

**IDAHO PUBLIC UTILITIES COMMISSION**

**Case No. CCH-W-05-1, Order No. 29794**

**June 3, 2005**

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**Website: [www.puc.idaho.gov](http://www.puc.idaho.gov)**

**Commission OKs increased rates for Country Club Hills water customers**

BOISE – Most customers of a rural Idaho Falls water company will be paying \$17 a month for the first 30,000 gallons of water they use, up from the former rate of \$14 per month. The new rates were effective June 1, the Idaho Public Utilities Commission announced.

To raise the necessary annual revenue requirement of \$42,718, the owner of Country Club Hills sought an increase for metered customers to \$20 per month. The commission approved a smaller increase to \$17, but set a higher rate than that sought by Country Club Hills for those who use more than 30,000 gallons a month. The commission approved a rate of 60 cents for every 1,000 gallons more than 30,000 gallons. That's up from the current 35 cents per 1,000 gallons. The company originally requested an increase to 45 cents.

Country Club Hills' proposed rate design of a larger increase for consumption lower than 30,000 gallons and a smaller increase for uses of greater than that amount sends an inappropriate signal when the company is trying to encourage customers to conserve water, the commission said.

The commission noted that the 15 highest users on the system of about 128 customers used from 87,000 to 252,000 gallons during May 2004, well above the company's average May use of 47,500 gallons per month. The company has a 150,000-gallon storage tank that is pumped dry on a regular basis.

The company's owner, Mike Groth, said previous efforts at getting customers to change timers on sprinklers and alter watering to every other day or every third day have not reduced consumption.

The commission directed the company to work with commission staff to develop a cost-effective program that encourages water conservation. "The commission reminds the company's customers that water is a precious commodity that should be conserved and used wisely," the commission said.

Unmetered customers who live in condominiums will pay a flat fee of \$15.75 per month, up from \$12 per month. Hook-up fees for new customers increase from \$300 to \$500. The commission said \$300 is low compared to other water systems. There are about one to four new hook-ups each year.

The increased revenue requirement, 32 percent above the revenue requirement approved the last time rates were adjusted in 1990, is to help meet the costs of a new pump, monitoring and control

equipment, a \$4,000 management fee for the system owner, liability insurance, increased testing expense for two wells and a dedicated reserve for service line repairs.

A full text of the commission's order, along with other documents related to this case, are available on the commission's Web site at [www.puc.idaho.gov](http://www.puc.idaho.gov). Click on "File Room" and then on "Water Cases" and scroll down to Case No. CCH-W-05-1.

Interested parties may petition the commission for reconsideration by no later than June 22. Petitions for reconsideration must set forth specifically why the petitioner contends that the order is unreasonable, unlawful or erroneous. Petitions should include a statement of the nature and quantity of evidence the petitioner will offer if reconsideration is granted.

Petitions can be delivered to the commission at 472 W. Washington St. in Boise, mailed to P.O. Box 83720, Boise, ID, 83720-0074, or faxed to 208-334-3762.