



Further suspension of Eagle Water request granted

Case No. EAG-W-15-01, Order No. 33509

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BOISE (May 4, 2016) – The Idaho Public Utilities Commission has suspended for a third time a request by Eagle Water Company to implement a surcharge on customers' water use.

On Nov. 10, 2015, Eagle Water, which serves about 3,500 customers in and around the City of Eagle, asked the commission to approve a surcharge that would add about \$3.64 to the average residential user's monthly bill.

The commission originally suspended the application for 90 days to further consider the request. On March 4, commission staff filed a motion to suspend the proposed effective date to June 8 while commission staff and Eagle Water work toward a proposed settlement. Eagle Water did not oppose the motion.

Now the parties have asked that the case be suspended again, with a final order issued by no later than Sept. 6. The company must also notify commission staff by July 1 whether it will accept a proposed settlement or take the case to hearing. If the July 1 deadline is not met, Eagle Water's application will be considered automatically withdrawn.

Eagle Water Company is a privately-owned water system and not the same entity as the City of Eagle Water Department. It seeks the surcharge to pay for a near \$800,000 loan to finance about \$935,000 in improvements. The portion of expense not funded by the loan would be paid from \$150,000 in the utility's existing surcharge account.

Eagle Water proposed that the surcharge apply only to consumption of more than 600 cubic feet (ccf) per month. (100 cubic feet is about 748 gallons.) For a residential customer who uses the company's average of about 21 ccf/month, the proposed surcharge would have raised rates an average \$3.64 more per month. A commercial customer who uses the company average of 69 ccf/month would pay about \$15.29 more per month.

Eagle Water claims the improvements are needed to alleviate water pressure problems in the northeastern part of its service territory.

The largest portion of the improvements – nearly \$600,000 – would go toward construction of a seventh well. Other improvements identified by the company are \$150,000 for the main booster station, \$62,200 for repairs to Well No. 4, \$47,000 to upsize a line at another well, \$26,000 for a Hill Road line relocation, \$25,600 for repairs to Well No. 6, \$13,400 for a State Street bridge line relocation and \$6,500 for a bridge line relocation at Horseshoe Bend Road. Legal and accounting fees total \$10,725.

Eagle Water’s application and other documents related to the case is available on the commission’s website at www.puc.idaho.gov. Click on “Open Cases” under the “Water” heading and scroll down to Case No. EAG-W-15-01.

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