Use Revenue</b>
Winter billed in TG	\$1.3134	0	\$ 0	3,275	\$ 4,301	0	\$ 0	3,275	\$ 4,301
Winter billed in CCF	\$0.9825	4,315,042	4,239,529	2,674,986	2,628,174	28,773	28,269	7,018,801	6,895,972
Summer billed in TG	\$1.6418	0	0	0	0	0	0	0	0
Summer billed in CCF	\$1.2281	8,309,018	10,204,305	4,091,849	5,025,200	93,422	114,732	12,494,289	15,344,236
<b>Subtotal Use Charges</b>		<b>12,624,060</b>	<b>\$ 14,443,834</b>	<b>6,770,110</b>	<b>\$ 7,657,675</b>	<b>122,195</b>	<b>\$ 143,001</b>	<b>19,516,365</b>	<b>\$ 22,244,510</b>
<b>TOTAL SECTOR REVENUE</b>			<b>\$ 19,952,078</b>		<b>\$ 8,840,808</b>		<b>\$ 159,698</b>		<b>\$ 28,952,585</b>

# UNITED WATER IDAHO

## Summary Bill Analysis South County

AS BILLED	RESIDENTIAL		COMMERCIAL		PUBLIC AUTHORITY		TOTAL ALL SECTORS	
	Bills Rendered	Fixed Revenue	Bills Rendered	Fixed Revenue	Bills Rendered	Fixed Revenue	Total Bills Rendered	Total Fixed Revenue
<b>AS BILLED</b>								
<b>FIXED CHARGES</b>								
Meter 5/8"								
Size 3/4"								
1"	151	\$ 2,063	6	.88	0	\$ 0	157	\$ 2,151
1 1/2"	10,864	147,643	126	1,709	0	0	10,990	149,352
2"	4,883	87,417	159	2,850	0	0	5,042	90,267
3"	0	0	95	2,743	0	0	95	2,743
4"	8	320	155	6,507	0	0	163	6,827
6"	0	0	13	1,001	0	0	13	1,001
8"	0	0	22	2,672	0	0	22	2,672
Subtotal Fixed Charges	15,906	\$ 237,443	576	\$ 17,571	0	\$ 0	16,482	\$ 255,014
<b>COMMODITY CHARGES</b>	Unit Cost for Water	Use Revenue	Billed Use	Use Revenue	Billed Use	Use Revenue	Total Billed Use	Total Use Revenue
Winter 1 billed in CCF		\$ 70,098	14,577	12,890	0	\$ 0	93,846	\$ 82,988
Winter 2 billed in CCF		\$ 154,516	25,628	25,180	0	0	182,896	179,695
Summer 1 billed in CCF		\$ 476,006	53,683	59,336	0	0	484,341	535,342
Summer 2 billed in CCF		\$ 43,867	6,677	8,199	0	0	42,399	52,066
Subtotal Use Charges	702,917	\$ 744,486	100,565	\$ 105,605	0	\$ 0	803,482	\$ 850,091
<b>TOTAL SECTOR REVENUE</b>		<b>\$ 981,929</b>		<b>\$ 123,176</b>		<b>\$ 0</b>		<b>\$ 1,105,105</b>

# UNITED WATER IDAHO

## Summary Bill Analysis System 09

<b>SYSTEM (Water 09)</b>		RESIDENTIAL		COMMERCIAL		PUBLIC AUTHORITY		TOTAL ALL SECTORS	
		Bills Rendered	Fixed Revenue	Bills Rendered	Fixed Revenue	Bills Rendered	Fixed Revenue	Total Bills Rendered	Total Fixed Revenue
<b>FIXED CHARGES</b>									
	Meter 5/8"	0	\$ 0	0	\$ 0	0	\$ 0	0	\$ 0
	Size 3/4"	4,942	71,998	0	0	0	0	4,942	71,998
	1"	6	115	6	115	0	0	12	230
	1 1/2"	6	186	0	0	0	0	6	186
	2"	0	0	0	0	0	0	0	0
	3"	0	0	0	0	0	0	0	0
	4"	0	0	0	0	0	0	0	0
	6"	0	0	0	0	0	0	0	0
	8"	0	0	0	0	0	0	0	0
	Subtotal Fixed Charges	4,954	\$ 72,299	6	\$ 115	0	\$ 0	4,960	\$ 72,414
		<b>Billed Use</b>	<b>Use Revenue</b>	<b>Billed Use</b>	<b>Use Revenue</b>	<b>Billed Use</b>	<b>Use Revenue</b>	<b>Total Billed Use</b>	<b>Total Use Revenue</b>
<b>COMMODITY CHARGES</b>									
	Unit Cost for Water								
	Winter billed in TG	0	\$ 0	0	\$ 0	0	\$ 0	0	\$ 0
	Winter billed in CCF	56,870	55,875	14	14	0	0	56,884	55,889
	Summer billed in TG	0	0	1	2	0	0	1	2
	Summer billed in CCF	49,920	60,678	8	10	0	0	49,928	60,688
	Subtotal Use Charges	106,790	\$ 116,553	23	\$ 25	0	\$ 0	106,813	\$ 116,578
<b>TOTAL SECTOR REVENUE</b>			<b>\$ 188,852</b>		<b>\$ 140</b>		<b>\$ 0</b>		<b>\$ 188,992</b>

# UNITED WATER IDAHO

## Summary Bill Analysis as Billed

TOTAL AS BILLED		RESIDENTIAL		COMMERCIAL		PUBLIC AUTHORITY		TOTAL ALL SECTORS	
		Bills Rendered	Fixed Revenue	Bills Rendered	Fixed Revenue	Bills Rendered	Fixed Revenue	Total Bills Rendered	Total Fixed Revenue
<b>FIXED CHARGES</b>									
	Bi-monthly Charge								
Meter 5/8"		78,540	\$ 1,144,183	2,919	\$ 42,523	9	\$ 131	81,468	\$ 1,186,838
Size 3/4"		273,960	3,980,956	12,332	179,556	57	824	286,349	4,161,336
1"		33,540	637,338	14,113	270,628	152	2,917	47,805	910,884
1 1/2"		679	21,086	8,796	272,919	105	3,273	9,580	297,278
2"		384	17,205	7,885	353,436	202	9,068	8,471	379,710
3"		7	618	593	48,861	6	483	607	49,962
4"		0	0	201	26,149	0	0	201	26,149
6"		0	0	18	4,426	0	0	18	4,426
8"		0	0	6	2,320	0	0	6	2,320
Flat Rate Service		269	14,604	0	0	0	0	269	14,604
<b>Subtotal Fixed Charges</b>		<b>387,110</b>	<b>\$ 5,815,991</b>	<b>46,863</b>	<b>\$ 1,200,819</b>	<b>531</b>	<b>\$ 16,697</b>	<b>434,773</b>	<b>\$ 7,033,507</b>
<b>COMMODITY CHARGES</b>									
	Unit Cost for Water								
Winter billed in CCF		4,605,504	4,516,400	2,719,583	2,670,559	28,773	28,269	7,353,860	7,215,228
Summer billed in CCF		8,825,318	10,784,856	4,152,218	5,092,746	93,422	114,732	13,070,958	15,992,334
<b>Subtotal Use Charges</b>		<b>13,430,822</b>	<b>\$ 15,301,256</b>	<b>6,871,801</b>	<b>\$ 7,763,305</b>	<b>122,195</b>	<b>\$ 143,001</b>	<b>20,424,818</b>	<b>\$ 23,207,562</b>
<b>TOTAL SECTOR REVENUE</b>			<b>\$ 21,117,247</b>		<b>\$ 8,964,124</b>		<b>\$ 159,698</b>		<b>\$ 30,241,069</b>

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*Attorneys for Applicant*

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION  
OF UNITED WATER IDAHO INC. FOR  
AUTHORITY TO INCREASE ITS RATES  
AND CHARGES FOR WATER SERVICE IN  
THE STATE OF IDAHO

**Case No. UWI-W-04-04**

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

EXHIBIT 7 TO THE

DIRECT TESTIMONY OF FRANK GRADILONE III

**UNITED WATER IDAHO INC.**

**SCHEDULE NO. 1**  
**GENERAL METERED SERVICE**

Availability:

To all metered customers not served under a separate schedule.

Customer Charges:

<u>Meter Size</u>	<u>Bi-Monthly Per Meter Charge</u>
5/8"	\$14.57
3/4"	14.57
1"	19.19
1-1/4" and 1-1/2"	31.05
2" or multiple meters of equivalent capacity	44.88
3" or multiple meters of equivalent capacity	82.49
4" or multiple meters of equivalent capacity	131.28
6" or multiple meters of equivalent capacity	252.63
8" or multiple meters of equivalent capacity	381.20
10" or multiple meters of equivalent capacity	532.85

Volume Charge:

	<u>Winter Rates</u>	<u>Summer Rates</u>
For all water used per 100 cubic feet (CCF):	\$0.9825	\$1.2281
For all water used per 1,000 gallons	\$1.3134	\$1.6418

Conditions of Contract:

The customer shall pay the total of the customer charge plus the volume charge. The volume charge is based on all metered Water for the billing period. Consumption is expressed in 100 hundred cubic foot units or one thousand gallon units as determined by the meter installed by the Company. The customer charge will be prorated whenever the customer has not been a customer for the entire billing period.

Summer Period:

The summer rate will apply to water consumed between May 1 and September 30. Meter readings straddling these dates will be prorated.

Issued: September 5, 2000

Effective: September 5,

2000

Under authority of I.P.U.C. Order No. 28505

Issued by:

**UNITED WATER IDAHO INC.**

By:

Benjamin Hepler, Vice President

Exhibit No. 7  
Case No. UWI-W-04-04  
F. Gradilone, United Water  
Schedule 1, Page 1 of 6

**UNITED WATER IDAHO INC.**

**SCHEDULE NO. 1E**  
**FLAT RATE SERVICE**

Availability:

To non-metered residential customers pursuant to Residential or Multi-Family Housing Non-Contiguous Water Systems Agreement Paragraph 11(a) addressing flat rate systems.

Customer Charges:

Based on United Water Idaho residential consumption for the year ending June 1998 of 208.75 ccf, the average residential bill, assuming a ¾" meter and 65%/35% summer/winter split, is \$325.74. Billed bi-monthly, equals \$54.29.

Bi-monthly Charge: \$54.29

Conditions of Contract:

The bi-monthly charge will be prorated whenever the customer has not been a customer for the entire billing period. The Company or the customer may convert to metered service pursuant to Subparagraphs (b) or (c) of Paragraph 11 as follows:

- (b) If Company should determine that a flat rate customer is using water in excess of the average residential customer, the Company will provide a meter setting and meter. Customer will then pay Company's metered tariff rates as approved by the IPUC, which rates may be amended from time to time.
- (c) If a customer prefers to pay Company's approved metered tariff rates, the customer shall pay the installation and material costs associated with the installation of a meter setting.

Issued: September 5, 2000                      Effective: September 5, 2000

Under Authority of I.P.U.C. Order No. 28505

Issued by: **UNITED WATER IDAHO INC.**

By: Benjamin Hepler, Vice President

Exhibit No. 7  
Case No. UWI-W-04-04  
F. Gradilone, United Water  
Schedule 1, Page 2 of 6



**UNITED WATER IDAHO INC.**

**SCHEDULE NO. 4**  
**PRIVATE FIRE SPRINKLER AND SERVICE**

Availability:

To all customers who have sprinkler systems and/or inside hose connections for fire fighting purposes.

Rate:

For service through a separate line for fire fighting purposes.

For 3" service or smaller, per month	\$ 11.83
For 4" service per month	17.93
For 6" service per month	44.53
For 8" service per month	73.17
For 10" service per month	114.11
For 12" service per month	170.93

Miscellaneous:

Provided that if the installation of a private fire service shall require an extension of the existing mains of the company, the cost of such extension shall be borne by the customer.

All private fire services shall be equipped with sealed gate valves or thermal automatic openings.

Meters may be placed on fire services by the utility at any time; however, metered rates will not apply unless improper use of water is disclosed, and if such be the case, usage will be billed to the consumer under Rate Schedule No. 1.

Issued: September 5, 2000  
2000

Effective: September 5,

Under Authority of I.P.U.C. Order No. 28505

Issued by:

**UNITED WATER IDAHO INC.**

By:

Benjamin Hepler, Vice President

Exhibit No. 7  
Case No. UWI-W-04-04  
F. Gradilone, United Water  
Schedule 1, Page 4 of 6



**UNITED WATER IDAHO INC.**

**SCHEDULE NO. 7**

**MISCELLANEOUS FEES AND CHARGES**

1. Return Check Charge

Application:

This charge is applicable to all customers where the customer's check or bank draft is returned by the Bank for insufficient funds, closed account, or some other appropriate reason.

Rate:

	<u>Each Occurrence</u>
Returned check charge	\$15.00

2. Reconnection Charge for Nonpayment Terminations

Application:

This charge is applicable to all customers where water has been physically turned off for nonpayment of a delinquent bill.

Rates:

	<u>Each Occurrence</u>
Reconnection Charge (during normal business hours)	\$20.00
Reconnection Charge (other than normal business hours)	\$30.00

3. FIELD COLLECTION TRIP CHARGE:

APPLICATION:

This charge is applicable to all customers who pay outstanding bills for service at the time that Company personnel arrive at the customers' premises to terminate service.

Rates:

	<u>Each Occurrence</u>
Field Collection Trip Charge	\$15.00

Issued: July 6, 1998

Effective: July 6, 1998

Under Authority of I.P.U.C. Order No. 27630

Issued by: **UNITED WATER IDAHO INC.**

By: William C. Linam, Vice President

Exhibit No. 7  
Case No. UWI-W-04-04  
F. Gradilone, United Water  
Schedule 1, Page 6 of 6

Sheet No.  
Replacing all Previous Sheets

**UNITED WATER IDAHO INC.**

**SCHEDULE NO. 1**  
**GENERAL METERED SERVICE**

**Availability:**

To all metered customers not served under a separate schedule.

**Customer Charges:**

<u>Meter Size</u>	<u>Bi-Monthly Per Meter Charge</u>
5/8"	\$ 19.86
3/4"	19.86
1"	26.16
1-1/4" and 1-1/2"	42.37
2" or multiple meters of equivalent capacity	61.24
3" or multiple meters of equivalent capacity	112.51
4" or multiple meters of equivalent capacity	179.02
6" or multiple meters of equivalent capacity	344.47
8" or multiple meters of equivalent capacity	519.76
10" or multiple meters of equivalent capacity	726.52

**Volume Charge:**

	<u>Winter Rates</u>	<u>Summer Rates</u>
For all water used per 100 cubic feet (CCF)(1 CCF=748 gallons):	\$1.1487	\$1.4360
For all water used per 1,000 gallons	\$1.5358	\$1.9197

**Conditions of Contract:**

The customer shall pay the total of the customer charge plus the volume charge. The volume charge is based on all metered water for the billing period. Consumption is expressed in hundred cubic foot units or thousand gallon units as determined by the meter installed by the Company. The customer charge will be prorated whenever the customer has not been a customer for the entire billing period.

**Summer Period:**

The summer rate will apply to water consumed between May 1 and September 30. Meter readings straddling these dates will be prorated.

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UNITED  
Issued Per IPUC Order No.  
Effective –

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Issued by UNITED WATER IDAHO INC.  
Gregory P. Wyatt, Vice President  
8248 West Victory Road, Boise, Idaho

Exhibit No. 7  
Case No. UWI-W-04-04  
F. Gradilone, United Water  
Schedule 2, Page 1 of 8

Sheet No.  
Replacing all Previous Sheets

**UNITED WATER IDAHO INC.**

**SCHEDULE NO. 1B**  
**FLAT RATE SERVICE**

**Availability:**

To non-metered residential customers pursuant to Residential or Multi-Family Housing Non-Contiguous Water Systems Agreement Paragraph 11(a) addressing flat rate systems.

**Customer Charges:**

Based on United Water Idaho residential consumption for the year ending June 1998 of 208.75 ccf, the average residential bill, assuming a ¾" meter and 65%/35% summer/winter split, is \$444.30. Billed bi-monthly, equals \$74.05.

**Bi-monthly Charge:**                    \$74.05

**Conditions of Contract:**

The bi-monthly charge will be prorated whenever the customer has not been a customer for the entire billing period. The Company or the customer may convert to metered service pursuant to Subparagraphs (b) or (c) of Paragraph 11 as follows:

- (b) If Company should determine that a flat rate customer is using water in excess of the average residential customer, the Company will provide a meter setting and meter. Customer will then pay Company's metered tariff rates as approved by the IPUC, which rates may be amended from time to time.
- (c) If a customer prefers to pay Company's approved metered tariff rates, the customer shall pay the installation and material costs associated with the installation of a meter setting.

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UNITED  
Issued Per IPUC Order No.  
Effective –

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Issued by UNITED WATER IDAHO INC.  
Gregory P. Wyatt, Vice President  
8248 West Victory Road, Boise, Idaho    Exhibit No. 7  
Case No. UWI-W-04-04  
F. Gradilone, United Water  
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Sheet No.  
Replacing all Previous Sheets

**UNITED WATER IDAHO INC.**

**SCHEDULE NO. 3**  
**PRIVATE FIRE SPRINKLER AND SERVICE**

**Availability:**

To all customers who have sprinkler systems and/or inside hose connections for fire fighting purposes.

**Rate:**

For service through a separate line for fire fighting purposes.

For 3" service or smaller, per month	\$ 14.37
For 4" service per month	21.78
For 6" service per month	54.10
For 8" service per month	88.90
For 10" service per month	138.64
For 12" service per month	207.68

**Miscellaneous:**

Provided that if the installation of a private fire service shall require an extension of the existing mains of the company, the cost of such extension shall be borne by the customer.

All private fire services shall be equipped with sealed gate valves or thermal automatic openings.

Meters may be placed on fire services by the utility at any time; however, metered rates will not apply unless improper use of water is disclosed, and if such be the case, usage will be billed to the consumer under Rate Schedule No. 1.

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UNITED  
Issued Per IPUC Order No.  
Effective –

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Issued by UNITED WATER IDAHO INC.  
Gregory P. Wyatt, Vice President  
8248 West Victory Road, Boise, Idaho

Exhibit No. 7  
Case No. UWI-W-04-04  
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**UNITED WATER IDAHO INC.**

**SCHEDULE NO. 4  
PRIVATE FIRE HYDRANT SERVICE**

**Availability:**

To all customers having private fire hydrant installations.

**Rate:**

For fire hydrants installed and maintained by the customer at customer's expense:

Each fire hydrant, per month	\$8.70
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**Miscellaneous:**

Service pipe from the fitting on the company water main to the fire hydrant is to be installed and maintained by the customer.

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UNITED  
Issued Per IPUC Order No.  
Effective –

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Issued by UNITED WATER IDAHO INC.  
Gregory P. Wyatt, Vice President  
8248 West Victory Road, Boise, Idaho

Exhibit No. 7  
Case No. UWI-W-04-04  
F. Gradilone, United Water  
Schedule 2, Page 5 of 8

**UNITED WATER IDAHO INC.**

**SCHEDULE NO. 5**  
**MISCELLANEOUS FEES AND CHARGES**

1. Return Check Charge

Application:

This charge is applicable to all customers where the customer's check or bank draft is returned by the bank for insufficient funds, closed account, or some other appropriate reason.

Rate:

	<u>Each Occurrence</u>
Returned check charge	\$20.00

2. Reconnection Charge for Nonpayment Terminations

Application:

This charge is applicable to all customers where water has been physically turned off for nonpayment of a delinquent bill.

Rates:

	<u>Each Occurrence</u>
Reconnection Charge (during normal business hours: 8:00 AM to 4:30 PM)	\$22.50
Reconnection Charge (other than normal business hours)	
1: 4:31 PM to 8:00 PM	\$40.00
2: 8:01 PM to 7:59 AM	\$80.00

3. Field Collection Trip Charge

Application:

This charge is applicable to all customers who pay outstanding bills for service at the time that Company personnel arrive at the customers' premises to terminate service.

Rate:

	<u>Each Occurrence</u>
Field Collection Trip Charge	\$20.00

**UNITED WATER IDAHO INC.**

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**MISCELLANEOUS FEES AND CHARGES (cont'd)**

4. Service Connection Charge for Other Than Normal Business Hours

Application:

This charge is applicable to all customers who request service after regular office hours, weekends or holidays.

Rate:

	<u>Each Occurrence</u>
Service Charge	\$25.00

5. Temporary Disconnection at Customer Request Charge:

Application:

This charge is applicable when the Company is requested by customer to shut off the water at the meter for repairs to customer's plumbing.

Rates:

	<u>Each Occurrence</u>
Water Disconnection at Customer Request (during normal business hours)	\$15.00
Water Disconnection at Customer Request (other than normal business hours)	\$25.00

6. Meter Test at Customer Request Charge

Application:

This charge is applicable when the customer requests the Company to test the accuracy of a meter in the case of a disputed bill.

Rate:

	<u>Each Occurrence</u>
Error in registration of 1-1/2% or less	\$10.00

Sheet No.  
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**UNITED WATER IDAHO INC.**

**MISCELLANEOUS FEES AND CHARGES (cont'd)**

7. Meter Rental Charge for Construction

Application:

This charge is applicable when contractors, builders, or others request temporary service from a fire hydrant.

Rate:

	<u>Each Occurrence</u>
Temporary Meter Charge	\$20.00

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UNITED  
Issued Per IPUC Order No.  
Effective –

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Gregory P. Wyatt, Vice President  
8248 West Victory Road, Boise, Idaho

Exhibit No. 7  
Case No. UWI-W-04-04  
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