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 Association of Idaho

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IDAHO PUBLIC
 UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	CASE NO. UWI-W-04-4
OF UNITED WATER INC. FOR)	
AUTHORITY TO INCREASE ITS RATES)	
AND CHARGES FOR WATER SERVICE IN)	COMMUNITY ACTION
THE STATE OF IDAHO)	PARTNERSHIP ASSOCIA-
)	TION OF IDAHO'S
)	PETITION FOR INTER-
)	VENOR FUNDING

COMES NOW, petitioner Community Action Partnership Association of Idaho (CAPAI) and, pursuant to Idaho Code § 61-617A and Rules 161-165 of the Commission's Rules of Procedure, IDAPA 31.01.01, petitions this Commission for an award of intervenor funding.

Rule 162 Requirements

(01) Itemized list of Expenses

Consistent with Rule 162(01) of the Commission's Rules of Procedure, an itemized list of all expenses incurred by CAPAI in this proceeding is attached hereto as Exhibit "A."

(02) Statement of Proposed Findings

CAPAI proposes that the Commission approve the settlement agreement executed between CAPAI and United Water Idaho, Inc. referred to in, and attached as an exhibit to, the testimony of Teri Ottens. The details of the settlement agreement are discussed elsewhere in this Petition.

(03) Statement Showing Costs

Attached hereto as Exhibit "A" is a statement showing the costs incurred by CAPAI in this proceeding. By identifying and limiting its involvement to those issues most directly relevant to its interests, and by engaging in a cooperative negotiation process with the company and Commission staff, CAPAI successfully minimized the costs it incurred in this case while maximizing its involvement as a party. CAPAI endeavored to make its involvement in this proceeding meaningful, and helpful to the Commission, without unnecessarily broadening the scope of issues relevant to United Water's application. Consequently, CAPAI submits that the costs and fees incurred are reasonable.

(04) Explanation of Cost Statement

CAPAI is a non-profit corporation overseeing a number of agencies who fight the causes and conditions of poverty throughout Idaho. CAPAI operates on a very limited funding basis. This is particularly true with respect to water utility matters where there is no availability of U.S. Department of Energy or other federal funding. The cost to CAPAI of participating in this proceeding constitutes a significant financial hardship.

No other intervenor in this proceeding represented, exclusively, the interests of the low-income ratepayers of United Water, or the residential customers on the whole.

CAPAI raised issues, and represented the interests of, the general body of United Water's ratepayers, as discussed below.

(05) Statement of Difference

Though it participated in the workshop conducted prior to the technical hearing on the issue of low-income concerns, Staff took no formal position in this case on the settlement agreement or its various components. CAPAI also took the unique position that United Water should implement a form of "budget" payment as discussed by Teri Ottens while on the stand, and detailed in CAPAI's Post-Hearing Brief. Thus, CAPAI's proposed findings and recommendations differ materially from those of Commission staff.

(06) Statement of Recommendation

In its direct filing, United Water proposed conducting a workshop to address the impact of the proposed rate increase on its low-income customers, but did not propose or identify any particular mechanism to alleviate the impact. Consequently, CAPAI intervened in this proceeding and, through a negotiated settlement process, ultimately reached an agreement with United Water proposing a low-income assistance package that, with respect to regulated Idaho water utilities, is unprecedented. The terms of that agreement are set forth in CAPAI's Post-Hearing Brief and, for the sake of expediency, will not be repeated here.

For the reasons enunciated in CAPAI's Post-Hearing Brief, CAPAI contends that every component of the settlement agreement would benefit the general body of all United Water customers. The overarching reason for this is that low-income customers who are on the verge of disconnection due to inability to pay their bills pose an economic

risk to United Water in the form of disconnection costs, disrupted cash flow, debt collection costs, and bad debt write-off. Of course, the company is often unable to recoup many of these costs. To the extent that customers on the verge of disconnection are able to remain customers of United Water, the Company avoids the forgoing costs which it would ultimately pass on to all ratepayers.

Finally, although not part of the settlement agreement with United Water, CAPAI weighed in on the issue of monthly billing. Upon learning of the increase in rates that conversion to monthly billing would create, CAPAI suggested as an alternative a “budget” billing arrangement by which bills above a certain level during the summer months could be paid off over a slightly extended period of time. Again, this mechanism would assist low-income ratepayers but would be revenue neutral to the company and its other customers.

Though a final Order has not yet been issued, CAPAI’s participation in this case contributed materially toward shaping the scope, and focus of the issues and evidence presented to the Commission and, thus, the ultimate outcome of this proceeding, by offering a perspective not offered by any other party.

(07) Statement Showing Class of Customer

Because United Water revenue allocation is based on meter size, and not customer class, this particular requirement is inapplicable. Were customer classes to exist, CAPAI would best be characterized as representing the residential class.

RESPECTFULLY SUBMITTED, this 9th day of June, 2005.


Brad M. Purdy

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT ON THIS 9th DAY OF JUNE, 2005, I HAVE SERVED THE FOREGOING PETITION FOR INTERVENOR FUNDING, IN CASE NO. UWI-W-04-4, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

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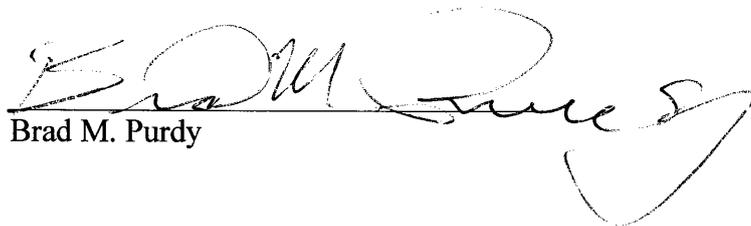
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Brad M. Purdy

EXHIBIT "A"
ITEMIZED EXPENSES

Costs:		
Photocopies		\$18.00
Postage		<u>\$15.60</u>
Total Costs		\$33.60
Fees:		
Legal	(Brad M. Purdy 42.00 hours @ \$110.00/hr.)	\$4,620.00
Total Fees		\$4,620.00
Total Expenses		\$4,653.60