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ATTORNEY FOR THE COMMISSION STAFF

BEFORE  THE  IDAHO  PUBLIC  UTILITIES  COMMISSION

IN THE MATTER OF THE APPLICATION)

OF UNITED WATER IDAHO INC. FOR) CASE  NO.  UWI-W-98-3

APPROVAL OF COST OF SERVICE)

ALLOCATIONS AND RATE DESIGN.) FIRST PRODUCTION

)  REQUEST OF THE

 )COMMISSION STAFF

)TO UNITED WATER

)IDAHO INC.

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The Staff of the Idaho Public Utilities Commission by and through its attorney of record, Scott Woodbury, Deputy Attorney General, requests United Water Idaho Inc. (UWI; Company) provide the following documents and information, pursuant to Commission Rule of Procedure 225, IDAPA 31.01.01.225, on or before FRIDAY, SEPTEMBER 25, 1998.

This production request is to be considered as continuing, and United Water Idaho Inc. is requested to provide by way of supplementary responses, additional documents that you or any person acting on your behalf may later obtain that will augment the documents produced.

Please provide answers to each question; supporting workpapers that provide detail or are the source of information used in calculations; the name and telephone number of the person preparing the documents; and the name, location and telephone number of the record holder.

REQUEST NO. 1:  Please provide a copy of UWI’s most recent Water System

Master Plan.

REQUEST NO. 2:  For the period 1987-1997, provide records showing the following:

a. average daily water usage in the UWI system;

b. maximum daily water usage in each year.

REQUEST NO. 3:  Provide a reference, a detailed description, or calculations showing how allocation factors 43 and 45 as used in the cost of service study were obtained.

REQUEST NO. 4:  Did UWI consider rate designs other than the one proposed?  If so, what other rate designs were considered?  Why were they rejected?

REQUEST NO. 5:  How many complaints has UWI received annually about summer/winter rate differentials since these rates were adopted in Case No. BOI-W-93-1?  How many complaints has UWI received annually about high customer charges during the period January 1996 to the present?

REQUEST NO. 6:  Please explain why UWI chose to propose a rate design utilizing three blocks instead of two blocks.

REQUEST NO. 7:  Explain why the first 75% of use as defined by the consolidation factor analysis was chosen to establish the first rate block, why the next 15% of use was used to define the second rate block, and why the last 10% of use was used to define the last rate block. Please state specifically why 75%, 15%, and 10% were chosen.

REQUEST NO. 8:  Please explain why ⅝" meter and ¾" meter customers and 1¼" and 1½" meter customers are grouped together under the current rate design.  Why is UWI proposing to continue to group these two customer groups under the proposed rate design?

REQUEST NO. 9:  Explain the basis or cite the source of the assumptions used in the cost of service study that private fire protection will account for 0.20% of the total water consumption and that public fire protection will account for 0.80% of the total consumption. (Palko pg. 8, line 25- pg. 9, line 3)

REQUEST NO. 10:  What are the current peak public fire flow and private fire flow requirements for the UWI system?  Does the level of public fire flow that can be provided by UWI vary at different locations throughout the UWI system?  Is the level of public fire flow available to any customer a function of the customer’s meter or service size?

REQUEST NO. 11:  Provide the customer consumption data used to develop the frequency analysis results shown in Gradilone’s Exhibit No. 2, Schedules 10 and 11.  Please provide the data in the form of a computer file.

REQUEST NO. 12:  What fire hydrant sizes are used in the UWI service area for public fire protection?  What dictates the size to be installed?

REQUEST NO. 13:  Are different hydrant sizes provided for private fire service hydrants?  If so, what sizes are provided and which size is most common?

REQUEST NO. 14:  Why is UWI proposing to increase rates for private fire service?  What is the basis for the proposed rates?  Why has UWI chosen not to set private fire service rates based on the cost of service study?  Please clarify whether the rates proposed by UWI for private fire service are those shown on Palko’s Exhibit No. 1, Schedule 7, page 1 or Gradilone’s Exhibit No. 2, Schedule 36.

REQUEST NO. 15:  What is the basis for proposing bi-monthly customer charges that are different than both of the alternative bi-monthly customer charges calculated in the cost of service study?

REQUEST NO. 16:  Please provide a specific reference showing the source or derivation of the equivalent meter ratios and equivalent service ratios used in the cost of service study.

REQUEST NO.17:  Is there a correlation between individual customers’ service size and meter size?  Does meter size always vary with service size?  Is the flow rate and pressure available to any specific customer more a function of service size, meter size, or a combination of both, all else being equal?

REQUEST NO.18:  Please provide a copy of the following papers authored by UWI witness Gradilone as referred to in his testimony:

Seasonal Rates — the Pros and Cons:  A Case Study, a paper presented at the American Society of Civil Engineers, Water Resources Planning and Management Conference, in Seattle, Washington, May 1993.

Impact of Summer/Winter Differential Rate Structure, a paper presented at the ASCE Urban Water 1984 Conference in Baltimore, Maryland.

REQUEST NO. 19:  UWI witness Gradilone anticipates the proposed rate design will cause conservation, which, in turn, will result in reduced revenues.  Provide estimates of the level of conservation that would be expected from the proposed rate design, its duration, and its estimated impact on revenues.

REQUEST NO. 20:  How does UWI propose to track revenues lost due to conservation?

REQUEST NO. 21:  Explain current and past UWI policies and guidelines for sizing customer meters.  What usage criteria are used to size meters for new customers?

REQUEST NO. 22:  Referring to Gradilone’s testimony on page 8, lines 1-3, under what circumstances does UWI plan to evaluate customer consumption when right sizing meters?  Does UWI plan to evaluate consumption for any existing customers for purposes of possibly changing meter sizes?  How does UWI intend to evaluate consumption for new customers for the purpose of sizing a meter?  What specific criteria will be used to determine proper meter size?

REQUEST NO. 23:  Does UWI ever replace meters with larger or smaller sizes based on an evaluation of customers’ historical consumption?  If so, how frequently?  Under what conditions will UWI increase a customer’s meter size if requested by the customer?

REQUEST NO. 24:  Explain why, as shown on Gradilone’s Exhibit No. 2, Schedule 34, the distribution of number of bills rendered by consumption level is different than the distribution by consolidation factor.  In other words, why isn’t there 75% of bills in the first block, 15% in the second block, and 10% in the third block?

REQUEST NO. 25:  Provide analyses like that shown on Gradilone’s Exhibit No. 2, Schedules 10, 11, and 21 separating ⅝” and ¾” meters and separating 1¼” and 1½” meters.  What would be the consolidation factor break points for ⅝”, ¾”, 1¼”, and 1½” meters?

REQUEST NO. 26:  Please describe how the water services detail figures shown on Gradilone’s Exhibit No. 2, Schedule 1 were determined.

REQUEST NO. 27:  Please describe in detail or show through calculations how the revenue determinants shown on Gradilone’s Exhibit No. 2, Schedule 25 were developed using the revenue determinants shown on Exhibit No. 2, Schedule 1.

REQUEST NO. 28:  Please explain the differences in the number of bills rendered between the numbers shown on Gradilone’s Exhibit No. 2, Schedule 27 and Palko’s Exhibit

No. 1, Schedule 8, page 4.

REQUEST NO. 29:  Please explain the section of Gradilone’s Exhibit No. 2, Schedule 27 labeled “sprinkler service.”  Provide reference to other sections of UWI testimony describing how the customer charge of $166.25 was determined.

REQUEST NO. 30:  What was the average annual consumption and the average annual bill for customers of each meter size in 1997?

REQUEST NO. 31:  Please provide a list of all customers with six- and eight-inch meters.  Provide historical bi-monthly consumption records for these customers for the period January 1996 to the present.

REQUEST NO. 32: Provide the following water usage data for Micron for the years 1992 to the present:

•Total bi-monthly water consumption and billing;

•Bi-monthly water consumption used for manufacturing operations;

•Bi-monthly water consumption used for irrigation.

REQUEST NO. 33:  Provide a forecast of Micron’s expected bi-monthly usage for each of the next two years.  Identify the quantity of water expected to be used for manufacturing operations and the quantity to be used for seasonal irrigation.  Please provide the basis for the Company’s forecast.

REQUEST NO. 34:  In the last two years (since 1996) has Micron reduced landscape irrigation consumption through the use of surface water irrigation, reductions in size of landscaped areas, or other alternative landscaping practices?

REQUEST NO. 35:  Are there any changes in Micron operations or production (e.g., lower chip production, major shutdowns, etc.), other than startup of water reuse/reclamation equipment, which reduced water consumption in the 1996 to 1998 period?  Please provide estimates of the reduced consumption attributable to these changes as well as the impacted time periods.

REQUEST NO. 36:  How many meters does Micron have?  What size are they?  It appears from Gradilone’s Exhibit No. 2, Schedules 24 and 35 that Micron has two four-inch meters.  If this is true, why is Micron’s customer charge equal to the charge for one six-inch meter?

REQUEST NO. 37:  How were the proposed block consumption limits for Micron set? (Block 1 — less than 40,000 ccf; Block 2 — 40,000-50,000 ccf; Block 3 — more than 50,000 ccf).  Please provide documentation of this calculation along with assumptions.

REQUEST NO. 38:  Why is UWI proposing different block consumption limits for Micron versus other customers with similar meters?

REQUEST NO. 39:  Provide the following documentation regarding Micron’s water reuse/reclamation programs:

•List of all pilot and permanent water reuse/reclamation processes implemented since 1996.

•Provide a brief description of each process.

•Provide estimated and actual volumes of water reused/reclaimed by these processes.

•Provide operational histories, current operational schedules, and projected operation schedules for these processes.

•Provide a brief description of proposed future water reuse/reclamation processes, as well as projected reclamation volumes and startup schedules.

REQUEST NO. 40:  In Gradilone’s direct testimony on page 8, line 24 through page 9, line 1, he states that Micron’s expected usage was reduced approximately 30%.  This seems to agree with Exhibit No. 3, page 2 where 1998 forecasted usage is 169,046 ccf less than in 1997.  However, on page 8 of Gradilone’s Exhibit No. 2 it states that Micron’s usage was lowered by 194,817 ccf, and on Gradilone’s Exhibit No. 2, Schedule 24, Micron’s usage was lowered by 194,548 ccf.  Please explain the discrepancy between these numbers.

REQUEST NO. 41:  Please provide estimated monthly chip production data for Micron (or equivalent facility production data) for the years 1996 to the present, as well as projected figures.

REQUEST NO. 42: How were the Micron power and chemical cost reductions ($10,150) determined?  Include in the response the methodology used to develop the variable expense ratio factor.

REQUEST NO. 43: What is Micron’s peak hourly and peak daily water requirement in gpm?  How long into the future does UWI expect Micron’s 1998 usage pattern and usage level to continue?

REQUEST NO. 44: What is Micron’s water demand/usage impact upon the maximum extra capacity day and extra capacity hour system design?

REQUEST NO. 45:  In which of Gradilone’s Exhibit No. 2 schedules is Micron data included?

DATED at Boise, Idaho, this              day of September 1998.

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Scott Woodbury

Deputy Attorney General

Technical Staff:Rick Sterling

           George Fink

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