BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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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-15-01 NOTICE OF PROPOSED SETTLEMENT REQUEST FOR PUBLIC COMMENT NOTICE OF PUBLIC HEARINGS ORDER NO. 33398

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. The Commission issued a Notice of Application and Notice of Intervention Deadline. Order No. 33316. Community Action Partnership Association of Idaho (CAPAI) petitioned to intervene, which the Commission granted. Order No. 33334. The Commission set the matter for hearing and scheduled a technical hearing for November 19, 2015.

On October 8, 2015, the parties filed a Settlement Stipulation and a Joint Motion to Adopt Settlement Procedure and Approve Settlement Stipulation. In their Stipulation, the parties asked the Commission to: (1) issue a Notice of the proposed settlement; (2) solicit public comment on the proposed settlement; and (3) direct the parties to present testimony in support of the settlement at the November 19 hearing. Commission now adopts the agreed procedural schedule regarding the Settlement Stipulation and will address the parties' Motion for relief upon consideration of the Settlement Stipulation after the record for these proceedings has closed.

NOTICE OF PROPOSED SETTLEMENT

YOU ARE HEREBY NOTIFIED that on October 8, 2015, the parties filed a Settlement Stipulation that they agree "is in the public's interest," and that "represents a fair, just and reasonable compromise of the issues raised in United Water's Application for an increase in water service rates." Settlement Stipulation at 2.

YOU ARE FURTHER NOTIFIED that United Water's initial Application sought authority to increase its rates for water service by an average of 13.2%, which, if approved, would have increased its revenues by \$5,881,308 annually. In the Settlement Stipulation, the parties agree that United Water be permitted to recover \$2,730,000 in additional revenue effective December 22, 2015, which is an overall annual increase of approximately 6.00%, and to recover an additional \$670,000 effective December 22, 2016, which is an additional annual increase of 1.39%. *Id.* at 2, 4.

YOU ARE FURTHER NOTIFIED that, if the Settlement Stipulation is adopted, United Water agrees it will not file a general revenue requirement rate case that would result in new rates with an effective date before December 22, 2017. *Id.* at 4.

YOU ARE FURTHER NOTIFIED that, if the Settlement Stipulation is adopted, changes to customer rates in the first year would include the following:

CUSTOMER CHARGE	CURRENT	UNDER PROPOSED SETTLEMENT
5/8-inch to 3/4-inch service line (bi-monthly)	\$20.80	\$22.05
1-inch service line (bi-monthly)	\$26.60	\$28.19
Non-summer months (volumetric, per CCF, i.e., 100 cubic feet or 748 gallons)	\$1.4647	\$1.5523
Summer months (volumetric, per CCF), up to 3 CCF	\$1.4647	\$1.5523
Summer months (volumetric, per CCF), greater than 3 CCF	\$1.8310	\$1.9405

Attachment 1 to Application, at 1 (showing current rates); *see* Exhibit A to Settlement Stipulation, at 21-22 (detailing all proposed rate changes).

YOU ARE FURTHER NOTIFIED that the parties agree to modifications of United Water's proposed Rules and Regulations changes (regarding fire suppression and cross-connection control), as shown in Amendment 1 to Exhibit 2A, attached to the Settlement Stipulation. *Id.* at 6.

YOU ARE FURTHER NOTIFIED that "United Water Cares" is a voluntary program that provides financial assistance to the Company's low-income customers; none of its program costs are included in customer rates. United Water agrees to increase its annual per-customer assistance contribution in this program from \$65 to \$75.

YOU ARE FURTHER NOTIFIED that the Settlement Stipulation, along with the Company's Application and other documents concerning this case, are available on the Commission's web site at <u>www.puc.idaho.gov</u>. 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 the Commission is not bound by the parties' settlement. The Commission will independently review any proposed settlement to determine whether it is just, fair and reasonable, in the public interest, or otherwise in accordance with law or regulatory policy. The proponents of a proposed settlement carry the burden of showing that the settlement is reasonable, in the public interest, or otherwise in accordance with law or regulatory policy.

NOTICE OF PROCEDURE AND NOTICE OF TECHNICAL HEARING

YOU ARE FURTHER NOTIFIED that the Commission will process the Settlement Stipulation pursuant to Rules 271 through 280 of the Idaho Public Utilities Commission's Rules of Procedure, IDAPA 31.01.01.271 through .280.

YOU ARE FURTHER NOTIFIED that the deadline for parties' testimony in support of the Settlement Stipulation shall be **November 6, 2015**.

YOU ARE FURTHER NOTIFIED that the Commission will conduct a **technical hearing** regarding the Settlement Stipulation, on <u>THURSDAY, NOVEMBER 19, 2015,</u> <u>COMMENCING AT 9:30 A.M. IN THE COMMISSION'S HEARING ROOM, 472 WEST</u> <u>WASHINGTON, BOISE, IDAHO</u>. The purpose of the technical hearing is for parties to present any witnesses, prepared testimony, and exhibits in support of the Settlement Stipulation. Rule 241.04a, IDAPA 31.01.01.241.04a.

REQUEST FOR PUBLIC COMMENT AND NOTICE OF PUBLIC CUSTOMER HEARING

YOU ARE FURTHER NOTIFIED that any person desiring to state a position regarding the Settlement Stipulation may file a written comment in support or opposition with the Commission by **November 12, 2015**. The comment must contain a statement of reasons supporting the comment and shall be mailed to the Commission and the parties at the addresses reflected below:

NOTICE OF PROPOSED SETTLEMENT REQUEST FOR PUBLIC COMMENT NOTICE OF PUBLIC HEARINGS ORDER NO. 33398 Commission Secretary Idaho Public Utilities Commission PO Box 83720 Boise, ID 83720-0074

Street Address for Express Mail:

472 W. Washington Street Boise, ID 83702-5918

UNITED WATER IDAHO INC.:

Kevin H. Doherty Director of Rates United Water Management and Services Company 200 Old Hook Road Harrington Park, NJ 07640-1799 Email: <u>kevin.doherty@unitedwater.com</u>

Dean J. Miller McDevitt & Miller, LLP PO Box 2564 Boise, ID 83701-2564 Email: joe@mcdevitt-miller.com heather@mcdevitt-miller.com

CAPAI:

Brad Purdy Attorney at Law 2019 N. 17th Boise, ID 83702 E-mail: <u>bmpurdy@hotmail.com</u>

Written comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at <u>www.puc.idaho.gov</u>. Click the "Case Comment or Question Form" under the "Consumers" tab, and complete the comment form using the case number as it appears on the front of this document. These comments must also be sent to the parties at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that the Commission will conduct a public **customer hearing** regarding the Settlement Stipulation, on **THURSDAY, NOVEMBER 19, 2015, COMMENCING AT 7:00 P.M. IN THE COMMISSION'S HEARING ROOM, 472 WEST WASHINGTON, BOISE, IDAHO**. The purpose of the public hearing is to take testimony from customers and other interested members of the public, regarding the Settlement Stipulation. Rule 241.04b, IDAPA 31.01.01.241.04b. YOU ARE FURTHER NOTIFIED that all hearings 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

YOU ARE FURTHER NOTIFIED that the record in this matter is available for public inspection during regular business hours at the Commission offices. The record is available on the Commission's web site at <u>www.puc.idaho.gov</u>. Click on the "File Room" tab at the top of the page, scroll down to "Open Water Cases," and then click on Case No. UWI-W-15-01.

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

ORDER

IT IS HEREBY ORDERED that the deadline for written public comments regarding the Settlement Stipulation is November 12, 2015.

IT IS FURTHER ORDERED that a public customer hearing in this matter is set for Thursday, November 19, 2015, at 7:00 p.m. in the Commission's Hearing Room.

IT IS FURTHER ORDERED that the deadline for parties to submit testimony in support of the Settlement Stipulation is November 6, 2015.

IT IS FURTHER ORDERED that a technical hearing in this matter is set for Thursday, November 19, 2015, at 9:30 a.m. in the Commission's Hearing Room.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 20^{++} day of October 2015.

a PAUL KJELLANDER, PRESIDENT

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MARSHA SMITH, COMMISSIONER

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ATTEST:

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Commission Secretary

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