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Boise, Idaho 83702

2011 AUG -3 PM 1:49

IDAHO PUBLIC
UTILITIES COMMISSION

Chas. F. McDevitt
Dean J. (Joe) Miller

August 3, 2011

Via Hand Delivery

Jean Jewell, Secretary
Idaho Public Utilities Commission
472 W. Washington St.
Boise, Idaho 83720

Re: Case No UWI-W-11-02/General Rate Case Filing

Dear Ms. Jewell:

Enclosed for filing are an original and nine (9) copies of United Water Idaho Inc.'s (United Water) Application for authority to increase its rates and charges for water service to its customers in the State of Idaho.

The tariff schedules that United Water proposes to become effective on September 2, 2011, are attached to the Application. In addition, copies of United Water's press release and customer notice are also attached to the Application.

Also enclosed for filing are the original and nine (9) copies of the Testimony and exhibits of Gregory P. Wyatt, Scott Rhead, Jeremiah Healy, Jarmila Cary, Kevin Doherty, Paul Herbert, Pauline Ahren and Bruce Hawthorne. One copy of each of these Testimonies has been designated as the "Reporter's Copy." In addition, a disk containing MS Word versions of the Testimonies is enclosed for the Reporter.

Also enclosed are three (3) copies of work papers showing adjustments to the Company's revenue requirements. These are also provided in electronic format on an enclosed disk.

If you have any questions, please do not hesitate to contact me.

Kindly return a stamped copy.

Very Truly Yours,

McDevitt & Miller LLP


Dean J. Miller

DJM/hh

ORIGINAL

Dean J. Miller (ISB No. 1968)
Chas. F. McDevitt (ISB No. 835)
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RECEIVED
2011 AUG -3 PM 1:49
IDAHO PUBLIC
UTILITIES COMMISSION

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-11-02

APPLICATION

COMES NOW United Water Idaho Inc., (“United Water”, or “Applicant”) and hereby makes application to the Idaho Public Utilities Commission (“Commission”) for an Order approving revisions to Applicant’s schedules of rates and charges for water service in the State of Idaho to become effective with service provided on or after September 2, 2011, and in support thereof respectfully shows as follows:

I.

Applicant is a public utility water corporation within the meaning of the Idaho Public Utility Law, is duly organized and existing under the laws of the State of Idaho and is engaged in conducting a general water business in and about Boise City, Ada County, Idaho, having its principal office and place of business at 8248 West Victory Road, Boise, Idaho. A certified copy of Applicant’s Articles of Incorporation, together with all amendments to date, is on file with the Commission. Applicant’s current Certificate is Amended Certificate No. 143.

APPLICATION-1

JAN 19 1990

II.

United Water has been providing water service to the public in Boise City and surrounding areas for more than 100 years. Currently, United Water provides service to approximately 85,000 customers within Ada County, Idaho.

III.

The operations of United Water have been reviewed in several rate proceedings before the Commission, most recently in Case No. UWI-W-09-01.

IV.

Attached hereto as Attachment 1 are copies of Applicant's Schedule Number 1, General Metered Service; Schedule Number 1B, Flat Rate Service; Schedule Number 2, Public Hydrants and Street Sprinkling; Schedule Number 3, Private Fire Sprinkling and Service; and Schedule Number 4, Private Fire Hydrant Service, containing the rates under which water service is currently rendered and charged to Applicant's customers.

V.

Attached hereto as Attachment 2 are copies of Applicant's new proposed Schedules Numbers 1, 1B, 2, 3 and 4 setting forth charges to be made to Applicant's customers rates on and after September 2, 2011.

Applicant proposes to increase rates by \$7,616,015, an overall average increase of 19.89%.

Applicant alleges that the proposed changes in rates and charges set forth on Attachment 2 are just and reasonable and that the rate of return expected to be provided to the Applicant there under will be 8.43%, which is a fair rate of return on Applicant's investment in property used and useful in rendering water service.

VI.

The revenue realized by Applicant under its presently authorized rates produces a rate of return of 5.64% based on a test year ending April 30, 2011. Applicant seeks additional revenues to recover increased operating expenses and costs associated with plant additions, and to produce a fair rate of return, thereby enabling it to continue to provide adequate and reliable service to its customers.

VII.

As discussed in the testimony of Gregory P. Wyatt and Jeremiah Healy, Applicant is also proposing to implement a mechanism for an annual rate adjustment to reflect changes in expense accounts relating to purchased electric power, property taxation and pension contribution.

VIII.

Applicant is filing concurrently herewith Direct Testimony of Gregory P. Wyatt, Scott Rhead, Jeremiah Healy, Jarmila Cary, Kevin Doherty, Paul Herbert, Pauline Ahern and Bruce Hawthorne and Exhibits 1-12 including financial statements, and revenue analysis, along with supporting workpapers, to justify and support the proposed increase.

IX.

Notice to Applicant's customers is being accomplished by news media releases simultaneously with the filing of this Application and by an individual notice mailed to each of Applicant's customers. Copies of the press release and customer notice are attached to this Application. In addition, a copy of the Application and Applicant's present and proposed rate schedules are available for public inspection at its office at 8248 West Victory Road, Boise, Idaho at any time during office hours.

X.

Applicant stands ready for an immediate hearing on this Application and requests that a hearing be held as soon as possible.

XI.

Communications in reference to this Application should be addressed to:

Dean J. Miller, Esq.
McDEVITT & MILLER LLP
420 E. Bannock
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208-343-7500
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joe@mcdevitt-miller.com
heather@mcdevitt-miller.com

and

Kevin H. Doherty
Director of Rates
United Water Management and Services Company
200 Old Hook Road
Harrington Park, New Jersey 07640-1799
Kevin.Doherty@unitedwater.com

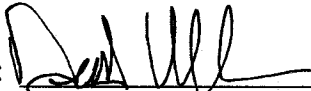
WHEREFORE, Applicant respectfully requests of the Commission:

1. That this Application be heard and acted upon at the earliest possible date;
2. That the Commission find that the Applicant's existing rates are unjust, unreasonable and insufficient to provide Applicant with a fair rate of return and that the revised rates and charges proposed in Attachment 2 of this Application are just and reasonable and that Applicant be permitted to charge said rates to its customers, effective September 2, 2011.

3. That the Commission grant such other and further relief as the Commission may determine proper in the circumstances.

DATED this 3rd day of August, 2011.

UNITED WATER IDAHO INC.

By: 

Dean J. Miller
Attorney for Applicant

ATTACHMENT 1

UNITED WATER IDAHO INC.

SCHEDULE NO. 1
GENERAL METERED SERVICE

Availability: To all metered customers not served under a separate schedule.

<u>Customer Charges:</u>	<u>Bi-Monthly</u> <u>Per Meter</u> <u>Charge</u>
<u>Meter Size</u>	
5/8"-3/4"	\$18.10
1"	\$23.79
1-1/4" and 1-1/2"	\$38.55
2" or multiple meters of equivalent capacity	\$55.65
3" or multiple meters of equivalent capacity	\$102.23
4" or multiple meters of equivalent capacity	\$162.71
6" or multiple meters of equivalent capacity	\$313.15
8" or multiple meters of equivalent capacity	\$472.39
10" or multiple meters of equivalent capacity	\$660.37

<u>Volume Charge:</u>	<u>Winter</u> <u>Rates</u>
For all water used less than 3CCF (100 cubic Feet) (CCF)(1 CCF=748 gallons):	\$1.3521
For all water used greater than 3CCF	\$1.3521

<u>Volume Charge:</u>	<u>Summer</u> <u>Rates</u>
For all water used less than 3CCF (100 cubic Feet) (CCF)(1 CCF=748 gallons):	\$1.3521
For all water used greater than 3CCF	\$1.6902

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.

UNITED
Issued Per IPUC Order No.
Effective –September 2, 2011

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

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 \$434.16. Billed bi-monthly, equals \$ 72.36.

Bi-Monthly Charge: \$ 72.36

Conditions of Contract:

The 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.

UNITED
Issued Per IPUC Order No.
Effective –September 2, 2011

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

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	\$15.84
For 4" service per month	\$24.01
For 6" service per month	\$59.63
For 8" service per month	\$97.98
For 10" service per month	\$152.80
For 12" service per month	\$228.87

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.

UNITED
Issued Per IPUC Order No.
Effective –September 2, 2011

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

Sheet No. 10
Replacing all Previous Sheets

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 \$9.60

Miscellaneous:

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

UNITED
Issued Per IPUC Order No.
Effective –September 2, 2011

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

ATTACHMENT 2

UNITED WATER IDAHO INC.

SCHEDULE NO. 1
GENERAL METERED SERVICE

Availability: To all metered customers not served under a separate schedule.

<u>Customer Charges:</u>	<u>Bi-Monthly Per Meter Charge</u>	
<u>Meter Size</u>		
5/8"-3/4"	\$18.10	\$23.20
1"	\$23.79	\$29.70
1-1/4" and 1-1/2"	\$38.55	\$50.80
2" or multiple meters of equivalent capacity	\$55.65	\$78.70
3" or multiple meters of equivalent capacity	\$102.23	\$153.60
4" or multiple meters of equivalent capacity	\$162.71	\$286.50
6" or multiple meters of equivalent capacity	\$313.15	\$478.40
8" or multiple meters of equivalent capacity	\$472.39	\$625.80
10" or multiple meters of equivalent capacity	\$660.37	\$900.61

<u>Volume Charge:</u>	<u>Winter Rates</u>	
For all water used less than 3CCF (100 cubic Feet) (CCF)(1 CCF=748 gallons):	\$1.3521	\$1.5710
For all water used greater than 3CCF	\$1.3521	\$1.5710

<u>Volume Charge:</u>	<u>Summer Rates</u>	
For all water used less than 3CCF (100 cubic Feet) (CCF)(1 CCF=748 gallons):	\$1.3521	\$1.5710
For all water used greater than 3CCF	\$1.6902	\$1.9639

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.

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 3/4" meter and 65% / 35% summer/winter split, is \$434.16. Billed bi-monthly, equals \$ 72.36.

Bi-Monthly Charge: ~~\$ 72.36~~ \$86.75

Conditions of Contract:

The 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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Effective –September 2, 2011

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

Sheet No. 8
Replacing all Previous Sheets

UNITED WATER IDAHO INC.

**SCHEDULE NO. 2
PUBLIC HYDRANTS AND STREET SPRINKLING**

Availability:

To the City of Boise and Ada County Highway District.

Rates:

Street Sprinkling Service

Flat Charge	\$239.98 /Month	\$311.97/Month
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Miscellaneous:

Bills will be rendered monthly, bi-monthly, or at other intervals upon mutual agreement of the Company and the customer.

Hydrants and service pipes from the fitting on the Company main to the hydrants are to be installed and maintained by and at the expense of the City of Boise or Ada County Highway District.

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Effective –September 2, 2011

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

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	-\$15.84	\$20.59
For 4" service per month	\$24.01	\$31.21
For 6" service per month	\$59.63	\$77.52
For 8" service per month	-\$97.98	\$127.37
For 10" service per month	\$152.80	\$198.64
For 12" service per month	\$228.87	\$297.53

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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Issued Per IPUC Order No.
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Sheet No. 10
Replacing all Previous Sheets

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 ~~\$9.60~~ \$12.48

Miscellaneous:

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

UNITED
Issued Per IPUC Order No.
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