

DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER
COMMISSIONER SMITH
COMMISSIONER HANSEN
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL**

FROM: DONOVAN E. WALKER

DATE: MAY 22, 2006

**SUBJECT: UNITED WATER'S GENERAL RATE CASE – PROCEDURE
REGARDING STIPULATION – CASE NO. UWI-W-06-2**

On February 10, 2006, United Water Idaho Inc. filed an Application with the Commission for authority to increase its rates and charges for water service in the State of Idaho. The Application requests a 17.91% average increase in overall rates. If approved, Company revenues would increase by approximately \$6 million annually. The Company requested that new rates become effective on March 13, 2006.

On March 3, 2006, the Commission issued Order No. 29988 establishing the deadline for parties to intervene in the case and suspending the proposed effective date. The only party to Petition to Intervene was BRACE (Boise Residents Against Commercial Exploitation). After being granted intervention, BRACE subsequently withdrew its Petition. On March 29, 2006, the Commission issued a Notice setting forth the technical hearing date of July 12-14, as well as a Staff prefile deadline of June 2, and a rebuttal deadline of June 27, 2006.

On May 15, 2006, the parties met for settlement discussions. As a result of those settlement discussions the parties were able to reach agreement on the issues in this case and entered into a Stipulation. The Stipulation as well as a Motion requesting that the Commission approve the Settlement Stipulation in its entirety was filed with the Commission on May 22, 2006.

STAFF RECOMMENDATION

In light of the Stipulation executed by the parties, and the Motion to adopt that Stipulation filed by Staff, Staff recommends that a procedural schedule be established by which the Commission can consider whether to adopt the Stipulation. Staff recommends the following procedure: The deadline to prefile direct testimony currently set for June 2, 2006, as well as the deadline for filing rebuttal testimony currently set for June 27, 2006, be vacated; the deadline for parties to file testimony in support of the Stipulation be set at June 16, 2006; the date of July 12, 2006, currently set for the technical hearing, be retained and used for testimony regarding the Stipulation, and that the July 13 and July 14, 2006 dates be vacated; a public comment period be established, and a public hearing be scheduled for the evening of July 12. Staff's recommendations would result in the following procedural schedule:

| <u>Date</u> | <u>Action</u> |
|---------------|---|
| June 16, 2006 | Deadline for parties to prefile testimony in support of the Stipulation |
| July 12, 2006 | Deadline to submit written public comments |
| July 12, 2006 | Technical hearing regarding the Stipulation |
| July 12, 2006 | Public hearing |

COMMISSION DECISION

Does the Commission approve of the schedule set forth above?

Does the Commission wish to employ any other procedure for considering the Stipulation or processing this case?


DONOVAN E. WALKER

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