

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)
OF UNITED WATER IDAHO INC FOR) **CASE NO. UWI-W-15-01**
AUTHORITY TO INCREASE ITS RATES)
AND CHARGES FOR WATER SERVICE IN) **NOTICE OF APPLICATION**
THE STATE OF IDAHO)
) **NOTICE OF**
) **INTERVENTION DEADLINE**
) **ORDER NO. 33316**

On May 21, 2015, United Water Idaho Inc. filed a general rate case Application to increase its rates and charges for water service effective June 22, 2015. United Water provides water service to approximately 90,000 business and residential customers in Boise, parts of Eagle, and unincorporated areas of Ada County. United Water proposes to increase its rates by an overall average of 13.2%, resulting in an annual revenue increase of \$5,881,308. Application at 2.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that the Company proposes to spread the requested increase in revenue by a uniform percentage increase to all rate elements. *Id.* at 3. The Company proposes to increase the bi-monthly customer charge from \$20.08 to \$23.55 for small customers served by a 5/8-inch and 3/4-inch service line. Larger customers served by a 1-inch service line would see an increase in their bi-monthly customer charge from \$26.60 to \$30.10. Customers with larger meter sizes would see a corresponding increase in their bi-monthly bills. Atch. 2, p. 1.

YOU ARE FURTHER NOTIFIED that the Company also proposes increases in its usage rates. The volumetric charge for water used during the non-summer months would increase from \$1.4647 to \$1.6576 per 100 cubic feet (CCF) of water. Atch. 2, p.1. A CCF is 100 cubic feet of water and equals 748 gallons. The volumetric charge for water used during the summer (between May and September) would increase from \$1.4647 per CCF for less than 3 CCF to \$1.6576 per CCF, and increase to \$2.072 per CCF for all water usage greater than 3 CCF. Atch. 3, Customer Notice. If approved, the average residential customer using 9,500

gallons per month would experience a rate increase of about \$4.22 per month, or an annual billing increase from \$383.99 to \$434.61.

YOU ARE FURTHER NOTIFIED that United Water states that it has invested more than \$39 million in its water system since its last rate case in 2011. These capital improvements include \$17.2 million to replace aging water mains and meters; \$3.5 million to replace treatment facilities; \$900,000 for a replacement storage tank in the Bogus Basin Road area; and \$500,000 for auxiliary power equipment to ensure uninterrupted water supply during periods of electric outages. *Id.*

YOU ARE FURTHER NOTIFIED that United Water seeks additional revenue to recover its increased operating expenses and costs associated with plant additions and to produce a fair rate of return. The Company's proposed rate increase includes a requested return on equity of 10.4% resulting in an expected overall rate of return of 8.45%. Doherty Direct at 2. The Company maintains that its current rates only produce a rate of return of 6.43% based on a test year ending December 31, 2014. Application at 3.

YOU ARE FURTHER NOTIFIED that the Company is also proposing several changes to its "Rules and Regulations Governing the Rendering of Service." The Company proposes to terminate service without prior notice if a customer fails to install, maintain or annually test a backflow prevention device. Exh. No. 2 accompanying the testimony of United Water witness Marshall Thompson. The Company also proposes changes to its Water Main Extension Agreements.

YOU ARE FURTHER NOTIFIED that United Water submitted its Press Release and Customer Notice with its Application. The Company indicates that it will provide individual notice to each of its customers with their bi-monthly bills beginning in June and ending in July 2015.

YOU ARE FURTHER NOTIFIED that the Commission finds it appropriate to suspend the proposed effective date of June 22, 2015, for a period of thirty (30) days plus five (5) months, or until December 22, 2015, unless the Commission issues an earlier Order accepting, rejecting or modifying the Company's Application.

YOU ARE FURTHER NOTIFIED that United Water's intrastate revenue requirement, and every component of it, both rate base and expense, are at issue. The

Commission may grant, deny, or modify the revenue requirement requested and may find a revenue requirement different from that proposed by any party to be just, fair, and reasonable.

YOU ARE FURTHER NOTIFIED that the rates and charges of all United Water retail customers, both recurring and non-recurring, including those of any special contract customers are at issue, and every component of every existing and proposed rate and charge is at issue. The Commission may approve, reject, or modify the rates and charges proposed and may find that rates and charges different from those proposed by any party are just, fair, and reasonable.

YOU ARE FURTHER NOTIFIED that the tariffs, practices, rules and regulations, services, instrumentalities, equipment, facilities, classifications, and customer relations of the utility are at issue, and the Commission may address any of these issues in its Order.

YOU ARE FURTHER NOTIFIED that the Company's Application, supporting workpapers, testimonies, and exhibits can be reviewed at the Commission's office in Boise, Idaho during regular business hours. The Application and testimonies are also available on the Commission's web site at www.puc.idaho.gov. Click on the "File Room" tab at the top of the page, scroll down to "Open Water Cases," and then click on the case number as shown on the front of this document.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and specifically *Idaho Code* §§ 61-502, 61-503, 61-507, 61-520, 61-523, and 61-622. The Commission may enter any final Order consistent with its authority under Title 61.

NOTICE OF INTERVENTION DEADLINE

YOU ARE FURTHER NOTIFIED that **persons desiring to intervene** in this matter for the purpose of presenting evidence or cross-examining witnesses at hearing **must file a Petition to Intervene** with the Commission pursuant to this Commission's Rules of Procedure 72 and 73, IDAPA 31.01.01.072 and -.073. Persons intending to participate at the hearing must file a Petition to Intervene **within 14 days from the date of this Order**. Persons desiring to present their views without parties' rights of participation and cross-examination are not required to intervene and may present their comments without prior notification to the Commission or the parties.

YOU ARE FURTHER NOTIFIED that once the deadline for intervention has passed, the Commission Secretary will prepare and distribute a Notice of Parties. The Commission anticipates that the parties will subsequently convene an informal prehearing conference to determine the scheduling of discovery, testimony, technical hearings, and other matters. The Notice of Parties shall also assign exhibit numbers to each party in this proceeding.

YOU ARE FURTHER NOTIFIED that the following persons are designated as United Water's representatives in this matter:

Dean J. Miller, Esq.
McDevitt & Miller, LLP
420 E. Bannock (83702)
PO Box 2564
Boise, ID 83701-2564

E-mail: joe@mcdevitt-miller.com
heather@mcdevitt-miller.com

Kevin H. Doherty
Director of Rates
United Water Management and
Services Company
200 Old Hook Road
Harrington Park, NJ 07640-1799

E-mail: kevin.doherty@unitedwater.com

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted according to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

YOU ARE FURTHER NOTIFIED that all hearings and prehearing conferences in this matter will be held in facilities meeting the accessibility requirements of the Americans with Disabilities Act (ADA). Persons needing the help of a sign language interpreter or other assistance in order to participate in or to understand testimony and argument at a public hearing may ask the Commission to provide a sign language interpreter or other assistance at the hearing. The request for assistance must be received at least five (5) working days before the hearing by contacting the Commission Secretary at:


IDAHO PUBLIC UTILITIES COMMISSION
PO BOX 83720
BOISE, IDAHO 83720-0074
(208) 334-0338 (Telephone)
(208) 334-3762 (FAX)
E-Mail: secretary@puc.idaho.gov

ORDER

IT IS HEREBY ORDERED that the proposed rates in this case are suspended for a period of thirty (30) days plus five (5) months from the proposed effective date of June 22, 2015, or until December 22, 2015, unless the Commission issues an earlier Order accepting, rejecting or modifying the Application in this matter.

IT IS FURTHER ORDERED that persons desiring to intervene in this matter shall file a Petition to Intervene no later than 14 days from the service date of this Order.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 9th day of June 2015.



PAUL KJELLANDER, PRESIDENT

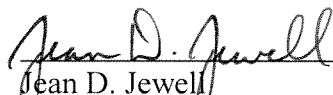


MACK A. REDFORD, COMMISSIONER



KRISTINE RAPER, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

bls/O:UWI-W-15-01_don