### Workshop Participation

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This PowerPoint is available on the commission's homepage at puc.idaho.gov



### PUBLIC WORKSHOP

Priest Lake Water, LLC General Rate Case Case No. PLW-W-24-02

IDAHO PUBLIC UTILITIES COMMISSION February 27, 2025





### Introduction

**Travis Culbertson** 

**Auditor III** 

Jolene Bossard

**Utilities Compliance Investigator** 

Adam Rush

Public Information Officer

### Purpose of a Public Workshop

- Describe the role of the Idaho Public Utilities Commission
- Present investigation status
- Explain revenue requirement, and rate design
- Provide guidance on how to submit public comments
- Answer any questions regarding the case

<sup>\*</sup>This Public Workshop is not part of the official case record\*

# The Idaho Public Utilities Commission



- Established in 1913. Idaho Code Sections 61 and 62.
- Regulates Idaho's investor-owned utilities, ensuring adequate service and reasonable rates
- Comprised of three Commissioners appointed by the Governor. Confirmed by the Senate. The Commissioners make the decisions in each case
- Staff members include Auditors, Engineers, Technical Analysts, Compliance Investigators and Administration
- Staff is conducting this workshop, a party to the case, and will provide a recommendation to the Commissioners

### State Law Requires that the Commission

Consider evidence that is on the record

#### Allow utility companies to:

- Recover prudently incurred expenses necessary to provide service to customers
- Earn a reasonable rate of return on investments the Company makes to provide service to customers

Commission decisions must withstand Idaho Supreme Court appeals from either utility or customer group

### State Law Requires Investor-Owned Utilities

#### Serve every customer in their assigned territory:

- Customers do not have a choice of a different utility company
- For this reason, customers cannot be unjustly denied service by utility companies

### Meet the statutory public interest standard, ensuring customers have:

- Adequate, safe, and reliable service
- Fair and reasonable rates approved by the Commission

#### Idaho Public Utilities Commission Rules

#### Idaho Administrative Procedures Act ("IDAPA"):

Set of rules that have the force of law in Idaho

#### **IDAPA 31 Current Administrative Rules:**

- Applies to all regulated utilities and their customers
- Purpose is to govern all procedures before the Idaho
   Public Utilities Commission
- adminrules.idaho.gov/rules/current/31

### **Standard Application Process**

#### Application – IDAPA 31.01.01.111

Once filed, Commission will issue a Notice of Application

#### Discovery – IDAPA 31.01.01.221-240

May be submitted to the Company to gather more information

#### Comments – IDAPA 31.01.01.201-204

 Dates are set for Parties to submit additional information, and if necessary to make further recommendations

#### Orders – IDAPA 31.01.01.301-400

Orders, including Final Order, are binding upon Parties to the case





## Background

### Background

PLW-W-24-01—Application for a Certificate of Public

#### Convenience and Necessity

- Filed November 22, 2024
- PUC Jurisdiction and Regulation effective January 13, 2025
  - Certificate No. 557 Legal authority to serve customers who request service
- Staff continues to review the second part of the Company's
   Application that requested a rate increase

#### PLW-W-24-02—General Rate Case

- Opened January 13, 2025
- Staff submitted Production Requests to gather additional information about the Company's financials, rates, processes, and its water system
- Order No. 36471 Comment due dates, Public Workshop, and customer hearing scheduled
- In-person public workshop will be held March 4, 2025, to discuss
   Application with customers

#### PLW-W-24-02-General Rate Case

- Rate case increase drivers:
  - Labor;
  - Water testing costs; and
  - Contract Services Professional
- New water rights to serve Commercial customers
- Monthly \$98 flat rate plus volumetric rate over 30,000 gallons
- New Commercial customer rate of \$100 including 30,000 gallons

### Customer Workshop

- First workshop is February 27, 2025 @ 6 pm PST
  - It is being recorded and will be available for review at puc.ldaho.gov
- Second Workshop is March 4, 2025 @ 6 pm PST
- Workshop slides are available on our website at puc.ldaho.gov

### **Next Steps**

 Staff will submit recommendations regarding Company's Application April 9, 2025

 Customers submit written comments by April 9, 2025

 Commissioners will issue a Final Order, which will close the case



# Schedule



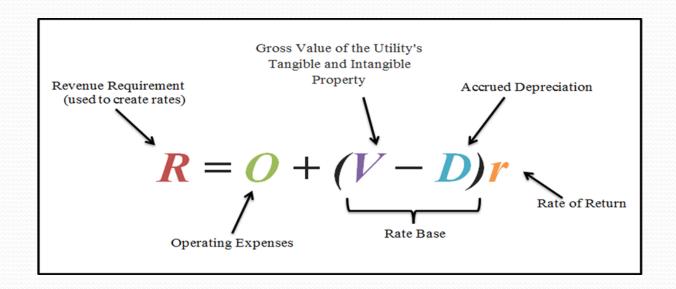
Event	Date	Location
Case Filed	November 22, 2024	
Virtual Public Workshop	February 27, 2025 @ 6:00 pm PST	
In-Person Public Workshop	March 4, 2025 @ 6:00 pm PST	Coolin, ID
Staff Comments	April 9, 2025	
Public Comments	April 9, 2025	
Customer Hearing	April 16, 2025 @ 6:00 pm PDT	Coolin, ID
Company Reply Comments	April 30, 2025	
Close of Case	Final Order	
Proposed Effective Date	June 1, 2025, or Final Order	





## Company Revenue

### Revenue Requirement



Definition: The amount of money a utility must collect from customers each year in order to cover its prudently incurred expenses and earn a reasonable return

# Why is Revenue Requirement Important?

Establishes revenue the Company must collect to continue operations:

- Maintain a safe and reliable system for customers
- Recover all prudently incurred expenses
- Earn a reasonable return on water system investments

# Why is Revenue Requirement Important?

Without enough revenue the Company may not be able to:

- Cover the cost of everyday expenses
- Make necessary additions or repairs to maintain the system
- Reliability and safety of the water system could suffer

### Components

#### **Operating Expenses**

- Wages, office supplies, contracted services, water testing, etc.;
- Depreciation Expense yearly return of Plant in Service used to provide service; and
- State and Federal taxes

#### Rate Base

- Plant in Service Infrastructure used to provide service (Pipes, pumps, storage, treatment plant, etc.); and
- Accumulated Depreciation

#### Rate of Return

Return on plant investments made by the Company





## Rate Design

### What is Rate Design?

A water rate structure (Rate Design) is a user charge, or a schedule, designed to recover the utility's revenue requirement. Rate Design must:

- Recover revenues to operate and maintain reliability
- Maintain a revenue stream that meet the total annual revenue requirement to serve
- Recovers the Commission authorized rate of return on investments

### Components of Rate Design

#### **Customer Charge**

Flat fee customers pay regardless of the amount of water used

#### **Volumetric Charges**

- A charge for every additional gallon used.
- i.e. every 1,000 gallons

#### Tiered block rates

- Conservation price signal
- Improve efficiency in water use

### **Company Proposal**

#### **Current Rates**

- Basic Charge of \$37 per month
- Volumetric Charge of \$3 per 1,000 gallons after 10,000 gallons

#### **Proposed Rates**

- Residential rate of \$98 per month
- Commercial rate of \$100 per month
- Volumetric charge of \$3 per 1,000 gallons after 30,000 gallons

#### Meter Readings

Done at the end of each month, when able





### **Consumer Assistance**

Jolene Bossard
Utilities Compliance Investigator

### Consumer Assistance Role

#### **Utility Compliance Investigators:**

- Assist customers to resolve issues and/or disputes with the Company
- Monitor compliance with Laws, Commission Rules, and the Company's Tariff
- Represent consumer interests when staff is developing a position in cases

### Consumer Assistance Role

#### In a rate case, Investigators:

- Review issues from previous cases
- Review previous complaints
- Review submitted comments from customers
- Investigate consumer issues raised in the case

9-minute Video on YouTube that explains the role of the PUC https://www.youtube.com/watch?v=9O2WAVYvZoQ

### **Company Tariff**

#### **Current Rate Structure**

Our current rate is \$37 per month including 10,000 gallon of water. Overages over 10,000 gallons are charged at \$3 per 1,000 gallons. We have been charging this rate for 2 years. We bill quarterly for \$111.

### PLW-W-24-02 Consumer Issues

#### As of this week the PUC has received 14 customer comments

- Almost all against the rate increase, some proposed smaller or spread over multiple years
- Higher rates in comparison to other companies
- Against the 30k allowance
- Should not be paying for replacing infrastructure
- Issues with hookup fees

### **Submitting Customer Comments**

Customer written comments are due Wednesday, April 9, 2025.

(Reference Case Number PLW-W-24-02)

Internet Website Address – puc.idaho.gov

Online – Case Comment Form (once comments are submitted, they become part of public record)

Email – secretary@puc.idaho.gov

Mail – IPUC, PO Box 83720, Boise, ID 83720-0074

Public Customer Hearing – Wednesday, April 16, 2025, 6:00 pm at The Inn at Priest Lake, 5310 Dickensheet Road, Coolin, ID 83821

### Idaho Public Utilities Homepage



#### **Multi-Utility**

#### Consumers

Consumer Complaint / Inquiry Form Frequently Asked Questions Consumer Resources Why Can't You Tell Them No

**Pipeline Safety** 

**Tariff Advice** 

CDS Stoneridge Workshop Presentation - June 4

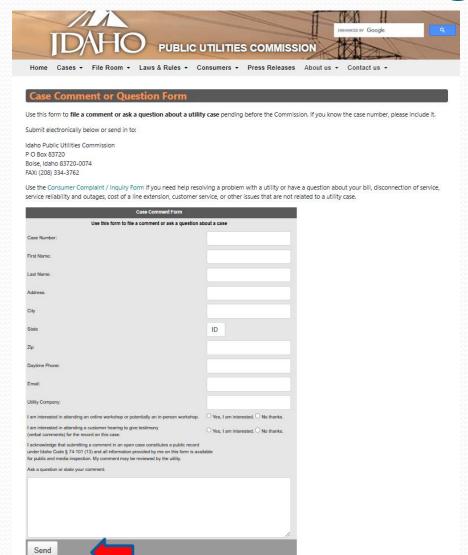
#### **Wildfire Safety Resources**

Utility representatives may use their passcode to electronically file.

#### eFile Portal

Use the eFile Portal Registration Form if you are a representative of a utility and need a passcode to submit documents.

### **Comments Form Page**



### **PUC Home Page**



Case Comment Form

Annual Gross Intrastate Revenues Report Form

Electric

Telecom

Water

Natural Gas

Rail Safety

Pipeline Safety

Multi-Utility

Multi-Utility

Tariff Advice

#### Consumers

Consumer Complaint / Inquiry Form Frequently Asked Questions Consumer Resources Why Can't You Tell Them No

#### **News Updates**

- Rocky Mountain Power Technical Hearing Jan. 9
- Rocky Mountain Power General Rate Case PowerPoint Presentation - Sept. 25
- IPC-E-24-22 PowerPoint Presentation Sept. 17
- Idaho Power Rate Case PowerPoint Sept. 5
- Idaho Power Rate Case Video Presentation Sept. 5
- CDS Stoneridge Video Presentation
- CDS Stoneridge Workshop Presentation June 4

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### Water Page

#### Water

#### Cases

Open Cases 🛑

Closed Cases

#### Resources

Approved Water Tariffs

Water Company Information Packet EPA Information DEQ - Public Drinking Water Systems NARUC Committee on Water

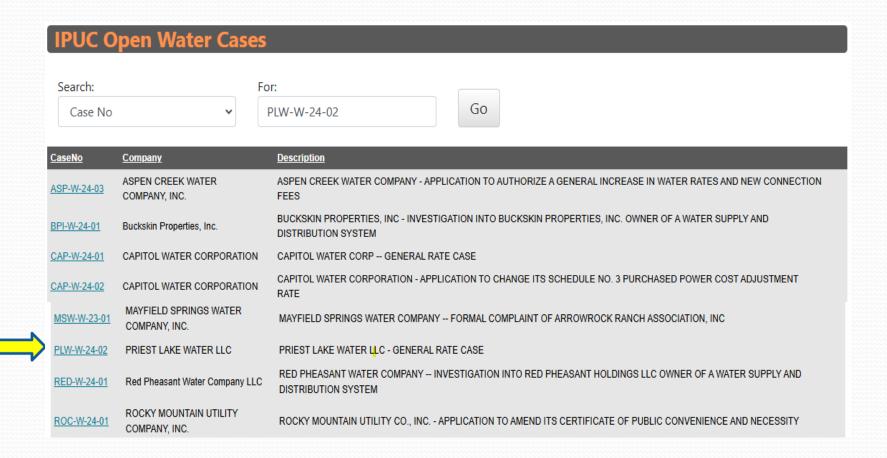
#### **Orders & Notices**

Commission Order No. 36000- Interest Rate on Consumer Deposits Commission Order No. 36141 - Utilities Regulatory Fees

#### Rules

IPUC Rules Safety and Accident Reporting Rules

### Open Water Cases Page



### Case Summary Page

#### **Case Summary**

 Last Updated
 Case Number
 Date Filed
 Case Type
 Status
 Description

 01/15/2025
 PLW-W-24-02
 11/22/2024
 Application
 Notice Received
 PRIEST LAKE WATER LLC - GENERAL RATE CASE

#### **Case Files**

12/05/2024 APPLICATION (REDACTED).PDF

#### **Orders & Notices**

#### Company

#### Staff

02/04/2025 DECISION MEMO.PDF

#### Intervenor

Marvis Estates Property Owners Association Inc: 02/03/2025 PETITION TO INTERVENE.PDF



#### **Public Comments**

01/13/2025 COMMENTS\_2.PDF 01/14/2025 COMMENT\_1.PDF 01/15/2025 COMMENT\_1.PDF 01/16/2025 COMMENT\_1.PDF 01/17/2025 COMMENT\_1.PDF 01/23/2025 COMMENTS\_3.PDF 01/24/2025 COMMENT\_1.PDF 01/29/2025 COMMENT\_1.PDF

### Where Do We Go From Here?

- Submit a comments outlining Staff's findings and make recommendations regarding Company's rates
- Customers submit comments
- The Commission will review the case record and issue a Final Order, which will close the case.





# You can find case information and file comments on the PUC website:

puc.idaho.gov

Case Number PLW-W-24-02

Direct: (208) 334-0300

Toll-Free: (800) 432-0369

Fax: (208) 334-3762





# QUESTIONS?



# Schedule



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