



Case No: GPW-W-17-01

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PUC to hold public hearing over proposed rate increase for small water company

BOISE (Aug. 29, 2017) - The Idaho Public Utilities Commission has scheduled a public hearing on a rate increase proposed by Grouse Point Water Company.

The hearing is set for Sept. 6 from 7 pm to 9 pm at Kuna City Hall, 751 W. 4th St.

There will be no formal presentation; instead, customers and other interested parties will have the opportunity to testify in support of or opposition to the company's plan.

Grouse Point Water serves 24 residences in the Kuna area. It has proposed increasing its monthly service charge from \$22 to \$113.86, an increase of 418 percent.

The proposed change to charges based on usage would create two tiers: Customers using 8,000 gallons of water or less per month would be charged \$1.83 per 1,000 gallons, and customers who use more than 8,000 gallons per month would be charged \$5 for each 1,000 gallons used, up from 50 cents – a 900-percent increase. There is currently no charge for usage up to 8,000 gallons per month.

In its application requesting approval for the rate increase, the company said revenue has fallen short of basic operational expenses every year since 2003, when it began charging customers based on usage.

From 2012 to 2015, the company said, it collected approximately 40 percent of the revenue required to offset basic operational and maintenance expenses, creating a deficit in excess of \$10,000.

Current rates also do not reflect capital improvements totaling \$8,423 in 2013 and \$119,018 in 2009, according to the company's filing. Those improvements include installation of a new pump and construction of a new well and associated equipment needed to comply with federal drinking water standards regarding uranium.

Grouse Point said rates must be increased in order to continue operating.

It requested that the increase take effect April 15, 2017, but the Commission suspended the effective date until Oct. 15, 2017.

The company said the changes would generate \$36,997 annually. That is up from current annual revenue of \$6,842 and would allow Grouse Point to recover expenses related to routine operation and maintenance, as well as the capital improvements made in 2009 and 2013.

To read Grouse Point's application and supporting documentation, go to www.puc.idaho.gov. Under the "Water" heading, select "Open Cases" and scroll down to Case No. GPW-W-17-01.