

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION )  
OF UNITED WATER IDAHO INC. ) CASE NO. UWI-W-06-1  
REGARDING A TARIFF ADVICE )  
\_\_\_\_\_ ) ORDER NO. 29983**

On January 5, 2006, United Water Idaho Inc. (“United Water” or “Company”) filed a tariff advice with the Idaho Public Utilities Commission (“Commission”) notifying the Commission of a change to Rule 75 of Company’s tariff, related to the calculation of refunds provided to developers for the costs of water main extensions. Comments were sought on the tariff advice through Modified Procedure. The Commission Staff filed comments, and no other comments were received.

**THE APPLICATION**

The tariff advice revised Rule 75, pertaining to the amount refunded to developers. For some developers, the revised tariff could result in a decrease of as much as 25% in the refund that was previously experienced.

**COMMENTS**

Staff was the only party to file comments. Staff filed its comments on February 7, 2006, outlining its analysis of the revised tariff. Developers that provide or pay the company to provide special facilities, such as a storage tank, for use in serving their development qualify for a refund of a portion of this contribution as the development is occupied and produces revenue for the Company. The refund provides some reimbursement to the developer that provides special facilities after those facilities are used by customers and the company receives revenues related to the facilities.

This tariff advice changes the formula used to calculate these refunds. The proposed formula updates and refines the calculation of revenues and includes additional variables to address taxes, meter costs and embedded investment that were not explicitly included in the old formula. The Company claims these revisions will result in a more accurate determination of the net revenues provided to the Company to cover the cost of such special facilities. In general, based upon current values for these variables, the new formula will reduce the amount of the refund, typically by 20% to 25%. Staff agrees that the revised formula is a more accurate

calculation of revenue collected from customers that should be refunded to developers to pay for contributed special facilities.

Staff recommended approval of the tariff advice.

### **FINDINGS AND CONCLUSIONS**

United Water is a water corporation providing water service to the public within the State of Idaho, *Idaho Code* §§ 61-124 and 61-125, and is operating as a public utility. *Idaho Code* § 61-129. The Commission has jurisdiction over this matter as authorized by Title 61 of the Idaho Code, and more particularly *Idaho Code* §§ 61-501, 61-502, 61-503, 61-520, and 61-523.

The Commission finds that the change in the calculation of refunded fees in Rule 75 is reasonable because it now closely and accurately reflects the costs and revenues that are associated with special facilities. We further find that the tariff advice should be approved.

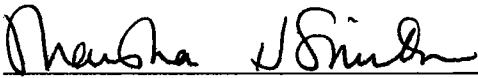
### **ORDER**


IT IS HEREBY ORDERED that the tariff advice of United Water Idaho Inc. is approved.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order with regard to any matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code* § 61-626.

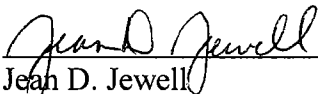
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 6<sup>th</sup>  
day of March 2006.

  
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PAUL KJELLANDER, PRESIDENT

  
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MARSHA H. SMITH, COMMISSIONER

  
\_\_\_\_\_  
DENNIS S. HANSEN, COMMISSIONER

ATTEST:

  
\_\_\_\_\_  
Jean D. Jewell  
Commission Secretary

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