

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF CAPITOL WATER) CASE NO. CAP-W-24-01
CORPORATION’S APPLICATION TO)
INCREASE ITS RATES AND CHARGES FOR) ORDER NO. 36281
WATER SERVICE IN THE STATE OF)
IDAHO)
)

During the Commission’s July 23, 2024, decision meeting, Staff presented a decision memorandum recommending that the Commission issue an interlocutory order directing the Capitol Water Corporation (“Company”) to ensure that all its customers are properly charged the rates set forth in its Commission approved tariff. Staff filed the memorandum after discovering evidence indicating that the Company has incorrectly billed certain metered customers since 2022.

Having reviewed the record, the Commission issues this interlocutory order directing the Company to take the steps necessary to ensure its customers are properly charged the rates set forth in its Commission approved tariff.

BACKGROUND

On March 1, 2024, the Company applied to increase its rates and charges for water service, resulting in the commencement of this case. While examining the Company’s financial records for this general rate case, Staff discovered evidence that the Company may have incorrectly billed metered customers who consumed more water than their monthly minimum allotment of water since 2022. Staff indicated that this billing issue potentially affected up to approximately 277 customers in 2022, with some accounts being slightly underbilled or overbilled up to \$43 in a month depending on the size of the customer’s meter. Although Staff’s investigation of the billing issue is incomplete, it has discovered evidence of at least one customer experiencing the same overbilling issue in June 2024. Staff represented that it has notified the Company of the billing issue and will investigate and discuss the matter further with the Company.

COMMISSION FINDINGS AND DECISION

The Company operates a water system as a water corporation as defined by *Idaho Code* §§ 61-124 and 61-125 and is a public utility under *Idaho Code* § 61-129. The Commission has jurisdiction over this matter under *Idaho Code* §§ 61-501, -502 and -503. The Commission is empowered to investigate rates, charges, rules, regulations, practices, and contracts of public

utilities and to determine whether they are just, reasonable, preferential, discriminatory, or in violation of any provision of law, and to fix the same by order. *Idaho Code* §§ 61-502 and -503.

Idaho law prohibits public utilities from charging rates different than those approved by and on file with the Commission. *See Idaho Code* § 61-313. Commission Customer Relations Rule 202 directs how regulated utilities must handle situations of overbilling and underbilling. IDAPA 31.21.01.202. Based on Staff's representations, we have reason to believe that the Company is not billing metered customers according to its Commission approved tariff when they consume more than their minimum allotted amount of water in a month. Accordingly, we find it reasonable to order the Company to ensure that its customers are being properly charged the rates set forth in its Commission approved tariff. The Company must also cooperate with Staff as it investigates the billing issue further. After completing this investigation, Staff shall provide the Commission with recommendations for any further appropriate corrective action.

ORDER

IT IS HEREBY ORDERED that the Company must ensure that its customers are being properly charged the rates set forth in its Commission approved tariff.

IT IS FURTHER ORDERED that the Company must cooperate with Staff in its investigation of the billing issue identified above.

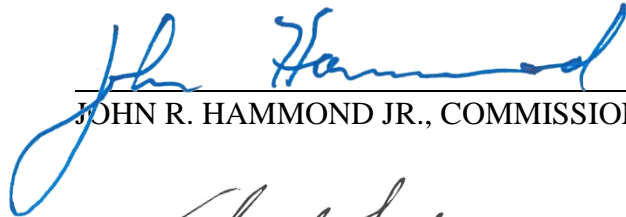
IT IS FURTHER ORDERED that Staff provide the Commission with recommendations for any further appropriate corrective action after completing its investigation into the billing issue.

THIS IS AN INTERLOCUTORY ORDER, not a final and appealable Order of the Commission. The period of reconsideration will not begin until the final order is issued.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 5th day of August 2024.



ERIC ANDERSON, PRESIDENT



JOHN R. HAMMOND JR., COMMISSIONER



EDWARD LODGE, COMMISSIONER

ATTEST:



Monica Barrios-Sanchez
Commission Secretary

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