

# PUBLIC WORKSHOP



## StoneRidge Utilities General Rate Case



Case No. SWS-W-24-01

IDAHO PUBLIC UTILITIES COMMISSION

June 4, 2024



# Introduction

**Jolene Bossard – Utilities Compliance Investigator**

**Joe Terry – Auditor 3**

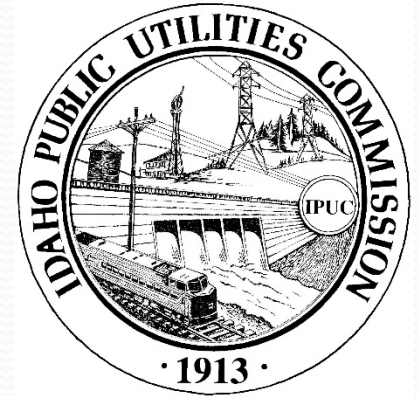
**Leena Gilman – Auditor 2**

**Adam Rush – Public Information Officer**

# Purpose of Public Workshop

- Informational session to learn about this case
  - Present StoneRidge's application
  - Explain Staff's role in this case
- Provide customers an opportunity to meet Commission Staff
- Ask questions to Staff and learn how to submit written public comments
- This Public Workshop is not part of the official case record

# What is the Idaho Public Utilities Commission?



- Established in 1913. Idaho Code Sections 61, 62, and 63.
- The Commission regulates Idaho's investor-owned utilities, ensuring adequate service and reasonable rates.
- The Commission is made up of three commissioners appointed by the Governor. The Commissioners make the decisions in each case.
- Commission Staff is made up of Auditors, Consumer Compliance Investigators, Engineers, & Technical Analysts.
- Staff is conducting this workshop. Staff is one of the Parties in the rate case and providing comments to the commissioners.

# Why can't the Commission just tell them no?

Customers may want the Commission to reject StoneRidge's request to raise rates, but state law requires that the Commission:

- Consider the evidence that is on the record, which includes the Company's Application, comments from Staff, and customers' written comments or oral testimony at customer hearings.
- Meet the statutory public interest standard that ensures customers have adequate, safe, and reliable service at just and reasonable rates.

## Important Points to Consider:

- It is not in the public interest to have a utility that cannot adequately serve all the customers in its assigned territory now and in the future.
- All Commission decisions must withstand Idaho Supreme Court appeals from either utility or customer groups.

# Why can't utilities cut costs just like any other business?

**Regulated utilities are not like any other business.** They are assigned service territories and must serve every customer in that territory. What they charge customers is determined by state regulators. In exchange for their guarantee to provide **adequate, safe, and reliable service**, the state must provide utilities the opportunity to:

- Recover **prudently incurred** expenses necessary to serve customers; and,
- Earn a **reasonable rate of return** on their investment.



# StoneRidge's Application

Leena Gilman



# Schedule



Event	Date	Location
Case Filed	February 28, 2024	Boise, ID
<b>Public Workshop</b>	<b>June 4, 2024 @ 1-3:30 pm &amp; 6-8:30 pm</b>	<b>Blanchard, ID</b>
Staff Comments	August 7, 2024	
<b>Public Comments</b>	August 7, 2024	
Company Response	August 28, 2024	
Customer Hearing	TBA	TBA
Close of Case	Final Order	
Proposed Effective Date	October 1, 2024 (or Final Order date)	



# Rate Case Drivers

- \$409,027 Increase in Expenses
  - \$177,767 Increase in Payroll Expense
  - \$126,393 Increase in Depreciation
  - \$79,456 Increase in Rental Expense
- \$625,495 Increase in Plant In Service

<b>StoneRidge Utilities Cost Categories</b>	2007 Case	% of Total	Current Filing	% of Total	Difference	% of Total Diff
Labor - O&M & Customer Accounts	37,942	31.04%	116,101	21.85%	78,160	19.11%
Labor - Administrative & General	7,650	6.26%	67,863	12.77%	60,213	14.72%
Salaries - Officers & Directors		0.00%	39,303	7.40%	39,303	9.61%
Employee Pensions & benefits	3,192	2.61%		0.00%	(3,192)	-0.78%
Purchased Power & fuel for Power	22,000	18.00%	20,909	3.94%	(1,091)	-0.27%
Chemicals	-	0.00%	8,505	1.60%	8,505	2.08%
Materials & Supplies - Operations & Maintenance	16,109	13.18%	22,262	4.19%	6,153	1.50%
Materials & Supplies - Admin & General	-	0.00%	646	0.12%	646	0.16%
Contract Services - Professional	18,105	14.81%	35,488	6.68%	17,383	4.25%
Contract Services - Water Testing	1,200	0.98%	30	0.01%	(1,170)	-0.29%
Rentals - Property & Equipment	-	0.00%	79,456	14.96%	79,456	19.43%
Transportation Exp	1,400	1.15%	-	0.00%	(1,400)	-0.34%
Insurance	804	0.66%	432	0.08%	(372)	-0.09%
Rate Case Amortization	1,000	0.82%	1,889	0.36%	889	0.22%
Regulatory Comm. Exp. (Other Except Taxes)	-	0.00%	475	0.09%	475	0.12%
Miscellaneous Expenses	60	0.05%	2,986	0.56%	2,926	0.72%
Depreciation Expense	6,181	5.06%	132,574	24.95%	126,393	30.90%
Regulatory Fees (PUC)	1,090	0.89%	837	0.16%	(253)	-0.06%
Property Tax	1,160	0.95%	-	0.00%	(1,160)	-0.28%
Payroll taxes	4,357	3.56%		0.00%	(4,357)	-1.07%
DEQ Fees		0.00%	1,480	0.28%	1,480	0.36%
Taxes		0.00%	40	0.01%	40	0.01%
<b>Total Expenses</b>	<b>122,251</b>		<b>531,277</b>		<b>409,026</b>	
<b>Plant in Service</b>	<b>205,530</b>		<b>831,025</b>		<b>625,495</b>	



# Revenue Requirement

Joe Terry

# Revenue Requirement

- The amount the Company needs to meet its expenses, cover depreciation, and offer a sufficient rate of return to attract investors.
- **Components:**
  - Operating Expenses;
  - Taxes;
  - Depreciation;
  - Return on Rate Base:
    - Rate Base x Rate of Return;
    - Rate Base consists of Net Plant in Service and Working Capital;

# Expenses

- Must be prudent
- Must be used for service

# Taxes

- Properly Calculated

# Depreciation

- Properly Calculated
- Based on Plant in Service

# Return on Rate Base

- Plant in Service:
  - Used and Useful; and,
  - Must be prudent.
- Working Capital (cash needed for everyday operations).
- Rate of Return:
  - Calculated based on Debt and Equity Costs; and,
  - Must be able to access the capital needed to maintain the system.



# Rate Proposal

Joe Terry

# Rate Design

- Uniform increase in all customer rates
  - Except irrigation customers with a 1-inch meter
- Residential customers with 1-inch meter will still be on the  $\frac{3}{4}$ -inch meter rate



# Proposed Customer Charges

Meter Size	Current Tariff	Company Proposed	Difference	
			\$	%
0.75	\$ 24.00	\$ 86.65	\$ 62.65	261%
1.00 (irrigation only)	24.00	154.24	\$ 130.24	543%
1.50	96.00	346.60	\$ 250.60	261%
2.00	170.67	616.08	\$ 445.41	261%
2.50	266.67	962.68	\$ 696.01	261%
3.00	384.00	1,386.40	\$ 1,002.40	261%
4.00	682.67	2,464.33	\$ 1,781.66	261%
6.00	1,536.00	5,545.60	\$ 4,009.60	261%

# Proposed Commodity Charges

Per 1,000 gallons

Current Tariff	Company Proposed	Difference	
		\$	%
\$ 0.79	\$ 2.94	\$ 2.15	272%

# Rate Impact Based on Residential Customer at ¾-inch Rate

Gallons	Current rates			Company Proposal			Difference	
	Fixed	Volumetric	Total	Fixed	Volumetric	Total	\$	%
5000	\$ 24.00	\$ 3.95	\$ 27.95	\$ 86.65	\$ 14.70	\$ 101.35	\$ 73.40	263%
6000	\$ 24.00	\$ 4.74	\$ 28.74	\$ 86.65	\$ 17.64	\$ 104.29	\$ 75.55	263%
7000	\$ 24.00	\$ 5.53	\$ 29.53	\$ 86.65	\$ 20.58	\$ 107.23	\$ 77.70	263%
<b>8000</b>	<b>\$ 24.00</b>	<b>\$ 6.32</b>	<b>\$ 30.32</b>	<b>\$ 86.65</b>	<b>\$ 23.52</b>	<b>\$ 110.17</b>	<b>\$ 79.85</b>	<b>263%</b>
9000	\$ 24.00	\$ 7.11	\$ 31.11	\$ 86.65	\$ 26.46	\$ 113.11	\$ 82.00	264%
10000	\$ 24.00	\$ 7.90	\$ 31.90	\$ 86.65	\$ 29.40	\$ 116.05	\$ 84.15	264%
11000	\$ 24.00	\$ 8.69	\$ 32.69	\$ 86.65	\$ 32.34	\$ 118.99	\$ 86.30	264%
12000	\$ 24.00	\$ 9.48	\$ 33.48	\$ 86.65	\$ 35.28	\$ 121.93	\$ 88.45	264%
13000	\$ 24.00	\$ 10.27	\$ 34.27	\$ 86.65	\$ 38.22	\$ 124.87	\$ 90.60	264%



# Consumer Assistance

*Jolene Bossard*

*Utilities Compliance Investigator*

# Consumer Assistance

- Utility Compliance Investigators assist customers to resolve issues and/or disputes with the Company.
- Investigators monitor compliance with laws, commission rules, and the Company tariff.
- In a rate case, investigators review issues from previous cases, review previous complaints, review submitted comments from customers, and investigate consumer issues raised in the case.

# Consumer Issues

As of this week, the PUC has received 227 Customer Comments

- Concerns with the economy and the high average increase;
- Many have expressed concerns with the lack of clarity of the Company's Application and Customer Notice;
- Many requested a complete forensic audit to be conducted on the Company;
- Concerns with infrastructure expenditures;
- Concerns with the golf course no longer being a customer of the Water Company;
- Concerns with outages due to lack of back-up power; and
- Many have requested a public hearing.

# CUSTOMER COMMENTS

Customer written comments are due August 7, 2024.  
(Reference Case Number **SWS-W-24-01**)

- Internet Website Address – [puc.idaho.gov](http://puc.idaho.gov)
- Online - Case Comment Form (once comments are submitted, they become part of public record)
- Email – Address: [secretary@puc.idaho.gov](mailto:secretary@puc.idaho.gov)
- Mail – IPUC, PO Box 83720, Boise, ID 83720-0074
- Public Customer Hearing – TBD

COMMENTS ONLY  
(QUESTIONS WILL NOT BE ADDRESSED)

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**Case Comment Form**



**Annual Gross Intrastate Revenues Report Form**



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**Telecom**



**Water**



**Natural Gas**



**Rail Safety**



**Pipeline Safety**



**Multi-Utility**



**Tariff Advice**

## News Updates

- QST-G-23-01 Virtual Public Workshop
- IPUC 2023 Annual Report
- Idaho Power Company On-Site Generation Compensation Case Virtual Public Workshop Presentation
- In Re COVID-19 Response - Order No. 35375
- Current Openings - Careers





# Comments Form Page



## Case Comment or Question Form

Use this form to **file a comment or ask a question** about a utility case pending before the Commission. If you know the case number, please include it.

Submit electronically below or send in to:

Idaho Public Utilities Commission  
P O Box 83720  
Boise, Idaho 83720-0074  
FAX: (208) 334-3762

Use the **Consumer Complaint / Inquiry Form** if you need help resolving a problem with a utility or have a question about your bill, disconnection of service, service reliability and outages, cost of a line extension, customer service, or other issues that are not related to a utility case.

**Case Comment Form**

Use this form to file a comment or ask a question about a case

Case Number:

First Name:

Last Name:

Address:

City:

State:

Zip:

Daytime Phone:

Email:

Utility Company:

I acknowledge that submitting a comment in an open case constitutes a public record under Idaho Code § 74-101 (13) and all information provided by me on this form is available for public and media inspection. My comment may be reviewed by the utility.

Ask a question or state your comment:

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## News Updates

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For:

<a href="#">PTE-W-24-01</a>	PONDEROSA TERRACE ESTATES WATER SYSTEM	PONDEROSA TERRACE ESTATES WATER SYSTEM -- CANCELATION OF CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY
<a href="#">SWC-W-23-01</a>	SCHWEITZER WATER COMPANY	SCHWEITZER WATER COMPANY -- APPLICATION FOR APPROVAL OF ACQUISITION AND ISSUANCE OF A NEW CERTIFICATE OF CONVENIENCE AND NECESSITY
<a href="#">SWI-W-24-01</a>	SYRINGA WATER INC	SYRINGA -- APPLICATION FOR A CERTIFICATE OF PUBLIC CONVENIENCE
<a href="#">SWS-W-23-02</a>	CDS STONERIDGE UTILITIES LLC	CDS STONERIDGE UTILITIES LLC -- APPLICATION TO MAKE CHANGES TO SCHEDULE NO. 3
<a href="#">SWS-W-24-01</a>	CDS STONERIDGE UTILITIES LLC	STONERIDGE UTILITIES, LLC -- GENERAL RATE CASE
<a href="#">TTS-W-24-01</a>	TETON WATER AND SEWER COMPANY LLC,	TETON WATER -- APPLICATION FOR REQUEST FOR RESERVE FUND DISTRIBUTION
<a href="#">VEO-W-23-04</a>	VEOLIA WATER IDAHO INC.	VEOLIA WATER IDAHO, INC -- APPLICATION FOR APPROVAL OF FIRE HYDRANT CONVEYANCE, INSTALLATION, AND OPERATION AGREEMENT
<a href="#">VEO-W-23-05</a>	VEOLIA WATER IDAHO INC.	VEOLIA WATER IDAHO, INC -- JOINT APPLICATION FOR AMENDMENT OF VEOLIA WATER IDAHO CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

# Case Summary Page

## Case Summary

Last Updated	Case Number	Date Filed	Case Type	Status	Description
02/27/2024	SWS-W-24-01	02/26/2024	Rate	Notice Received	STONERIDGE UTILITIES, LLC -- GENERAL RATE CASE

## Case Files

02/28/2024 APPLICATION (REDACTED).PDF  
02/28/2024 EFFECTIVE DATE REQUEST LETTER.PDF

## Orders & Notices

03/13/2024 NOTICE\_OF\_APPLICATION\_ORDER\_NO\_36116.PDF  
04/16/2024 INTERVENTION\_ORDER\_NO\_36144.PDF

## Public Comments

02/29/2024 COMMENT\_1.PDF  
03/01/2024 COMMENTS\_5.PDF  
03/04/2024 COMMENTS\_14.PDF  
03/05/2024 COMMENTS\_6.PDF

# Where do we go from here?

- Customers can subscribe to the Commission's RSS feed to receive updates about all cases via email.
- Continue submitting your comments.
- Public Customer Hearing, date is TBD.
- The Commission will issue a final order which will close the case.



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

[puc.idaho.gov](https://puc.idaho.gov)

Case Number SWS-W-24-01

Direct: (208) 334-0300

Toll-Free: (800) 432-0369

Fax: (208) 334-3762



# QUESTIONS?