

The following documents were included in the Company's Application as attachments: a copy of the Company's registration as a corporation with the Idaho Secretary of State; a site plan developed by James A. Sewell and Associates L.I.C., Consulting Engineers; Sanitary Survey conducted by the Panhandle Health District in November 2011; Application for Water Permit; estimated cost for utility construction and statement of anticipated annual maintenance costs; Income Tax Statements (2010-2011), Company Articles of Incorporation and Bylaws; Company rules and regulations; main extension rules; tariff rate schedules; sample invoice; and notices.

STAFF ANALYSIS

Acme Water requests that the Commission issue a Certificate of Public Convenience and Necessity (CPCN) to provide domestic water service. Acme Water currently serves a portion of the Schweitzer Village subdivision, located in Bonner County, Idaho. Joel Wahlin is the owner of Acme Water.

Acme currently charges 23 residential customers for water service and has six un-served residential customers with standby service. The Company's proposed rates include monthly recurring charges of \$48/month (includes up to 12,000 gallons), and two levels of usage fees; \$0.005/gallon for 12,001 – 30,000 gallons and \$0.006/gallon for over 30,000 gallons. A standby fee of \$24/month has also been proposed for property owners that have paid a water system hook-up fee but are not currently receiving water. The Company's proposed rates are measured by Equivalent Residential Units (ERUs).

The proposed recurring charges are the same rates as those currently being charged by the Company. A variety of non-recurring charges are also proposed. The Company currently collects a \$7,000 hook-up fee and proposes to increase this amount to \$9,430 (*See* Attachment No. 19 of the Application).

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

The Company seeks a CPCN for a water system that was originally designed to serve 260 ERUs on 107 lots, to be constructed in two phases. Phase 1 of the subdivision resort development can serve up to 136 ERUs on 46 lots, while Phase 2 of the subdivision resort development has the potential for 129 ERUs on 65 lots. Staff believes the CPCN should be limited for the following reasons:

1. The water system for Phase 1 has been fully constructed and includes service lines connecting the main line to the Phase 1 lot corners.
2. The water system for Phase 2 requires an extension to the water service main in order to provide access to 29 of the 65 lots.
3. The remaining 36 lots in Phase 2 are adjacent to the existing water service. However, main water source capacity testing, completion, and connection of Well No. 2, and plan approval by the Idaho Department of Environmental Quality (DEQ) are required prior to delivering water service to these lots.

Staff recommends the Commission only issue a CPCN for the existing improved residential area included in Phase 1 of the resort development. When the water system is fully developed to serve the Phase 2 development with the required approval from DEQ, the Company may apply for modification of the certificate. A review of Phase 2 would be required at that time.

Service Area

The development is located near the Schweitzer Mountain Ski area. There are currently three other water systems that serve the ski area and adjacent developments: (1) Schweitzer Basin Water Company, (DEQ PWS #ID1090124), located to the north of the Company and owned by Mel Bailey; (2) Resort Water Co., also referred to as the Schweitzer Mountain Resort by the DEQ (DEQ PWS #ID1090123), located to the north of Schweitzer Basin Water Company; and (3) Spires Water Co., located to the west of Schweitzer Basin Water Co. Spires is not regulated by DEQ since the total number of customers (i.e., water connections) is fewer than requirements for a “community public drinking water system” (*See* Staff comments, IPUC Case No. RES-W-11-01).

Consolidation with these other water systems was assessed by James Sewell and Associates in 2008 (*See* Attachment No.13 of the Application). This assessment resulted in the determination that the most feasible way to provide safe drinking water for lot owners would be through the creation of a separate water system due to topographical conditions and water storage issues.

System Description¹

The Acme Water system consists of two wells, a 200,000 gallon storage reservoir, distribution mains and fire hydrants. A single pump is installed in Well No. 1 with a 7.5 horsepower pump with a rated pumping capacity of 30 gallons per minute (gpm) (*See Attachment 8 of the Application*). There is no pump in Well No. 2.

The distribution system is supplied from the storage reservoir and consists of interconnected 4-inch and an 8-inch pipe in an un-looped configuration. The lot service line diameters are based on the number of ERUs allowed for each lot: 1 – 4 ERUs has a 1-inch diameter; 5 – 12 ERUs has a 1.5-inch diameter; and 13 – 24 ERUs has a 2-inch diameter. Shut-off valves are located at each water service connection. No meters have been installed, nor are there any plans to install meters for the service connections.

The water service delivery main (4-inch and 8-inch diameter, from storage tank to customers) is located part way into the Phase 2 of the resort development, along with the water storage delivery main (8-inch diameter, from Well No. 1 to storage tank).

Water Production and Consumption Data

Monthly water production and consumption data are not available even though a flow meter appears to be available for Well No. 1 (*See Attachment No. 8 of the Application*, photo labeled “Flow meter and flow to water line”). Staff recommends that flow meter data be collected on a monthly basis starting immediately so that this information is available for rate design analysis in the future.

Acme Water has not obtained a water right for Well No. 1 according to the Idaho Department of Water Resources (IDWR). Staff believes it is necessary and prudent for the Company to acquire adequate water rights by applying for new rights/permits and acquiring existing water rights from private parties. Staff recommends that the Company obtain and maintain a valid water right, thereby protecting the system’s water right assets and water supply source for its service territory.

Staff obtained monthly power charges from May 2012 through July 2013. This expense is variable and dependent upon the amount of water customers’ demand from the system. Based on the power expenses, water consumption appears to vary throughout the year with the

¹ The system description is based on “as-built” plans supplied by the Company and a 2011 Panhandle Health District Drinking Water Supply Report (*See Attachment 8 of the Application*).

maximum usage occurring during the winter months of December and January, and the minimum usage in September. This use pattern reflects a resort established for winter recreation. Since customer consumption is not metered, it is not possible to calculate the total amount of water consumed by the residential customers. Further, none of the existing residential customers are expected to maintain a green lawn or landscaping.

Number of Customers

Phase 1 of the development is generally complete and is designed to serve 136 ERUs on 46 lots. Acme Water currently provides water service to 23 residential customers. The residential customers are located on three lots with 16 condo units, four condo units, and three condo units, respectively. The Company apprised Staff that the total number of residential customers increased from 20 to 23 since last spring. If both Phase 1 and Phase 2 development phases were completed, and including additional capacity from Well No. 2, Acme may eventually provide water service to a 260 ERUs on 107 lots.

System and Financial Operations

All operations for the Company other than management decisions and accounts payable are performed by Water Systems Management. The Company currently contracts all water master duties including water testing, billing and collections with Water Systems Management. Water Systems Management has the proper certifications and experience in running small water systems.

Currently the Company has implemented no cash controls. All checks are written by Mr. Wahlin and all deposits are made by Water Services Management. No bank reconciliations or budgets are evident.

All property used by the Company is currently under the name of Joel Wahlin, the owner of the Company. Mr. Wahlin stated that the original intent was to turn all the property over to the Company before this date; however, there were several liens placed on the property of the development, including the water system, before that transfer took place. The land development owned by Mr. Wahlin is under severe financial duress and is not currently financially viable. All unsold lots owned by the original developer have been sold at auction and only the water system remains. The liens placed on the water system vastly exceed the value of the water system. Due

to this fact the owner currently has limited access to the credit markets. Staff recommends that the Company work with DEQ to pursue all available methods of financing the remaining system.

Establishment of Test Year

Acme Water Works Inc. meets the basic definition of a small water company as defined by IDAPA 31.01.01.005 and IDAPA IDAPA 31.36.01.101. It is a corporation managing a water system for compensation, its expected revenues are below \$50,000 and it will provide service to fewer than three hundred customers. Staff created an annual report for 2013 to establish the test year revenues and expenses, as well as plant in service and rate base for the test year. *See* Attachment A. This can also serve as a model for the Company to file its 2014 annual report. If the Company encounters problems filing its 2014 annual report, Staff will be willing to provide assistance.

The Company operates on a cash basis for accounting. The Company currently runs all expenses and deposits through a single account, and uses the check register for that account to prepare its financial statements.

REVENUE REQUIREMENT

Rate Base (Plant in Service)

Acme is a small developer installed water company. In accordance with IDAPA 31.36.01.103, Staff presumes that all current plant in service meets the definition of Contributions in Aid of Construction (CIAC). CIAC is a reduction to rate base. Based on tax return information, the original water company investment was \$291,173. Normal CIAC accounting treatment is to post all plant on page 5 of the annual report and then depreciate it normally on page 6. Contributions in Aid of Construction (CIAC) would be posted on page 8 equal to the total amount of the plant in service. CIAC would then be amortized at the same rate as the plant in service.

All of the current plant is contributed. Mr. Wahlin has very little accounting knowledge and has not maintained adequate plant records. Staff recommends that instead of the normal CIAC treatment, the Company be allowed to reflect the Plant in Service offset by the CIAC at a net beginning rate base balance of zero. Depreciation of plant and amortization of CIAC would not be reflected. This would have the same net impact by eliminating all rate base from the revenue requirement. Staff recommends a rate base of \$0.

Capital Structure

According to the Company's tax filings, the Company's capital structure consists solely of loans from the owners. Staff was not able to obtain documentation to define the terms of these loans and recommends that these be considered owners' equity. This makes the capital structure of the Company completely owners' equity.

Revenue

Accounts receivables were audited and the only records of late payments were the current month's billings. There is a section on each bill that stated the amount overdue. There are no other accounts payable aging reports available. Most accounts are current with the majority of the noncurrent accounts being inactive charges. Deposits from customers were not recorded on the check register provided by Mr. Wahlin.

Total collections for sales of water are \$10,044, and there were additional deposits for connection fees totaling \$29,400.

Expenses

All expenses are paid by Mr. Wahlin, while all billings and deposits are performed by Water Service Management Inc. There are no budgets or other typical controls.

The audit revealed that many of the expenses from the Company's account were for personal expenses of the owner, Mr. Wahlin. The Company paid \$29,146 or eighty-one percent of expenses were paid for or on behalf of Joel Wahlin's personal expenses. Revenues from water customers are intended to pay water company expenditures. Staff believes the amount of personal expenses paid from the Company checking account is unacceptable. Staff reflects these personal expenses below as Salaries for Officers and Directors.

The next highest expense category (14% of total expenses) is for Professional Contract Services which is payments to Water Service Management, and the CPA for tax preparation. The third highest (5% of total expenses) is for purchased power expenses.

Net Operating Income

The 2013 net operating income based on the Company records would be \$3,470.

Adjustment 1 - Salaries for Officers

Mr. Wahlin provides management functions as well as accounts payable work. Detailed records of the time spent on these duties were not available. Considering the number of checks written for Company purposes, Staff estimates two hours to perform the accounts payable work. Using the Idaho Occupational Employment & Wage Data Release for 2012, Staff estimates a wage of \$15 for the accounts payable work or a total of \$30. Staff estimated management functions would take about three hours a month. Using the same report, Staff estimates a wage of \$25 per hour for the management work or \$75 a month. Both of these duties would be a total of \$105 per month. Staff recommends that the salary of the officers be set at \$1,260 per year. Compared to the \$29,146 in personal expenses reflected as salary, this is reduction of \$27,886 to revenue requirement. *See* Staff Attachment B, Column 1.

Adjustment 2 -Power Costs

The Company purchases its power from Northern Lights Inc., a municipal power provider. This expense is variable and dependent upon the amount of water customers demand from the system. The 2013 test year did not appear to be an unusual year for water demand and associated power costs based on a comparison to the other annual power costs from years 2010 through 2013. Staff evaluated annual power costs and found that the three-year average for 2011, 2012, and 2013 was \$1,580. The 2013 power cost was \$1,653. Staff recommends that the three-year average of \$1,580 be used as an annualized power cost.

This results in a decrease of \$73 to 2013 power expense. *See* Staff Attachment B, Column 2.

Adjustment 3 - Water Testing Expense

Currently the Acme water system serves 23 ERUs and is classified as a transient, non-community public drinking water system. The DEQ requires different testing cycles for various regulated water contaminants for this type of system. It is thus necessary to normalize water testing costs over several years. The water system is required to collect one coliform sample per quarter, one nitrate sample per year, and one nitrite sample once every nine years (*See* Attachment No. 8 of the Application).

The Company's proposed annual water testing expenses for the coliform and nitrate samples are \$100/yr. Staff modified this amount because the actual test year expense should

have been annualized to include the additional nitrite sample. Staff developed a complete list of required tests using a 9-year water testing cycle. Staff recommends increasing the test year water testing cost by \$1.67 for the \$15 nitrite test required once every nine years ($\$15/9 = \1.67). Staff calculated the annualized water testing cost to be \$101.67.

This results in an increase of \$2 to Water Testing Expense. *See* Staff Attachment B, Column 3.

Adjustment 4 – PUC fees

When the Company becomes regulated it will be assessed an annual PUC regulatory fee. For companies of this size, the PUC fee is a flat rate of \$50. Staff recommends the regulatory fee be added to the expenses of the Company. *See* Staff Attachment B, Column 4.

Calculation of Revenue Requirement

With a zero rate base, there would be no required return. Therefore, the revenue requirement would only be the total of the approved expenses. The total expenses recommended by Staff are \$8,067 as shown on Staff Attachment B.

Capital System Improvements

No capital system improvements are proposed by the Company. However, the Panhandle Health District strongly recommended that Well No. 2 be physically connected for system redundancy (*See* Attachment No. 8 of the Application). Further, the storage system is not yet automated, thereby requiring the well pump in Well No. 1 to be manually turned on to fill the tank. The proper controls are necessary for the well pump to automatically fill the storage tank during high use periods. This is especially important should an emergency situation occur, such as during a fireflow event. Staff does not recommend that these improvements occur as a condition of the CPCN. Once capital system improvements are installed and operational, the Company can apply to the Commission for rate recovery on the items.

RATE DESIGN

As part of the Application for a CPCN the Company is proposing a rate design which is based on a two-tier increasing block rate with a minimum charge (base charge) and volume allowance on a monthly basis. Staff opposes the Company's proposal for two reasons. First, the

Company has not installed a single customer meter to date which would allow calculating actual monthly consumption. In response to Staff Production Request No. 3, the Company indicated that out of the 19 individual condo units Equivalent Residential Use, no customer meters are physically connected to the water system. Secondly, the Company does not plan to install any customer meters. Because no meters are expected to be installed for the system, it is not appropriate to develop a block rate design for the Company.

Staff recommends using a flat rate design. It is very simple to administer and easily understood by the customers. Nine small water utilities currently regulated by the Commission are not metered and use a flat rate structure. The Company is currently billing its customers on a monthly basis. Staff recommends the Company continue billing the customers on a monthly basis because the current customers are already accustomed to this billing practice. Monthly billing would help the Company maintain stable cash flow, and the customers will benefit by having payments spread evenly during the year compared to annually or quarterly.

The Company is expecting to serve mostly single family residential, multi-family residential (apartments and/or condominiums) and commercial units. It is proposing to use ERU's for defining customers. The Commission has allowed the use of ERUs in other regulated small water utilities, such as the Resort Water Company, and Staff does not oppose the use of ERU's in this instance.

Presently, no commercial units are being served. According to the Company, the customers are not expected to maintain a lawn during the summer season since most customers are winter users. Staff believes that the domestic usage for a household in a single family dwelling would be about the same as the usage compared to same household living in an apartment or condominium. It is therefore appropriate to use one ERU for a water customer living in one unit of multi-family dwellings. For example, for rate design purposes, ten-unit condominium would be equivalent to ten ERU's. For commercial customers, ERU's will be estimated using an appropriate method approved by the Acme Water Company, the Commission or any generally accepted engineering practices.

Staff calculated the rates per ERU based on the Staff-recommended annual revenue requirement of \$8,067 and using a total 23 ERU's, as discussed above. The flat monthly rate per ERU is \$29.23. Staff recommends the monthly rate rounded to \$29.25. Monthly rates will decrease \$18.75, or 39.1 percent, compared to the rate of \$48 per ERU per month that the Company currently charges.

CHARGES AND VOLUME ALLOWANCE	EXISTING RATES	COMPANY PROPOSAL	STAFF PROPOSAL
<i>Residential/Commercial ERU's</i>			
Minimum Customer Charge (per ERU)	\$48.00/month*	\$48.00/month	\$29.25/month*
Volume Allowance (per ERU)	unlimited	12,000 gallons/month	unlimited
Usage and Rate (1 st block)	Not applicable	12,001 to 30,000 gallons @ \$0.005/gallon	Not applicable
Usage and Rate (2 nd block)	Not applicable	Over 30,000 gallons @ \$0.006/gallon	Not applicable
Stand-by Charge	\$25.00	\$25.00	Not allowed

*Flat monthly rate.

“Stand-By” or “Availability” Charges

The Company proposes to charge a recurring monthly “stand-by” or “availability” charge to be paid by property owners who have paid a connection fee but have not yet connected to the water system. Staff recognizes that the Commission has rejected proposals to charge inactive customers during previous cases.

The concept of “Water Availability Charge” was addressed for the Mountain View Terrace Water System in Commission Order No. 17536 (Case No. U-1121-20) issued on April 12, 1994. In that case the Company proposed to assess a recurring charge on all buildable lots that have water available to them, commencing when a subdivision received final approval and when the water lines were turned over to the water company. In Order No. 17536, the Commission rejected Mountain View Terrace Water’s proposal. The Commission agreed with the Intervenor in the case who testified that the water availability charge is inequitable because service is not provided and may never be rendered. The Commission said:

The Commission agrees with the Intervener that where hook-up fees are cost based, no additional charge is warranted for water availability. A public utility is not an entity given the constitutional right to levy a tax. Therefore, any charge assessed must relate to a service or product rendered. The mere existence of a water main running along a vacant lot is not a service from which a public utility can base a fee. Although we recognize the worthy goal of the Applicant and the Staff to hold down the rates of the existing ratepayers, we reject their requested availability charge.

In a similar and more recent rate case involving Mayfield Springs Water (MSW-W-08-01), one Intervenor proposed a rate design that divided all customers into two classes: “active” and “inactive” customers. “Active” customers would include lots that are connected to the

system with water available – regardless of the status of home construction on the lot. “Inactive” customers would include owners of lots within the subdivision not currently connected to the system and not currently receiving water from the Company. In Commission Order No. 30628, the Commission ruled that a monthly base charge plus a usage charge is an appropriate and reasonable rate structure. *See* Order No. 30628 at 14. This Commission decision essentially rejected the proposal to charge inactive customers.

The Commission has consistently ruled that the concept of an Availability Charge is not appropriate in designing rates. Staff can see no significant difference in this case. Given the Commission’s clear position in this matter, Staff does not support the use of a company-proposed “stand-by” or “availability” charge in designing the tariff for Acme Water.

Other Issues – Sanitary Survey Results

A significant deficiency pertaining to a broken electrical conduit alongside the well casing was identified during the 2011 sanitary survey by the Panhandle Health Department. The Company addressed this issue on June 29, 2012. However, other Deficiencies and Additional Requirements were also identified that have not been addressed. The Company has indicated it may address future repair and maintenance items when funding becomes available. Deficiencies identified in the 2011 sanitary survey are (1) that a smooth nosed sample tap on the well discharge line must be installed to facilitate drawing sanitary source water samples; and (2) a reservoir screen must be replaced with a #24 mesh non-corrodible screen. Additional Requirements include: (1) the installation of controls for the well pumps to provide automatic filling of the reservoir, (2) the sealing of the air relief and main line pressure reducing valve vaults to avoid accumulation of water and debris, and (3) confirmation that an Operation and Maintenance Manual has been completed for the water system. Staff recommends that the Company address these deficiencies and additional recommendations, and other future maintenance and repair items in the future.

NON-RECURRING CHARGES

The Company has submitted a copy of its proposed Rate Schedules and Rules and Regulations Governing the Rendering of Service (Tariff). Schedule No. 2 – Miscellaneous Fees and Charges includes non-recurring charges for new connections, licensed operator inspections, bulk water usage, owner transfers, service terminations, and service reconnections.

Connection Fee

The Company proposes to finance new utility construction through new hook-up fees (See Attachment No. 14 of the Application). The Company has further stated:

- a) Completion of existing system construction requirements were anticipated to be financed through the sale of real property (lots). Due to financial circumstances beyond the owner's control, real property is no longer available for this purpose. Banks have foreclosed on existing lots that were to be used to generate capital for construction.
- b) New utility construction was also to be financed through the sale of real property (lots). Due to financial circumstances beyond the owner's control, real property is no longer available for this purpose. Banks have foreclosed on existing lots that were to be used to generate capital for construction.
- c) Considering that, not for profit public drinking water systems (i.e. counties, cities, districts, associations, etc.) raise capital for system upgrades and expansion primarily through *[sic]* hook-up fees, it would certainly seem appropriate that privately owned systems be afforded the same opportunity.

In subsequent discussions with the Company, it clarified that the proposed hook-up fee of \$9,430 is based on the owner's calculations to recover a portion of the approximately \$1.5 million investment. The Company further explained that due to the faltering economy and unforeseen circumstances beyond the owner's control, water system development costs cannot be recovered through the sale of the lots. All lots have been repossessed and hook-up fees are the only identifiable means of recovering costs incurred to assure availability of drinking water to lots in the development.

The Company currently charges hook-up fees of \$7,000 and proposes to increase it to \$9,430. Acme Water currently collects hook-up fees from customers requesting water service in Phase 1 development. Staff understands that the Company uses this fund to pay-off the owner's loan and debts incurred in constructing the water system and other infrastructure. It will not be used to pay for additional water system improvements for Phase 1 and Phase 2 of the development. It will also not be used to pay the actual cost of connecting the customer service line to the Company's shut-off valve located close to the customer's property line.

Staff opposes the Company's current practice and proposal to collect hook-up fees from new customers in Phase 1 development beyond the basic cost of connecting from the customer's service line to the Company's existing curb stop (shut-off valve). The investment made by the Company to develop the water system is considered contributed capital and therefore not included in the rate base. Staff believes that collecting hook-up fees from new customers to pay-

off the loans used to build the water system will be in violation of the Small Water Company Policies and Presumptions Rule No. 103 – Presumption of Contributed Capital.

Staff also reviewed the Idaho Supreme Court decision on *Building Contractors Association v. IPUC and Boise Water Corporation*, 128 Idaho 534, 916 P.2d 1259 (1996) relating to whether the Commission’s decision to increase United Water’s (formerly Boise Water) hook-up fees to reflect higher marginal cost was discriminatory to new customers who must pay the higher fee. The courts invalidated increased fees that recovered a portion of new plant cost from new customers stating “[to] the extent the fee increase disproportionately allocates new plant facility costs solely to Boise Water customers connecting new service from July 25, 1994 forward, the increase unlawfully discriminates against the new customer.” Staff believes that the Supreme Court opinion in that case is fundamentally different from this case (Case No. AWW-W-13-01) because the court addressed the increasing rates and hook-up fees for new customers to offset the cost of additional facilities.

The water system for Phase 1 of Acme Water has been fully constructed and includes service lines connecting the main line to the lot corners. Shut-off valves are located for each water service connection. Assuming two hours of time required to locate the curb stop, work with the customer’s contractor and inspect the new water service connection, it would cost the Company about \$150 in labor. Staff recommends a hook-up fee of \$150.

Staff believes that future water system development cost for Phase 2 will be shouldered by the new subdivision developer.

Bulk Water Sales

The Company proposes to charge a bulk water usage fee of \$0.01/gallon (i.e., \$10.00 per 1,000 gallons) and an associated service charge for bulk water sales. However, no bulk water sales are anticipated at this time.

Staff does not agree with the Company proposed usage fee due to concerns about excessive usage fees when compared to the Company’s proposed monthly flat rate for unmetered water service. Further, Staff recognizes the need to protect the system while providing water for construction purposes. Therefore, Staff recommends that if bulk water is requested in the future that the Company make the necessary installation that includes backflow prevention and a meter for a one time set-up fee of \$40 and a metered rate of \$1 per 1,000 gallons of water used.

Inspection Fee

The Company proposes to charge a flat fee of \$200 per inspection if the customer requires an inspection by a licensed operator. No cost justification was provided by the Company. The General Rules and Regulations of the Company's Tariff describe the circumstances under which the Company has the right and the responsibility to inspect the premises and/or assist the customer. However, no other water company has previously been allowed to charge a customer for those visits. Staff recommends that the Company's rate schedule not include any general site visit or inspection charges.

Owner Transfer Fee

The Company proposes to charge an "ownership transfer fee" of \$100. Staff recognizes that there is a small administrative cost to open and/or close an account when the party responsible for paying the bills changes. However, a change in ownership of a property does not necessarily require a change in utility customer records. Since it is unclear what the Company's intent is in proposing this charge, and no cost justification was provided by the Company, Staff recommends that the Company's rate schedule not include an owner transfer charge.

Service Termination Fee

The Company proposes to charge a Service Termination fee of \$50. No cost justification was provided by the Company. The Commission has opposed such a charge with the one exception of multiple disconnection and reconnections performed for irrigation customers during an irrigation season (*See* Case No. U-1122-6, Order No. 20600; Case No. U-1008-288, Order No. 21940; and Case No. U-1008-289, Order No. 21939). Customer-requested (voluntary) disconnections are usually related to moves or maintenance of the customer's facilities and are considered part of the normal business responsibilities of the Company. Involuntary disconnection of service results from either non-payment of bills or repairs to the Company's facilities. Involuntary disconnections are also part of the Company's operational expenses. Staff recommends that the Commission not approve the Service Termination charge.

Reconnection Charge

The Company proposes to charge a Service Reconnection charge of \$100. Staff agrees that a reconnection charge is appropriate when applied to reconnections performed following an

involuntary disconnection of service for non-payment when requested during normal business hours. Historically, the Commission has allowed a portion of actual costs to be recovered through a direct charge to affected customers. In this case, the Company has not provided any cost justification. The amount requested by the Company is unreasonable and inconsistent with charges authorized by the Commission for other regulated utilities.

Staff instead recommends a \$20 reconnection charge for reconnections following an involuntary disconnection of service for non-payment to be applied when the customer requests reconnection during normal business hours. Staff defines normal business hours as 8:00 am and 5:00 pm, Monday through Friday, excluding legal holidays.

Staff also proposes a \$40 reconnection charge for reconnections following an involuntary disconnection of service for non-payment to be applied when the reconnection is requested outside of normal business hours. This \$40 charge is within the range of charges previously approved by the Commission for other regulated utilities under similar circumstances, when the Company must dispatch personnel outside of business hours.

Insufficient Funds Charge

The Company has not requested a charge that would be applied when a customer check or bank draft is returned by the bank or an electronic payment is drawn on an account with insufficient funds. Staff recognizes such a charge is appropriate to discourage customers from making payments that are not honored by their financial institution and allows partial recovery of the costs incurred in the collections process.

This charge is allowable under Idaho State Statute (*See* Idaho Code Section 28-22-105) and the Commission has allowed utility tariffs to identify this type of charge (*See* Case No. TRH-W-10-01, Order No. 32152; and SPL W-09-01, Order No. 30938). Staff recommends that a \$20 insufficient funds charge be approved.

Late Payment Charge

Late payment charges encourage a timely payment and allow the Company an opportunity to recoup a portion of the cost of collection of unpaid bills. The Company sends their bills out the first of every month, with the bills due within 30 days. The Company asks for a late payment charge of 10% on any payments that are not received within 30 days of the due date. The Company also proposes an interest rate of 1.5% per month on past due amounts.

Under the current billing practice of allowing 30 days prior to considering a bill late, the next month's billing statement could be issued before the previous month's bill payment is due. Staff supports adoption of a late payment charge to encourage prompt payment of bills. However, Staff cannot support the Company's proposal. As an alternative, Staff recommends that the Company be allowed to charge 1% per month on any past due balance owing at the time of the next billing. Staff also recommends that the due date of bills be set at 20 days after the billing date so that the Company has sufficient time to process payments before issuing new bills.

BILL STATEMENT & CUSTOMER INFORMATION/NOTIFICATION

The Company included a copy of its billing statement in its Application to the Commission. The statement does not meet the requirements of Rule 201 of Utility Customer Relations Rules (UCRR), IDAPA 31.21.01. Staff is willing to work with the Company to revise the document to ensure it meets the requirements of the UCRR. In addition, Staff is willing to assist the Company with the development of its disconnection policy and the applicable notices as well as other required documents as described in the UCRR. Staff is also willing to assist the Company with its Annual Rules Summary and its Explanation of Rates as required by Rules 700 of the IPUC Rules of Procedure, IDAPA 31.01.01. Staff recommends that the Company work directly with Staff to revise its bill statements and customer information and notices to comply with Commission Rules and Regulations.

COMPANY TARIFF

The Company included a copy of its proposed Tariff, including its proposed Rate Schedules and the General Rules and Regulations. Staff has reviewed the documents and is willing to work with the Company to ensure these documents meet Commission requirements. Staff recommends that the Company work directly with Staff to revise its Tariff to meet Commission Rules and Regulations.

CUSTOMER NOTIFICATION

The Company submitted a copy of its May 2013 billing statement as part of its Application. That billing statement included a note to its customers regarding its Application to the Commission for a Certificate of Public Convenience and Necessity. The Company did not

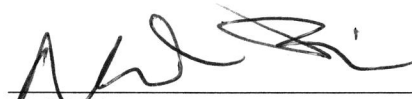
include a copy of a press release with its Application. The Commission issued a press release on April 14, 2014, regarding the Company's Application.

The Commission has not received any customer comments to date.

RECOMMENDATIONS

1. Staff recommends a Certificate of Public Necessity and Convenience for Phase 1 of the resort development.
2. Staff recommends that the use of a 2013 test year be approved.
3. Staff recommends that all plant in service be recognized as a Contribution in Aid of Construction with no current rate base.
4. Staff recommends that an annual revenue requirement of \$8,067 be approved.
5. Staff recommends implementation of a flat rate design with a monthly charge of \$29.25 per ERU.
6. Staff recommends that the customers be invoiced every month.
7. Staff recommends disapproval of the Company's proposed Customer Standby Fee, Inspection Fee, Owner Transfer Fee, and Service Termination Fee.
8. Staff recommends the following non-recurring charges: \$150 Hook-up Fee for new customers; \$20 Reconnection Fee during normal business hours and \$40 Reconnection Fee outside of normal business hours, and \$20 Insufficient Funds Charge.
9. Staff recommends that the Company install a communications device for the storage tank elevation during the first quarter of 2015.
10. Staff recommends that the Company address system sanitary deficiencies as required by DEQ/Panhandle Health.
11. To comply with Commission Rules and Regulations, Staff recommends that the Company be directed to work with Staff to revise its bill statement and Tariff, develop procedures and create required documents.

Respectfully submitted this 15th day of May 2014.



Neil Price
Deputy Attorney General

Staff: Joe Terry
Johanna Bell
Gerry Galinato
Chris Hecht

Umisc/comments/awww13.1npjtbgdgcwh comments

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING 2013

COMPANY INFORMATION

- 1 Give full name of utility Acme Water Works Inc
- 2 Date of Organization 2008
- 3 Organized under the laws of the state of Idaho
- 4 Address of Principal Office (number & street) _____
- 5 P.O. Box (if applicable) P.O Box 1943
- 6 City Sand Point
- 7 State ID
- 8 Zip Code 83864
- 9 Organization (proprietor, partnership, corp.) Corp
- 10 Towns, Counties served Section 29
T58N, BM
Bonner County, Idaho
- 11 Are there any affiliated companies? (yes or no) _____

If yes, attach a list with names, addresses & descriptions. Explain any services provided to the utility.

12 Contact Information	Name	Phone No.
President (Owner)	Joel Wahlin	208-597-0335
Vice President		
Secretary		
General Manager		
Complaints or Billing	Bob Hansen (WSM)	208-265-4270
Engineering		
Emergency Service		
Accounting		

- 13 Were any water systems acquired during the year or any additions/deletions made to the service area during the year? _____

If yes, attach a list with names, addresses & descriptions. Explain any services provided to the utility.

- 14 Where are the Company's books and records kept?
 Street Address _____
 City _____
 State _____
 Zip _____

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Acme Water Works Inc

REVENUE & EXPENSE DETAIL

For the Year Ended

2013

SUB ACCT	DESCRIPTION		
400 REVENUES			
1	460	Unmetered Water Revenue	\$ 10,044
2	461.1	Metered Sales - Residential	_____
3	461.2	Metered Sales - Commercial, Industrial	_____
4	462	Fire Protection Revenue	_____
5	464	Other Water Sales Revenue	_____
6	465	Irrigation Sales Revenue	_____
7	466	Sales for Resale	_____
8	474	Other Water Revenue	\$ 29,400
9	400	Total Revenue (Add Lines 1 - 7)	\$ 39,444
		(also enter result on Page 4, line 1)	
10	* DEQ Fees Billed separately to customers	_____	Booked to Acct # _____
11	** Hookup or Connection Fees Collected	\$ 29,400	Booked to Acct # <u>474</u>
12	***Commission Approved Surcharges Collected	_____	Booked to Acct # _____
401 OPERATING EXPENSES			
13	601.1-6	Labor - Operation & Maintenance	_____
14	601.7	Labor - Customer Accounts	_____
15	601.8	Labor - Administrative & General	_____
16	603	Salaries, Officers & Directors	\$ 29,146
17	604	Employee Pensions & Benefits	_____
18	610	Purchased Water	_____
19	615-16	Purchased Power & Fuel for Power	\$ 1,653
20	618	Chemicals	_____
21	620.1-6	Materials & Supplies - Operation & Maint.	\$ 168
22	620.7-8	Materials & Supplies - Administrative & General	_____
23	631-34	Contract Services - Professional	\$ 4,862
24	635	Contract Services - Water Testing	\$ 100
25	636	Contract Services - Other	_____
26	641-42	Rentals - Property & Equipment	_____
27	650	Transportation Expense	_____
28	656-59	Insurance	_____
29	660	Advertising	_____
30	666	Rate Case Expense (Amortization)	_____
31	667	Regulatory Comm. Exp. (Other except taxes)	_____
32	670	Bad Debt Expense	_____
33	675	Miscellaneous	\$ 24
34		Total Operating Expenses (Add lines 12 - 32, also enter on Pg 4, line 2)	\$ 35,954

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Acme Water Works Inc

ACCOUNT 101 PLANT IN SERVICE DETAIL

			For the Year Ended			2013
			Balance	Added	Removed	Balance
			Beginning	During	During	End of
SUB ACCT	DESCRIPTION		of Year	Year	Year	Year
1	301	Organization	\$ -	\$ -	\$ -	\$ -
2	302	Franchises and Consents	\$ -	\$ -	\$ -	\$ -
3	303	Land & Land Rights	\$ -	\$ -	\$ -	\$ -
4	304	Structures and Improvements	\$ -	\$ -	\$ -	\$ -
5	305	Collecting & Impounding Reservoirs	\$ -	\$ -	\$ -	\$ -
6	306	Lake, River & Other Intakes	\$ -	\$ -	\$ -	\$ -
7	307	Wells	\$ -	\$ -	\$ -	\$ -
8	308	Infiltration Galleries & Tunnels	\$ -	\$ -	\$ -	\$ -
9	309	Supply Mains	\$ -	\$ -	\$ -	\$ -
10	310	Power Generation Equipment	\$ -	\$ -	\$ -	\$ -
11	311	Power Pumping Equipment	\$ -	\$ -	\$ -	\$ -
12	320	Purification Systems	\$ -	\$ -	\$ -	\$ -
13	330	Distribution Reservoirs & Standpipes	\$ -	\$ -	\$ -	\$ -
14	331	Trans. & Distrib. Mains & Accessories	\$ -	\$ -	\$ -	\$ -
15	333	Services	\$ -	\$ -	\$ -	\$ -
16	334	Meters and Meter Installations	\$ -	\$ -	\$ -	\$ -
17	335	Hydrants	\$ -	\$ -	\$ -	\$ -
18	336	Backflow Prevention Devices	\$ -	\$ -	\$ -	\$ -
19	339	Other Plant & Misc. Equipment	\$ -	\$ -	\$ -	\$ -
20	340	Office Furniture and Equipment	\$ -	\$ -	\$ -	\$ -
21	341	Transportation Equipment	\$ -	\$ -	\$ -	\$ -
22	342	Stores Equipment	\$ -	\$ -	\$ -	\$ -
23	343	Tools, Shop and Garage Equipment	\$ -	\$ -	\$ -	\$ -
24	344	Laboratory Equipment	\$ -	\$ -	\$ -	\$ -
25	345	Power Operated Equipment	\$ -	\$ -	\$ -	\$ -
26	346	Communications Equipment	\$ -	\$ -	\$ -	\$ -
27	347	Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -
28	348	Other Tangible Property	\$ -	\$ -	\$ -	\$ -
29		TOTAL PLANT IN SERVICE	\$ -	\$ -	\$ -	\$ -

(Add lines 1 - 28) Enter beginning & end of year totals on Pg 7, Line 1

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Acme Water Works Inc

ACCUMULATED DEPRECIATION ACCOUNT 108.1 DETAIL

			For the Year Ended		2013
SUB ACCT	DESCRIPTION	Depreciation Rate %	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1 304	Structures and Improvements		\$ -	\$ -	\$ -
2 305	Collecting & Impounding Reservoirs		\$ -	\$ -	\$ -
3 306	Lake, River & Other Intakes		\$ -	\$ -	\$ -
4 307	Wells		\$ -	\$ -	\$ -
5 308	Infiltration Galleries & Tunnels		\$ -	\$ -	\$ -
6 309	Supply Mains		\$ -	\$ -	\$ -
7 310	Power Generation Equipment		\$ -	\$ -	\$ -
8 311	Power Pumping Equipment		\$ -	\$ -	\$ -
9 320	Purification Systems		\$ -	\$ -	\$ -
10 330	Distribution Reservoirs & Standpipes		\$ -	\$ -	\$ -
11 331	Trans. & Distrib. Mains & Accessories		\$ -	\$ -	\$ -
12 333	Services		\$ -	\$ -	\$ -
13 334	Meters and Meter Installations		\$ -	\$ -	\$ -
14 335	Hydrants		\$ -	\$ -	\$ -
15 336	Backflow Prevention Devices		\$ -	\$ -	\$ -
16 339	Other Plant & Misc. Equipment		\$ -	\$ -	\$ -
17 340	Office Furniture and Equipment		\$ -	\$ -	\$ -
18 341	Transportation Equipment		\$ -	\$ -	\$ -
19 342	Stores Equipment		\$ -	\$ -	\$ -
20 343	Tools, Shop and Garage Equipment		\$ -	\$ -	\$ -
21 344	Laboratory Equipment		\$ -	\$ -	\$ -
22 345	Power Operated Equipment		\$ -	\$ -	\$ -
23 346	Communications Equipment		\$ -	\$ -	\$ -
24 347	Miscellaneous Equipment		\$ -	\$ -	\$ -
25 348	Other Tangible Property		\$ -	\$ -	\$ -
26	TOTALS (Add Lines 1 - 25)		\$ -	\$ -	\$ -

Enter beginning & end of year totals on Pg 7, Line 7

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Acme Water Works Inc

BALANCE SHEET

			For the Year Ended		2013
ASSETS			Balance	Balance	Increase
			Beginning	End of	or
SUB ACCT	DESCRIPTION		of Year	Year	(Decrease)
1	101	Utility Plant in Service (From Pg 5, Line 29)	\$ -	\$ -	\$ -
2	102	Utility Plant Leased to Others			\$ -
3	103	Plant Held for Future Use			\$ -
4	105	Construction Work in Progress			\$ -
5	114	Utility Plant Aquisition Adjustment			\$ -
6		Subtotal (Add Lines 1 - 5)	\$ -	\$ -	\$ -
7	108.1	Accumulated Depreciation (From Pg 6, Line 26)	\$ -	\$ -	\$ -
8	108.2	Accum. Depr. - Utility Plant Lease to Others			\$ -
9	108.3	Accum. Depr. - Property Held for Future Use			\$ -
10	110.1	Accum. Amort. - Utility Plant in Service			\$ -
11	110.2	Accum. Amort. - Utility Plant Lease to Others			\$ -
12	115	Accumulated Amortization - Aquisition Adj.			\$ -
13		Net Utility Plant (Line 6 less lines 7 - 12)	\$ -	\$ -	\$ -
14	123	Investment in Subsidiaries			\$ -
15	125	Other Investments			\$ -
16		Total Investments (Add lines 14 & 15)	\$ -	\$ -	\$ -
17	131	Cash	\$ 1,858	\$ 7,662	\$ 5,804
18	135	Short Term Investments			\$ -
19	141	Accts/Notes Receivable - Customers			\$ -
20	142	Other Receivables			\$ -
21	145	Receivables from Associated Companies			\$ -
22	151	Materials & Supplies Inventory			\$ -
23	162	Prepaid Expenses			\$ -
24	173	Unbilled (Accrued) Utility Revenue			\$ -
25	143	Provision for Uncollectable Accounts			\$ -
26		Total Current (Add lines 17 - 24, less line 25)	\$ 1,858	\$ 7,662	\$ 5,804
27	181	Unamortized Debt Discount & Expense			\$ -
28	183	Preliminary Survey & Investigation Charges			\$ -
29	184	Deferred Rate Case Expenses			\$ -
30	186	Other Deferred Charges			\$ -
31		Total Assets (Add lines 13, 16 & 26 - 30)	\$ 1,858	\$ 7,662	\$ 5,804

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Acme Water Works Inc

BALANCE SHEET

LIABILITIES & CAPITAL

For the Year Ended 2013

		Balance	Balance	Increase
		Beginning	End of	or
		of Year	Year	(Decrease)
SUB ACCT	DESCRIPTION			
1	201-3 Common Stock	\$ 1,000	\$ 1,000	\$ -
2	204-6 Preferred Stock			\$ -
3	207-13 Miscellaneous Capital Accounts			\$ -
4	214 Appropriated Retained Earnings			\$ -
5	215 Unappropriated Retained Earnings	\$ 858	\$ 6,662	\$ 5,804
6	216 Reacquired Capital Stock			\$ -
7	218 Proprietary Capital			\$ -
8	Total Equity Capital (Add Lines 1-5+7 less line 6)	\$ 1,858	\$ 7,662	\$ 5,804
9	221-2 Bonds			\$ -
10	223 Advances from Associated Companies			\$ -
11	224 Other Long - Term Debt			\$ -
12	231 Accounts Payable			\$ -
13	232 Notes Payable			\$ -
14	233 Accounts Payable - Associated Companies			\$ -
15	235 Customer Deposits (Refundable)			\$ -
16	236.11 Accrued Other Taxes Payable			\$ -
17	236.12 Accrued Income Taxes Payable			\$ -
18	236.2 Accrued Taxes - Non-Utility			\$ -
19	237-40 Accrued Debt, Interest & Dividends Payable			\$ -
20	241 Misc. Current & Accrued Liabilities			\$ -
21	251 Unamortized Debt Premium			\$ -
22	252 Advances for Construction			\$ -
23	253 Other Deferred Liabilities			\$ -
24	255.1 Accumulated Investment Tax Credits - Utility			\$ -
25	255.2 Accum. Investment Tax Credits - Non-Utility			\$ -
26	261-5 Operating Reserves			\$ -
27	271 Contributions in Aid of Construction			\$ -
28	272 Accum. Amort. of Contrib. in Aid of Const. **			\$ -
29	281-3 Accumulated Deferred Income Taxes			\$ -
30	Total Liabilities (Add lines 9 - 29)	\$ -	\$ -	\$ -
31	TOTAL LIABILITIES & CAPITAL (Add lines 8 & 30)	\$ 1,858	\$ 7,662	\$ 5,804

** Only if Commission Approved

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Acme Water Works Inc

STATEMENT OF RETAINED EARNINGS

For the Year Ended 2013

1	Retained Earnings Balance @ Beginning of Year	\$	858
2	Amount Added from Current Year Income (From Pg 4, Line 32)	\$	3,470
3	Other Credits to Account		
4	Dividends Paid or Appropriated	\$	2,334
5	Other Distributions of Retained Earnings		
6	Retained Earnings Balance @ End of Year	\$	6,662

CAPITAL STOCK DETAIL

		No. Shares Authorized	No. Shares Outstanding	Dividends Paid
7	Description (Class, Par Value etc.)			
	Common	1000		
				\$ -

DETAIL OF LONG-TERM DEBT

	Description	Interest Rate	Year-end Balance	Interest Paid	Interest Accrued
8					
	<u>Totals</u>		\$ -	\$ -	\$ -

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Acme Water Works Inc

SYSTEM ENGINEERING DATA

For the Year Ended 2013

- 1 Provide an updated system map if significant changes have been made to the system during the year.
 2 Water Supply:

Pump Designation or location	Rated Capacity (gpm)	Type of Treatment: (None, Chlorine Fluoride Filter etc.)	Annual Production (000's Gal.)	Water Supply Source
				(Well, Spring, Surface Wtr)
Well No. 1, Block 3, Lot #16	30	None	Unkn	Well
TOTALS			0	

- 3 System Storage:

Storage Designation or Location	Total Capacity 000's Gal.	Usable Capacity 000's Gal.	Type of Reservoir	Construction
			(Elevated Pressurized Boosted)	(Wood, Steel Concrete)
400 feet south of Block 11, Lot #22	200,000	Unkn	Elevated	Concrete

(Duplicate form and attach if necessary. Asterisk facilities added this year.)

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

NAME: Acme Water Works Inc

SYSTEM ENGINEERING DATA Continued

For the Year Ended 2013

FEET OF MAINS

1	Pipe Size	In Use	Installed	Abandoned	In Use
		Beginning Of Year	During Year	During Year	End of Year
	8" C900 CL 150 PVC Water Main	6845	0	0	6845
	4" C900 CL 150 PVC Water Main	5045	0	0	5045

CUSTOMER STATISTICS

	Number of Customers		Thousands of Gallons Sold	
	This Year	Last Year	This Year	Last Year
2 Metered:				
2A Residential				
2B Commercial				
2C Industrial				
3 Flat Rate:				
3A Residential	23	20		
3B Commercial				
3C Industrial				
4 Private Fire Protection				
5 Public Fire Protection				
6 Street Sprinkling				
7 Municipal, Other				
8 Other Water Utilities				
TOTALS (Add lines 2 through 8)	23	20	0	0

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

CERTIFICATE

State of Idaho)
) ss
County of)

WE, the undersigned _____
and _____
of the _____

utility, on our oath do severally say that the foregoing report has been prepared under our direction, from the original books, papers and records of said utility; that we have carefully examined same, and declare the same to be a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter and thing therein set forth, to the best of our knowledge, information and belief.

(Chief Officer)

(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me

this _____ day of _____, _____

NOTARY PUBLIC

My Commission Expires _____

gdk/excel/jnelson/anulrpts/wtrannualrpt

Acme Water Works Inc
2013 Test Year Results


Account	Results of Operations	Salary Change	Power Adj	Water Testing	PUC Fees	Staff Recommendation
		1	2	3	4	Staff
		Adjustments				Recommendation
1 603 Salaries, Officers & Directors	\$ 29,146	\$ (27,886)				\$ 1,260
2 615-16 Purchased Power & Fuel for Power	\$ 1,653		\$ (73)			\$ 1,580
3 620.1-6 Materials & Supplies - Operation & Maint.	\$ 168					\$ 168
4 631-34 Contract Services - Professional	\$ 4,862					\$ 4,862
5 635 Contract Services - Water Testing	\$ 100			2		\$ 102
6 675 Miscellaneous	\$ 24					\$ 24
7 403 Depreciation Expense	\$ -					\$ -
8 408.10 Regulatory Fees (PUC)	\$ -				50	\$ 50
9 409.11 State Income Taxes	\$ 20					\$ 20
10 TOTAL EXPENSES	\$ 35,974	\$ (27,886)	\$ (73)	\$ 2	\$ 50	\$ 8,067
11 Plant In Service	\$ -					\$ -
12 CIAC	\$ -					\$ -
13 Accumulated Depreciation	\$ -					\$ -
14 Plant in Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 15TH DAY OF MAY 2014, SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN CASE NO. AWW-W-13-01, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

JOEL WAHLIN
OWNER
ACME WATER WORKS INC
67 WILD HORSE TRAIL
SANDPOINT ID 83864
EMAIL: JL_Plus5@yahoo.com

BOB HANSEN
ACME WATER WORKS INC
67 WILD HORSE TRAIL
SANDPOINT ID 83864
EMAIL: wsmibob@aol.com



SECRETARY