

## **DECISION MEMORANDUM**

**TO:           COMMISSIONER ANDERSON  
COMMISSIONER CHATBURN  
COMMISSIONER HAMMOND  
COMMISSION SECRETARY  
LEGAL  
WORKING FILE**

**FROM:       TRAVIS CULBERTSON  
RILEY NEWTON**

**DATE:       MAY 10, 2022**

**RE:           IN THE MATTER OF THE APPLICATION OF FALLS WATER CO.,  
INC. TO AMEND CERTIFICATE OF PUBLIC CONVENIENCE AND  
NECESSITY NO. 236; CASE NOS. FLS-W-20-04 AND FLS-W-21-03.**

### **BACKGROUND**

On November 13, 2020, the Commission issued Order No. 34833 approving Falls Water Co., Inc.'s ("Company") acquisition of Morning View Water Company ("Morning View"). In Order No. 34833, the Company was encouraged to work with Staff in filing a tariff combining former Morning View service territory customers and the Company's existing customers. On May 6, 2022, the Company filed conforming tariffs that include a new schedule for previous Morning View service territory customers, Schedule 5 & 6.

On March 31, 2022, the Commission issued Order No. 35357 approving the Company's acquisition of Honey Bee Acres Water Co. ("Honey Bee"). In Order No. 35357, the Company was ordered to work with Staff to create a tariff schedule that expires upon interconnection of the two water systems. On May 5, 2022, the Company filed conforming tariffs that include a new schedule for Honey Bee customers, Schedule 7.

Because the Company has followed the Commission's directives in Order No. 34833 and Order No. 35357, Staff recommends the Commission accept the Company's filed tariffs and cancel Morning View's tariffs.

**STAFF RECOMMENDATION**

Staff recommends the Commission accept the Company's tariffs as filed and cancel Morning View's tariffs, effective immediately.

**COMMISSION DECISION**

Does the Commission wish to accept the Company's tariffs as filed and cancel Morning View's tariffs, effective immediately?

*/s/ Travis Culbertson*  
Travis Culbertson

Udmemos/FLS-W-20-04\_FLS-W-21-03 Compliance Decision Memo

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**Schedule No. 1**

**General Metered Service Rates**

Availability: To all metered customers not served under another schedule.

Minimum Customer Charge:

<u>Meter Size</u>	<u>Maximum Gallons Allowed in Minimum Charge</u>	<u>Monthly Minimum Charge</u>
5/8" and 3/4"	12,000	\$18.75
1"	17,000	\$26.40
1 1/2"	22,000	\$34.05
2"	28,000	\$43.30
4"	49,000	\$77.35

Commodity Charge:

Rate per 1,000 Gallons of Use

For all water use in excess of the maximum gallons allowed in minimum charge.

\$0.917

Contract Conditions:

The customer shall pay the total of the minimum customer charge plus the commodity charge. The commodity charge is based on all metered water in excess of the maximum gallons allowed in the minimum customer charge for the billing period. Consumption is expressed in 1,000 gallon units as expressed by the meter installed by the Company. The minimum customer charge will apply even when service is provided for less than the entire billing period.

Meter Reading Schedule:

Meters for all customers, residential, commercial, industrial, institutional, apartment buildings with two or more units, and condominiums will be read monthly year round.

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Issued May 5, 2022  
Effective

Issued by Falls Water Co., Inc.  
K. Scott Bruce, General Manager

*K. Scott Bruce* 1 of 8

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**Schedule No. 2**  
**Non-Recurring Charges**

1. RECONNECT FEES:

This charge is applicable to all customers where water has been physically turned off for non-payment of a delinquent bill.

Rates:	<u>Each Occurrence</u>
During regular office hours (Monday through Friday 8am to 5pm)	\$ 20.00
After office hours	\$ 40.00

2. FIELD COLLECTION FEE:

This charge is applicable to all customers who pay outstanding bills for service at the time that Company personnel arrive at the customers' premises to terminate service.

Rate:	<u>Each Occurrence</u>
Field Collection Fee	\$ 15.00

3. HOOKUP CHARGES:

This charge is applicable when a new service is connected to the system for the first time.

<u>Meter Size of New Connection</u>	<u>One time Charge</u>
¾" Meter	\$ 500.00
1" Meter	\$ 600.00
1 ½" Meter	\$ 930.00
2" Meter	\$1,205.00

When the installation of a new service line requires the Company to bore a line under a road, all additional costs will be charged to the customer on a time and materials basis. The new customer may, at their option, hire a Falls Water Company approved independent contractor to perform the road bore and connection. The Company will require such contractor to show proof of bonding, licensing and insurance and have at least five (5) years of experience at hot tapping water lines. Falls Water Company will inspect and approve all the work being performed to insure compliance with the Company's installation requirements.

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**Schedule No. 2**  
**Non-Recurring Charges (Cont'd)**

4. RETURNED CHECK CHARGE:

This charge is applicable to all customers where the customer's check or bank draft is returned by the bank for insufficient funds, closed account, or some other appropriate reason.

Rate:	<u>Each Occurrence</u>
Returned check charge each occurrence	\$20.00

5. METER TEST AT CUSTOMER REQUEST CHARGE:

This charge is applicable when the customer requests the Company to test the accuracy of a meter in the case of a disputed bill.

Rate:	<u>Each Occurrence</u>
Error in meter registration of 1.5% or less	\$10.00

6. LATE PAYMENT CHARGE:

This charge is based on the unpaid balance at the time of the next billing date.

Rate:  
1% of delinquent balance per month.

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**Schedule No. 3**  
**Recurring Charges**  
**For Former Customers Of Taylor Mountain**

**METERED CUSTOMERS**

Minimum Monthly Charge \$20.00

The Minimum Monthly Charge includes usage up to 15,000 gallons.

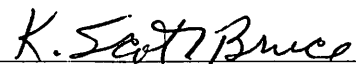
The Usage Charge is calculated by multiplying metered water consumption during the billing period by the rate per unit of measurement. The total Usage Charge is the sum of charges for each Tier.

Tier 1:	First 15,000 gallons (0 to 15,000 gallons)	\$ 0.00	
Tier 2:	Next 60,000 gallons (15,001 to 75,000 gallons)	\$ 0.71	per 1,000 gallons
Tier 3:	Next 50,000 gallons (75,001 to 125,000 gallons)	\$ 1.00	per 1,000 gallons
Tier 4:	Over 125,001 gallons (125,001 gallons and over)	\$ 2.00	per 1,000 gallons

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**Schedule No. 4**  
**Non-Recurring Charges**  
**For Former Customers Of Taylor Mountain**

**Reconnection Charge:**

Applies when a Customer requests reconnection following disconnection of service for:

- non-payment
- a dangerous condition caused by the Customer (e.g., lack of certified cross connection control)

Does not apply to situations where the Customer requests disconnection to make repairs or prevent water damage to the Customer's property. Also does not apply when service was disconnected by the Company for its convenience.

<b>Rates:</b>	<b>Each Occurrence</b>
During regular office hours (Monday through Friday 8 am to 5 pm)	\$20.00
After office hours	\$ 40.00

**Hook Up Charge:**

Applies when the Company must install a new service connection in order to provide water to a new Customer. \$1,179.00

**Late Payment Charge:**

Applies to the past-due balance owed at the time of the next billing.

One percent (1%)

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**Schedule No. 5**  
**Recurring Charges**  
**for Former Customers of Morningview**

Lot Size	Minimum Charge	First Tier Volume	First Tier Commodity Charge (per 1,000 gal)	Second Tier Commodity Charge (per 1,000 gal)
¼ Acre	\$55.00	10,000	\$ .17	\$ .53
½ Acre	\$65.00	40,000	\$ .17	\$ .53
1 Acre	\$70.50	45,000	\$ .17	\$ .53

The minimum charge varies per lot size and does not include water usage. All mobile home lots are billed using the ¼ Acre minimum charge and volume rates. Volume charges are based on the amount of water used by the customer during the billing period, rounded to 1,000 gallons.

The volume of water billed under the first and second tier rates varies based upon the size of the lot. The first-tier rate applies to the amount of water used by the customer up to the first-tier allowance. The second-tier rate applies to each 1,000 gallons used above the first-tier rate applies to each 1,000 gallons used above the first tier volume allowance.

**EXAMPLE**

A customer who is billed under the ¼ Acre rates and used 12,000 gallons a month would pay:

\$55.00 minimum charge  
 \$1.70 first tier charges (10,000 gal. x \$ .17 / 1,000 gal.)  
 \$1.06 second tier charges (2,000 gal x \$ .53 / 1,000 gal.)

For a total of \$57.76

Customers will be billed monthly based on the meter reading from the previous month.



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**Schedule No. 6**  
**Non-Recurring Charges**  
**for Former Customers of Morningview**

7. RECONNECT FEES: \$25.00  
Applies when a customer requests reconnection following disconnection of service for non-payment. Does not apply to situations where the customer requests disconnection to make repairs or prevent water damage to the customer's property. Also does not apply when service was disconnected by the Company for its convenience.
8. INSUFFICIENT FUNDS CHARGE: \$20.00  
Applies when a customer tenders payment for utility service with a dishonored check or makes an electronic payment on an account with insufficient funds.
9. LATE PAYMENT FEE: One percent (1%)  
Applies to the past due balance owing at the time of the next billing.

Normal business hours are defined as between 8:00 AM to 5:00 PM, Monday through Friday, excluding holidays.

Falls Water Co., Inc.  
Sheet 8  
Replaces All Previous Sheets

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**Schedule No. 7**  
**Recurring Charges**  
**for Former Customers of Honeybee Acres Water Co.**

Flat Rate Monthly Charge: \$30.00

The flat rate for former Honeybee Acres Water Co. customers is effective until the customers homes are physically connected to the Falls Water Co., Inc. water system. At that time, the rates for Falls Water customers found in Schedule No. 1 and Schedule No. 2 will become effective.

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