



Case No. SCH-W-15-01, Order No. 33543

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Certificate approved for resort water company in Bonner County

BOISE (June 30, 2016) – The Idaho Public Utilities Commission issued a certificate for Schweitzer Basin Water, LLC., to operate as a regulated water utility in Bonner County and approved rates for the company’s customers.

Schweitzer is a privately-owned water system serving a residential area at the base of the Schweitzer Mountain ski resort. The water utility is owned by Mel Bailey with a business office in Sandpoint.

The company provides service to about 431 residential customers, but nearly all of those are seasonal customers. About 12 households are year-round customers with another five households present about three months of the year. The company anticipates significant growth. Only about 43 percent of the lots are developed and the company projects between 140 and 180 new living units will be built over the next 30 years.

The water system uses four wells, five reservoirs, and more than six miles of distribution system with seven pressure zones.

The commission approved the company’s request to continue with current flat rate of \$41 per month for single-family homes more than 500 square feet and \$39 per month for those smaller. The rate is \$82 per month for a single unit with a second living area that can be rented and \$65 a month for a single unit with an additional guesthouse or attached living unit that can be rented. Customers are billed quarterly. Customers who voluntarily disconnect and then reconnect must pay a \$300 reconnection fee. The reconnection fee is designed to discourage customers from disconnecting during non-use times of the year. A number of customers disconnecting from the system during much of the year would make it impossible for the company to recover its fixed costs.

While approving most of the company’s application, the commission denied a proposed \$500 fee for inspecting and testing relating to hooking up with the system. The commission said those expenses should be included in the initial infrastructure contribution fee of \$6,950 for single-family units and \$3,475 for additional living areas. The commission also denied the

company's request to assess a \$500 fee if potential new customers receive a "Will Serve" letter for non-payment of hook-up fees.

A copy of the commission's order and other documents related to this case are 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. SCH-W-15-01.

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