



# Workshop Participation

- Online:

- To open chat in WebEx, please select the icon 
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# PUBLIC WORKSHOP

VP Inc.

Request for a CPCN and Increase in  
Water Rate

Case No. VPI-W-24-01

IDAHO PUBLIC UTILITIES COMMISSION

June 6, 2024



# Introduction

Adam Rush

Public Information  
Officer

Travis Culbertson

Auditor III

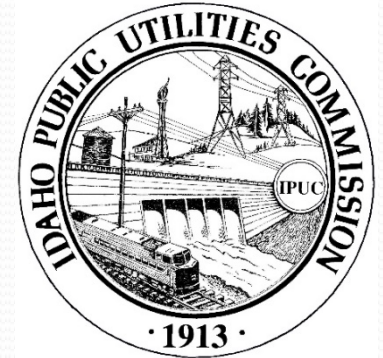
Chris Hecht

Utilities Compliance  
Investigator

# Purpose of a Public Workshop

- Informational session to learn about the case
  - Present VP, Inc. Application
  - Explain Staff's role
  - 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 and 62
- **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, and Admin
- Staff is conducting this workshop. Staff is one of the Parties in the case and providing comments to the Commissioners

# What is the Commission's role?

## State law requires that the Commission

- Consider the evidence that is on the record, which includes
  1. The Company's Application
  2. Comments from Staff & Parties
  3. Customers' written comments (or oral testimony at customer hearings)
- Meet the statutory public interest standard that ensures customers have
  1. Adequate, safe, and reliable service
  2. 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

# How are regulated utilities different from other businesses?

- **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 the utility's guarantee to provide **adequate, safe, and reliable service**, the state must provide the utility the opportunity to
  1. Recover **prudently incurred** expenses necessary to serve customers
  2. Earn a **reasonable rate of return** on its investment



# Schedule



Event	Date	Location
Case Filed	January 11, 2024	
<b>Public Workshop</b>	<b>Today (June 6, 2024)</b>	<b>Virtual</b>
Staff & Intervenor Comments	June 13, 2024	
<b>Public Comments</b>	<b>File Now</b>	
Customer Hearing	June 24, 2024 @ 5 pm PDT	Sandpoint Community Hall
Company Reply Deadline	June 27, 2024	
Close of Case	Final Order	





# Background & Application

# Background

**GNR-W-17-01** – Investigation of VP, Inc, an unregulated northern Idaho water Company

- Order 35998 – November 14, 2023

“It is hereby ordered that VP apply to the Commission for a CPCN to provide water service to its customers in Idaho as a regulated utility within 60 days of the service date of this order.”

**VPI-W-24-01** – Application for a CPCN and Rate Increase

# Application

- January 11, 2024, Requested a Certificate of Public Convenience and Necessity (“CPCN”)
- February 20, 2024, Submitted an amendment that included a rate increase for all customers

# Application

- Company currently has 71 customers
  - When fully built out, it will have 74 customers
- Requesting one flat-rate for all customers
  - Currently charges three different rates
  - Proposed Rate of \$55.00 per month



# Certificate of Public Convenience and Necessity

# What is a CPCN?

- *Idaho Code* §§ 61-526, 61-528
  - Certificate is for such purpose to own, maintain, and operate assets that provide a service
  - Grants authority to serve within a geographical territory
  - Obligated to provide to those requesting service



# General Rate Case

# Purpose

- Establish a Revenue Requirement
  - Recover Prudently Incurred Expenditures
    - Operating Expense
    - Taxes
    - Depreciation
    - Plant Additions
- Set a Rate of Return
- Establish rate(s) to recover its requested revenue



# Revenue Requirement

- Annual Revenue needed to operate the water system
  - Allows recovery of prudently incurred expenses
- Earn a Return on Capital investments
  - Infrastructure Needed to Provide Service
  - Pumps, wells, meters, etc.

# Components

- Operating Expenses
  - Wages, office supplies, contract services
- Taxes
  - State and Federal taxes related to the water company
- Depreciation Expense
  - Return of Plant used to provide service
- Plant
  - Infrastructure used to provide service
- Rate of Return
  - Return on the capital investments into the water system



# Consumer Assistance

# 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's Tariff
- 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

# Consumer Issues

- As of this week, the IPUC has received two customer comments
  - Against the rate increase
  - Safe and Reliable service

# Customer Comments

Customer written comments are due prior to the  
Commission closing the record on the case  
(Reference Case Number **VPI-W-24-01**)

- Internet Website Address – [puc.idaho.gov](http://puc.idaho.gov)
- Select - 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
- Fax letters or comment sheets to the Commission at 208-334-3762
- Public Customer Hearing – June 24, 2024 @ 5 pm PDT

COMMENTS ONLY  
(QUESTIONS WILL NOT BE ADDRESSED)

# Idaho Public Utilities Homepage



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 [Pipeline Safety](#)

 [Multi-Utility](#)

 [Tariff Advice](#)

## Consumers

[Consumer Complaint / Inquiry Form](#)

[Frequently Asked Questions](#)

[Consumer Resources](#)

## News Updates

- CDS Stoneridge Workshop Presentation
- PAC-E-23-17 Public Workshop
- 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:



# PUC Home Page



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-  **Case Comment Form**
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-  **Water** 
-  **Natural Gas**
-  **Rail Safety**
-  **Pipeline Safety**
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-  **Tariff Advice**

## News Updates

- PAC-E-23-17 Public Workshop
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# Water Page

## Water

### Cases

Open Cases



Closed Cases

### Resources

Water Company Information Packet

EPA Information

DEQ - Public Drinking Water Systems

NARUC Committee on Water

Approved Water Tariffs

### Orders & Notices

Commission Order No. 3600- Interest Rate on  
Consumer Deposits

Commission Order No. 36141 - Utilities  
Regulatory Fees

### Rules

IPUC Rules

Safety and Accident Reporting Rules

# Open Water Cases Page

## IPUC Open Water Cases

Search:

For:

Go

CaseNo	Company	Description
<a href="#">ASP-W-24-01</a>	ASPEN CREEK WATER COMPANY, INC.	ASPEN CREEK WATER COMPANY - IN THE MATTER OF THE INVESTIGATION INTO BILLING PRACTICES
<a href="#">CAP-W-24-01</a>	CAPITOL WATER CORPORATION	CAPITOL WATER CORP -- GENERAL RATE CASE
<a href="#">DRY-W-24-01</a>	DRY CREEK WATER COMPANY	DRY CREEK - INVESTIGATION INTO DRY CREEK WATER COMPANY, LLC, OWNER OF A WATER SUPPLY AND DISTRIBUTION SYSTEM
<a href="#">FLS-W-24-01</a>	FALLS WATER COMPANY INC	FALLS WATER COMPANY -- APPLICATION FOR APPROVAL OF A REPLACEMENT WELL FOR ITS MORNING VIEW SYSTEM
<a href="#">GNR-W-17-01</a>	GENERIC	INVESTIGATION OF VP, INC, AN UNREGULATED NORTHERN IDAHO WATER COMPANY
<a href="#">GNR-W-24-01</a>	GENERIC	VALIANT IDAHO, INC AND TIC UTILITIES, LLC -- INVESTIGATION INTO VALIANT IDAHO, INC. AND TIC UTILITIES, LLC, OWNERS OF A NORTHERN IDAHO WATER SUPPLY AND DISTRIBUTION SYSTEM
<a href="#">ISL-W-23-01</a>	ISLAND PARK WATER COMPANY	ISLAND PARK WATER--FAILURE TO COMPLY WITH IPUC REPORTING AND FISCAL REQUIREMENT
<a href="#">ISL-W-23-02</a>	ISLAND PARK WATER COMPANY	ISLAND PARK WATER COMPANY -- IN THE MATTER OF THE INVESTIGATION OF VIOLATIONS OF THE IDAHO PUBLIC UTILITIES LAW
<a href="#">MSW-W-23-01</a>	MAYFIELD SPRINGS WATER COMPANY, INC.	MAYFIELD SPRINGS WATER COMPANY -- FORMAL COMPLAINT OF ARROWROCK RANCH ASSOCIATION, INC
<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="#">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
<a href="#">VPI-W-24-01</a>	VP Inc	VP INC -- APPLICATION FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

Results: 17 Pages: 1



# Case Summary Page

## Case Summary

Last Updated	Case Number	Date Filed	Case Type	Status	Description
04/25/2024	VPI-W-24-01	01/11/2024	Application	Notice Received	VP INC -- APPLICATION F

## Case Files

01/11/2024 APPLICATION.PDF  
02/20/2024 AMENDMENT TO APPLICATION.PDF  
02/20/2024 ATTACHMENT - BALANCE SHEET.PDF  
02/20/2024 EXHIBIT 14.PDF  
02/20/2024 EXHIBIT 19.PDF

## Orders & Notices

03/12/2024 NOTICE\_OF\_APPLICATION\_ORDER\_NO\_36117.PDF  
04/08/2024 NOTICE\_OF\_PARTIES.PDF  
04/23/2024 NOTICE\_OF\_MODIFIED\_PROCEDURE\_ORDER\_NO\_36156.PDF  
05/20/2024 NOTICE\_OF\_VIRTUAL\_PUBLIC\_WORKSHOP\_ORDER\_NO\_36183.PDF



## Public Comments

04/22/2024 COMMENT\_1.PDF  
05/07/2024 COMMENT\_1.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
- Customer Hearing date is June 24, 2024, at 5:00 pm PDT
- 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](http://puc.idaho.gov)

Case Number VPI-W-24-01

Direct: (208) 334-0300

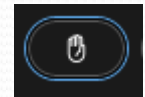
Toll-Free: (800) 432-0369

Fax: (208) 334-3762

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# QUESTIONS?