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IDAHO PUBLIC
UTILITIES COMMISSION

2626 Eldorado Boise, Idaho 83704
Telephone 375-0931

September 1, 2023

Jan Noriyuki, Commission Secretary
Idaho Public Utilities Commission
P.O. Box 83720
Boise, Idaho 83720-0074

Re: CASE NO. CAP-W-23-01
IN THE MATTER OF THE APPLICATION
OF CAPITOL WATER CORP. TO
CHANGE ITS SCHEDULE NO. 3
PURCHASED POWER COST ADJUSTMENT RATE

Dear Ms. Noriyuki,

Enclosed are an original and seven copies of an application and exhibits for approval of Capitol Water Corporation's change in its Schedule No. 3 - Purchased Power Cost Adjustment. The change is necessitated by Idaho Power Company's changes in the rates and charges for electric service to Capitol Water Corporation.

The applicant is requesting that the Commission process this application under its rules of modified procedure without hearing.

An electronic version of Applicant's application, exhibits and work papers is also enclosed for the Commission Staff's review.

Sincerely,

H. Robert Price, President
Capitol Water Corporation

H. Robert Price, President
Capitol Water Corp.
2626 N. Eldorado St,
Boise, Idaho 83704-5926
Ph: (208) 375-0931
Fax: (208) 375-0951
E-mail: capitolwatercorp@yahoo.com

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF THE APPLICATION)
OF CAPITOL WATER CORP. TO)
CHANGE ITS SCHEDULE NO. 3)
PURCHASED POWER ADJUSTMENT RATE)**

CASE NO. CAP-W-23-01

APPLICATION

COMES NOW Capitol Water Corporation (“Capitol”, “Applicant” or “Company”), holder of Certificate of Convenience and Necessity Number 239, and files this Application to change its Schedule No. 3 Purchased Power Cost Adjustment (“PPCA”) rate to recover the Company’s cost of electricity related to Idaho Power Company’s electric rate schedules that have been approved by the Idaho Public Utilities Commission (“IPUC” or Commission).

Applicant’s current base rates were established by Order No. 30762 in Case No. CAP-W-08-02. In that order the Commission adopted a three (3) year average of 1,454,401 kWh of electricity consumption at an average cost of 5.19¢ to establish rates for Applicant. Together these produce a total cost of electric power for Applicant of \$75,483.41.

Initially when the Commission approved the PPCA for Capitol Water Corporation, it adopted a three (3) year average of power consumption, as proposed by the Staff of the Commission (Staff), as more indicative of what to expect in the future. In Case CAP-W-17-01 the Commission adopted the most recent twelve months of power costs as a better and more efficient method for the Company to recover its increased electric power costs.

Applicant’s actual power costs in calendar year 2022 were \$104,877. This is \$29,394 more than the power cost embedded in the Company’s base rates, and \$11,665 more than the current PPCA rate of 2.72% is designed to recover. This additional cost requires an increase to customer rates of 1.79% to bring the PPCA rate to 4.51% as reflected in Exhibit No. 1 attached

APPLICATION
CAP-W-23-01

to this Application. Applicant proposes to recover these additional electric power costs by replacing the Company's currently approved Schedule No.3 Purchased Power Cost Adjustment of 2.72% with a new Purchased Power Cost Adjustment of 4.51%. Applicant has provided workpapers showing the details of the Company's electric power bills used to develop the proposed PPCA rate for Commission Staff's review.

Also enclosed is a one-page Exhibit No. 2 that is a copy of the Company's current approved Schedule No. 3 in legislative format that shows the proposed change to the Purchased Power Cost Adjustment.

A new Schedule No. 3, with the proposed power cost adjustment rate, is enclosed for the Commission's approval with an effective date of November 15, 2023.

Capitol Water Corporation will inform its customers of this application through a customer notice that will be included with customer bills to be mailed October 1, 2023, and by a news release that is being sent to the Idaho Statesman and the Idaho Business Review newspapers coincident with this filing. Copies of the customer notice and news release are enclosed as Exhibit Nos. 3 and 4 respectively.

In Case No. CAP-W-22-01, Commission Staff determined that Well No. 4 showed an increase in efficiency year over year of 25%, and recommended the Company investigate the increase in efficiency to identify possible causes and apply any lessons learned to its other wells. Order No. 35582 directed the Company to investigate the cause of the change in efficiency in Well No. 4, as well as to continue monitoring the water system and maintain the system for safe, efficient, and cost-effective operations.

The Company is not able to identify a specific cause for the increase in efficiency of Well No. 4. This well is used primarily as a supplemental well for the system. The system consists of seven wells. Well No. 1 is a standby well, and generally is not used. Well No. 2 is inoperative. Well Nos. 3 and 6 are used during the summer months. Well No. 6 is the Aquifer Storage Recovery ("ASR") well. Well Nos. 5 and 7 are the primary wells for the water system. These wells run year-round. Well No. 7 is also the source for the ASR well, with water being pumped into Well No. 6 over the winter. Well No. 4 generally does not run during winter and is on standby during the summer. When the pressure in the system drops to a certain level, Well No. 4 will turn on and begin pumping water to maintain the pressure in the system. When the system no longer needs Well No. 4 to maintain the required pressure on the system, Well No. 4 goes into

idle mode for approximately 30 minutes, during which time it is consuming electricity but not pumping water. At that point the well automatically shuts down until the next time that the system requires it to run to maintain the required water pressure in the system. The usage of Well No.4, and all the operating wells, depends on a variety of circumstances, such as weather conditions, ambient temperature, and customer watering habits.

The Commission Staff calculates the efficiency of the wells using the total amount of energy divided by the total gallons pumped for each well; however, the total energy includes energy does not pump water such as when the wells are on standby, and when heating the well houses. The Company strives to maintain its system for safe, efficient, and cost-effective operations. To that end, the Company monitors the wells daily, and as well as performing periodic maintenance on the wells.

Applicant requests that the Commission process this Application under its rules of modified procedure and approve the new PPCA rate of 4.51% effective November 15th, 2023.


CONTACT INFORMATION:

Questions regarding this Application should be addressed to:

H. Robert Price, President
Capitol Water Corp.
2626 N. Eldorado St.
Boise, Idaho 83704-5926
(208) 375-0931
capitolwatercorp@yahoo.com

Please provide copies of all correspondence, notices, and orders to the above individual.

Respectfully submitted,


H. Robert Price, President
Capitol Water Corporation

Capitol Water Corporation
 Calculation of Purchased Power Cost Adjustment
 Based Upon Energy Consumption in the Year 2022

1 Base Revenue	\$651,738	Per Order No. 30762, Case No. CAP-W-08-02
2 Actual Power Cost from 2022	\$104,877	From Power Bills Workpaper
3 Power Cost Embedded in Base Revenue	<u>\$75,483</u>	Calculated Per Order No. 30762, Case No. CAP-W-08-02
4 Incremental Cost	\$29,394	Line 2 less Line 3
5 PPCA Required	4.51%	Line 4 / Line 1
6 Current PPCA	2.72%	From Current Tariff
7 Incremental Increase in PPCA	1.79%	
8 Incremental Revenue Produced by New PPCA	\$29,394	Line 1 X Line 5
9 Incremental Revenue Produced by Current PPCA	<u>\$17,729</u>	Line 1 X Line 6
10 Increase or (Decrease) from Current Charges	\$11,665	Line 8 less Line 9

Tariff No.
I.P.U.C. No.

Canceling
Name of Utility

CAPITOL WATER CORPORATION

(Approval Stamp)

SCHEDULE NO. 3

OTHER RECURRING AND NON-RECURRING CHARGES

RECURRING CHARGES

Applicable: To all customer bills

Purchased Power Cost Adjustment: (PPCA)

Beginning November 15, ~~2022~~ 2023 all customer bills will be increased by ~~2.72~~ 4.51%. The purpose of the PPCA is to allow the company to adjust its rates when its power supply costs increase or decrease. The PPCA is expressed as a percentage, which only applies to the monthly charges for service as listed in schedule Nos. 1, 2 and 4. It does not apply to the total bill amount, which includes other charges such as the DEQ fee and the City of Boise franchise fee shown below.

City of Boise Franchise Fee:

All customer bills will be increased by 3% for payment of Franchise Fees assessed by the City of Boise.

Department of Environmental Quality Fee:

All customer bills will be increased by \$0.34 to collect the assessment required by the Idaho Department of Environmental Quality.

NON-RECURRING CHARGES

Applicable: To all customer bills

Reconnection Charges: A reconnection charge will be assessed to any customer who has been voluntarily or involuntarily disconnected in compliance with the Idaho Public Utilities Commission's Utility Customer Relations Rules (UCRR). Charges do not apply to customers who have been involuntarily disconnected for the convenience of the Company.

Reconnection Charge \$20.00

The following "Customer Requested Service Calls" charges also apply.

Customer Requested Service Calls: During Normal Business Hours \$0.00
Other Than Normal Business Hours \$20.00

Service call charges will be waived if the service call resulted in repair to Company's equipment through no fault of the customer.

Normal Business Hours are 8:00 AM to 5:00 PM Monday through Friday excluding Legal Holidays recognized by Idaho State Government Offices

Returned Check Charge: In the event a customers check is returned by the Company's bank for any reason, the Company will charge the customer's account a reprocessing fee of \$15.00

Meter Testing Fee: Not Currently in Use.

Issued November 15~~30~~, 2022 2023 Effective 11/15/20223 12:00:00 AM

By



Title: President

President

Exhibit No. 2
CAP-W-23-01
Capitol Water Corporation

NOTICE TO OUR CUSTOMERS

Capitol Water Corporation filed an application on September 2nd with the Idaho Public Utilities Commission to increase its Purchased Power Cost Adjustment from 2.72% to 4.51%, an increase of 1.79% percentage points. The unmetered residential customer will, if approved by the Commission, see an increase in their monthly bill of between \$0.51 and \$0.59 in the months of May through September and \$0.23 and \$0.30 in all other months. Metered customers will see an increase of 1.79% in their bill. The Purchased Power Cost Adjustment appears on water bills as "PPCA". The Purchased Power Cost Adjustment is applied to customer bills after all other charges for water service have been accumulated excluding Boise City Franchise fees and Idaho Department of Environmental Quality fees. The Company has requested an effective date of November 15th. The application is in response to changes in the electric rates Idaho Power charges Capitol Water Corporation for the electric power it uses to provide water service to customers and is expected to produce an increase in Company revenues of \$11,928. The application is subject to the approval of the Commission and is available for review at the Company's office at 2626 Eldorado St. in Boise and on the Commission's web site at puc.idaho.gov. Customers may make written comments to the Commission regarding the application.

Comments and inquiries may be addressed to the Idaho Public Utilities Commission on its web site by going to the "Cases" link on the home page and scrolling to the bottom of the list to "Case Comment Form". Case No. CAP-W-23-01 should be identified in all correspondence with the Idaho Public Utilities Commission.

Capitol Water Corporation

2626 N Eldorado St.

Boise, Idaho 83704-5926

Ph (208) 375-0931

Idaho Public Utilities Commission

PO Box 83720

Boise, Idaho 83720-0074

Ph (208) 334-0300 or (800) 432-0369

Capitol Water Corporation
2626 Eldorado St.
Boise, Idaho 83704

September 1, 2023

NEWS

Capitol Water Corporation filed an application on September 1st with the Idaho Public Utilities Commission to increase its Purchased Power Cost Adjustment from 2.72% to 4.51%, an increase of 1.79 percentage points. The unmetered residential customer will, if approved by the Commission, see an increase in their monthly bill between \$0.51 to \$0.59 in the months of May through September and between \$0.23 to \$0.30 in all other months. Metered customers will see an increase of 1.79% in their bill. The Purchased Power Cost Adjustment appears on water bills as "PPCA". The Purchased Power Cost Adjustment is applied to customer bills after all other charges for water service have been accumulated excluding Boise City Franchise fees and Idaho Department of Environmental Quality fees. The Company has requested an effective date of November 15th. The application is in response to changes in the electric rates Idaho Power charges Capitol Water Corporation for the electric power it uses to provide water service to customers and is expected to produce an increase in Company revenues of \$11,665 over current rates. The application is subject to the approval of the Commission and is available for review at the Company's office at 2626 Eldorado St. in Boise and on the Commissions web site at puc.idaho.gov. Customers may make written comments to the Commission regarding the application.

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Capitol Water Corporation

Idaho Public Utilities Commission

2626 N. Eldorado St.

PO Box 83720

Boise, Idaho 83704-5926

Boise, Idaho 83720-0074

Ph (208) 375-0931

Ph (208) 334+0300 or (800) 432-0369

END

For More Information contact:

Capitol Water Corporation President H. Robert Price at (208) 375-0931

Exhibit No. 4
CAP-W-23-01
Capitol Water Corporation

SCHEDULE NO. 3

OTHER RECURRING AND NON-RECURRING CHARGES

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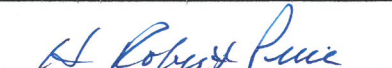
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Issued November 15, 2023 Effective 11/15/23 12:00 AM

By  Title: President