

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF THE APPLICATION)
 OF UNITED WATER IDAHO INC. FOR) CASE NO. UWI-W-09-01
 AUTHORITY TO INCREASE ITS RATES)
 AND CHARGES IN THE STATE OF) ORDER NO. 30865
 IDAHO.)**

On June 22, 2009, United Water Idaho Inc. filed a Notice of Intent to File a General Rate Case. On July 2, 2009, the Company filed a Motion for Order Waiving Requirement for Cost of Service Study. *See* IPUC Rule of Procedure 121(e).

The Company states that a complete cost of service study was submitted for the Company's 2004 rate case and, based on that study and no proposed change in rate design, the Commission waived the requirement for the Company's 2006 rate case. United Water maintains that there is no compelling need for a cost of service study to be included with its current rate case Application.

The Company's Motion states that it does not intend to propose a change in its current rate design. Furthermore, because the composition of the Company's physical system has not changed substantially from the last rate case, cost of service study results and allocations would not be materially different from the 2004 results. Finally, the Company estimates that preparing and submitting a cost of service study would cost the Company approximately \$60,000 to \$75,000 – a cost that would be passed on to customers.

The Company requests that the Commission issue an Order waiving the requirement for a cost of service study. Staff supports United Water's Motion, provided the Company does not propose a change to the current rate design including the current 25% seasonal differential between summer and non-summer rates.

FINDINGS AND CONCLUSIONS

The Commission last reviewed and approved United Water's cost of service and rate design during the Company's 2006 rate case. Because the composition of its physical system has not changed substantially since the 2006 rate case, cost of service study results and allocations would not be materially different. Moreover, the Company intends to propose a uniform percentage increase to rates without any change in rate design, further negating the need for a cost of service study. Therefore, the Commission finds it appropriate to waive Rule 121(e)'s

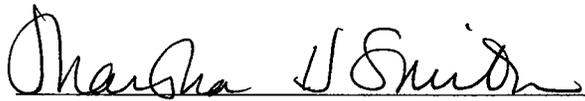
requirement to file a cost of service study provided the Company does not propose a change to the current rate design including the current 25% seasonal differential.

ORDER

IT IS HEREBY ORDERED that United Water's Motion requesting a waiver of Rule 121(e)'s requirement to file a cost of service study with its Application and testimony is granted, on the condition that United Water does not propose a change to the current rate design including the current 25% seasonal differential.

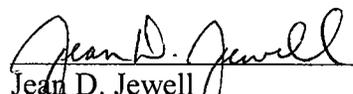
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 16th day of July 2009.


JIM D. KEMPTON, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


MACK A. REDFORD, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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