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RECEIVED
2023 May 15, 3:05PM
IDAHO PUBLIC
UTILITIES COMMISSION

May 15, 2023

VIA EMAIL

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

Re: Falls Water Co., Inc. – Case No. FLS-W-23-01

Dear Ms. Noriyuki:

Enclosed for filing with this Commission please find Falls Water Co., Inc.'s ("Falls Water") corrected Application and attachments. This replaces the Application previously filed on May 12. The following changes were made:

1. Paragraph 5 of the Corrected Application has been changed from 44.3% to 47.3%.
2. Paragraph 3 of Attachment 3 – Press Release has been changed from \$1,175,000 to \$1,174,000.
3. Paragraph 4 of Attachment 4 – Notice to Customers has been changed from \$1,250,000 and 50.34% to \$1,174,000 and 47.3%.
4. The case number has been added to the final sentences in Attachment 3 and 4.

If you should have comments or questions regarding this, please contact me (208-388-1222).

Sincerely,



Preston N. Carter

cc: Eric Nelsen
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Preston N. Carter, ISB No. 8462
Morgan D. Goodin, ISB No. 11184
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Attorneys for Falls Water Co., Inc.

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION
OF FALLS WATER CO., INC. FOR THE
AUTHORITY TO INCREASE ITS RATES
AND CHARGES FOR WATER SERVICE
IN THE STATE OF IDAHO

Case No. FLS-W-23-01
APPLICATION

Falls Water Co., Inc., (“Falls Water,” “Applicant,” or “Company”) hereby moves the Idaho Public Utilities Commission (“Commission”) requesting an Order approving revisions to Applicant’s schedules of rates and charges for water service in the State of Idaho to become effective on or after July 1, 2023.

Please address communications regarding this Application to:

Preston N. Carter
Morgan D. Goodin
Givens Pursley LLP
601 W. Bannock St.
Boise, Idaho 83702

Eric W. Nelsen
Senior Regulatory Attorney
NW Natural
250 SW Taylor St.
Portland, Oregon 97204

K. Scott Bruce
Falls Water Co., Inc.
2180 North Deborah
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Idaho Falls, ID 83401

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scott1@fallswater.com

In support of this Application, Falls Water states and alleges as follows.

INTRODUCTION AND BACKGROUND

1. Falls Water is a regulated public utility, and a water corporation, subject to the jurisdiction of the Commission. Falls Water operates under CPCN No. 236, as amended.
2. Falls Water provides water service to approximately 6,510 residential and commercial customers in the State of Idaho in an area generally north of the City of Ammon and northeast of the City of Idaho Falls in Bonneville County, Idaho.
3. Falls Water's office and principal place of business is 2180 North Deborah Drive, Idaho Falls, Idaho, 83401.
4. Falls Water's operations, rates and charges for service, and related matters have been reviewed and approved in several proceedings before the Commission. Falls Water's most recent rate case was filed in 2020 as Case No. FLS-W-20-03.

REQUESTED CHANGES TO RATES, CHARGES, AND RELATED MATTERS

5. Falls Water proposes to increase the revenue collected through rates by approximately \$1,174,000. This request represents a revenue increase of approximately 47.3%.
6. The changes to rates and charges proposed in this Application are just and reasonable. If the changes are approved as proposed, the expected rate of return to the Company will be approximately 7.71%, which is a fair rate of return on the Company's investment in property used and useful in rendering water utility services.
7. Under its presently authorized rates, the Company is earning a rate of return of approximately -0.67% based on an adjusted test year ended December 31, 2022. The Company seeks additional revenues to recover increased operating expenses, costs associated with plant additions, and revenues necessary to produce a fair rate of return to enable continued adequate and reliable service.

8. In addition to the changes to rates and charges, Falls Water proposes to consolidate the rates for former Morning View and Taylor Mountain system customers into a single ratemaking area with Falls Water customers.

9. Falls Water also proposes to increase tiered rates for three different usage bands, and to establish a separate rate for secondary irrigation systems as described further in the direct testimony that accompanies this Application.

10. To support this Application, Falls Water has filed the direct testimony, with accompanying exhibits, of: K. Scott Bruce, General Manager of Falls Water; Adam Rue, Rates and Regulatory Water Program Manager with NW Natural; Jeremy Aird, Accounting Director for NW Natural Water; and Harold Walker III, a consultant with Gannett Fleming Valuation and Rate Consultants, LLC.

11. This testimony and the accompanying exhibits include information regarding the Company's finances, revenue analysis, and explanation regarding cost of service, and supporting work papers that justify and support the changes proposed in this Application.

12. The proposed changes in rates and charges are shown in clean and redline on the proposed tariff attached as Attachments 1 and 2 to this Application.

13. Notice to Falls Water's customers is being accomplished by news media releases concurrent with this Application and by an individual notice delivered to each customer. Copies of the press release and customer notices are attached to this Application as Attachment 3 and Attachment 4.

14. A copy of the Application and Falls Water's current rate schedules are available for review by the public on the Commission's website at www.puc.idaho.gov. The Application can be accessed by selecting Water – Open Cases – FWS-W-23-01.

15. Falls Water's current rate schedules and tariffs can be accessed online at www.puc.idaho.gov by selecting File Room – Tariffs, Prices Lists & Filing Instructions – Approved Tariffs and Price Lists – Water Tariffs – Falls Water Company, Inc.

16. A copy of the Application is also available for public review at the offices of the Commission, and at the Company's office at the address set forth above.

17. This Application is a proposal, subject to public review and a Commission decision. Customers may file written comments about this Application with the Commission. Customers may subscribe to the Commission's RSS feed for periodic updates on this Application by email.

18. Falls Water stands ready for immediate consideration of this Application through whatever procedure the Commission deems appropriate, whether modified procedure, a technical hearing, or otherwise.


REQUEST FOR RELIEF

19. For the reasons set forth above, and in the accompanying testimony and exhibits, Falls Water respectfully requests:

- a. That this Application be heard and acted upon at the earliest possible date;
- b. That the Commission approve the changes proposed in this Application and accompanying testimony and exhibits, effective July 1, 2023; and
- c. That the Commission grant such other relief as the Commission may determine proper under the circumstances.

DATED May 15, 2023.

GIVENS PURSLEY LLP

By 

Preston N. Carter
Attorneys for Falls Water Co., Inc.

CERTIFICATE OF SERVICE

I hereby certify that on May 15, 2023, I caused to be served a true and correct copy of the foregoing document to the person(s) listed below by the method indicated:

Jan Noriyuki, Commission Secretary
Idaho Public Utilities Commission
11331 W. Chinden Blvd., Bldg. 8, Suite 201-A
Boise, ID 83714

jan.noriyuki@puc.idaho.gov



Preston N. Carter

FALLS WATER CO., INC.
FLS-W-23-01

Attachment 1
Proposed Tariff - Clean

Issued May 5, 2022
Effective

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

Schedule No. 1
General Metered Service Rates

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

Minimum Customer Charge and Block Volumes:

Meter Size	Gallons Allowed in Minimum Charge (First Block)	Gallons in Block Volume (Second Block)	Gallons in Block Volume (Third Block)	Monthly Minimum Charge
5/8" and 3/4"	8,000	16,000	24,000	\$27.60
1"	11,000	22,000	33,000	\$38.90
1 1/2"	15,000	30,000	45,000	\$50.15
2"	19,000	38,000	57,000	\$63.75
4"	33,000	66,000	99,000	\$113.90

Commodity Charge:	Rate per 1,000 Gallons of Use
First Block	Included In Minimum Charge
Second Block	\$0.69 per gallon
Third Block	\$1.55 per gallon

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 respective usage block in 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.

Issued May 5, 2022
Effective

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

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 ensure compliance with the Company's installation requirements.

Issued May 5, 2022
Effective

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

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.

Schedule No. 3
Recurring Charges

Secondary Irrigation Rate NON-METERED CUSTOMERS

Monthly Charge	\$16.85
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The Secondary Irrigation Rate applied to customers receiving service for secondary irrigation.

Issued May 5, 2022
Effective

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

14. Special Provisions or Amendments

- 14.1 It shall be the responsibility of the Customer to keep the area within three (3) feet of a fire hydrant clear from snow, trees, brush, weeds, growth, fences, or any other obstructions if a fire hydrant is located upon or adjacent to the customer's premises.

15. Equal Pay Plan

- 15.1 The Residential Equal Pay Plan: The Equal Pay Plan is available to Residential Customers, desiring equal payments for water service. A Residential Customer may enroll in the Equal Pay Plan at any time during the year. To be eligible for the Equal Pay Plan, the customer must have a minimum of 12 consecutive months of service at the current location and have no past due balances owing at the time of enrollment.

The levelized monthly payments will approximate the 12-month average of the most current bills. Equal Pay amounts will be recalculated annually at the 12-month anniversary of the date the customer began paying their most current Equal Pay Amount. The new monthly payment will be the recalculated Equal Pay amount. A customer's Equal Pay amount may increase, decrease, or stay the same from year to year.

Customers with a negative (underpaid) balance in their Equal Pay account at the time of recalculation will the new monthly Equal Pay charges equal to the recalculated Equal Pay amount plus one-twelfth of the negative balance. At the customer's option, a negative balance may be paid in full and disregarded for the purposes of calculating the next period's Equal Pay amount. If the negative balance exceeds 25% of the estimated annual bill for the ensuing annual period, the Company may require that the negative balance be paid in full. Customers with a positive balance exceeding \$25 in their Equal Pay account at the time of the recalculation may be refunded at the customer's request. If no request is made the monthly Equal Pay charge will be equal to the recalculated Equal Pay amount reduced by one-twelfth of the positive balance. Upon termination of the Equal Pay agreement, after all charges for services are paid, positive balances will be refunded.

Estimates of future costs based on historical changes furnished by the Company should not be construed by the customer as a guarantee that the total actual changes will be exceeded the estimates. In the event of a significant changes in rates for water service or substantial deviation from the customer's historical water consumptions, the Company may at any time submit a revised estimate to the customer and require that the customer pay the revised monthly Equal Pay installment amount as a condition of continuation in the Equal Pay Plan.

The Equal Pay amount will be billed monthly. Once established, the Equal pay will remain in effective from year to year until the customer notifies the Company not less than 30 days prior to the desired date of cancellation or unless the customer fails to pay the Equal Pay amount.

FALLS WATER CO., INC.

FLS-W-23-01

Attachment 2

Proposed Tariff - Redline

Falls Water Co., Inc.
Sheet 11
Replaces All Previous Sheets

Issued May 5, 2022
Effective

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

Schedule No. 1
General Metered Service Rates

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

Minimum Customer Charge and Block Volumes:

Meter Size	Maximum Gallons Allowed in Minimum Charge (First Block)	Gallons in Block Volume (Second Block)	Gallons in Block Volume (Third Block)	Monthly Minimum Charge
5/8" and 3/4"	128,000	16,000	24,000	\$18.7527.60
1"	117,000	22,000	33,000	\$26.4038.90
1 1/2"	2215,000	30,000	45,000	\$34.0550.15
2"	2819,000	38,000	57,000	\$43.3063.75
4"	4933,000	66,000	99,000	\$77.35113.90

Commodity Charge:	Rate per 1,000 Gallons of Use
For first Block all water use in excess of the maximum gallons allowed in minimum charge.	\$0.917Included In Minimum Charge
Second Block	\$0.69 per gallon
Third Block	\$1.55 per gallon

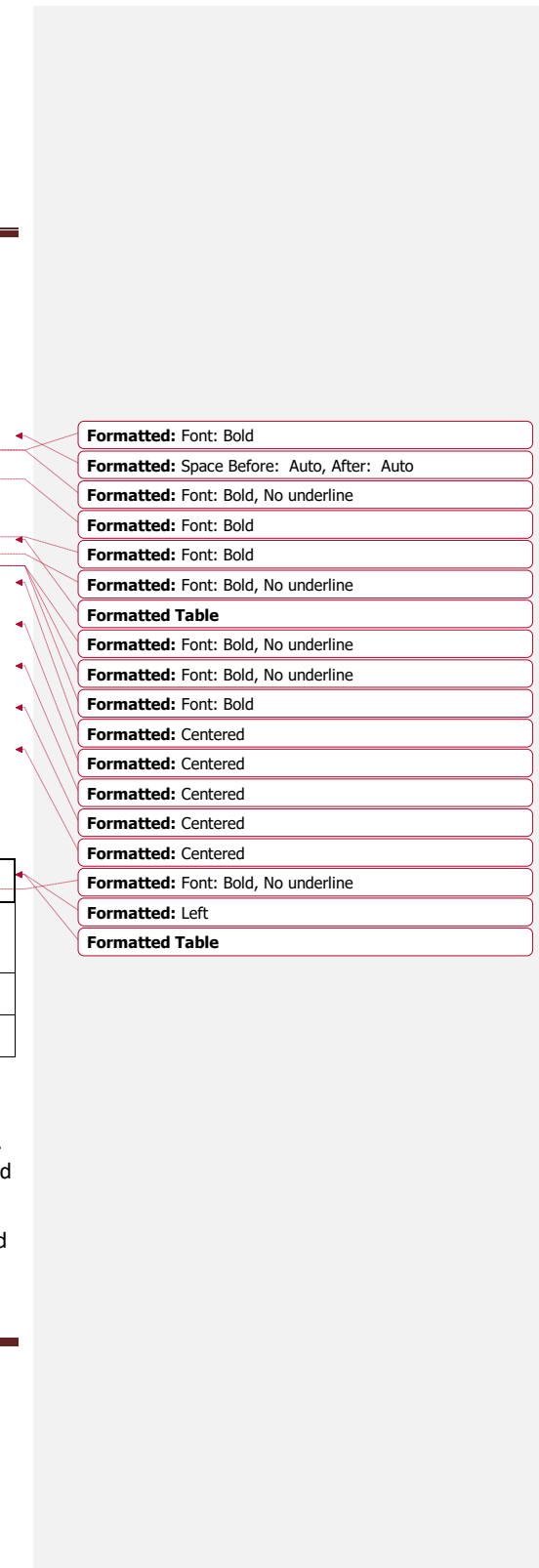
Contract Conditions:

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 respective usage block in 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.

Issued May 5, 2022
 Effective

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



Falls Water Co., Inc.
Sheet 11
Replaces All Previous Sheets

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~~ year-round.

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

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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

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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

Issued May 5, 2022
Effective

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

Falls Water Co., Inc.

Sheet 11

Replaces All Previous Sheets

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~~ensure compliance with the Company's installation requirements.

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.

Issued May 5, 2022
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K. Scott Bruce, General Manager

Schedule No. 3
Recurring Charges

Secondary Irrigation Rate For Former Customers Of Taylor Mountain

NON-METERED CUSTOMERS

~~Minimum~~ Monthly Charge ~~\$16.85~~20.00

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

~~The Secondary Irrigation Rate applied to customers receiving service for secondary irrigation. 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

Issued May 5, 2022
 Effective

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

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.

Rates:	Each Occurrence
During regular office hours	\$20.00
(Monday through Friday 8 am to 5 pm)	
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

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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:

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\$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.)

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~~For a total of \$57.76~~

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

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~~Schedule No. 6~~

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~~**Non-Recurring Charges**
for Former Customers of Morningview~~

~~7. RECONNECT FEES: \$25.00~~

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~~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.~~

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~~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.~~

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

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~~Schedule No. 7~~

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~~Recurring Charges~~

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~~for Former Customers of Honeybee Acres Water Co.~~

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~~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.~~

Falls Water Co., Inc.
Sheet 11
Replaces All Previous Sheets

14. Special Provisions or Amendments

- 14.1 It shall be the responsibility of the Customer to keep the area within three (3) feet of a fire hydrant clear from snow, trees, brush, weeds, growth, fences, or any other obstructions if a fire hydrant is located upon or adjacent to the customer's premises.

15. Equal Pay Plan

15.1 The Residential Equal Pay Plan: The Equal Pay Plan is available to Residential Customers, desiring equal payments for water service. A Residential Customer may enroll in the Equal Pay Plan at any time during the year. To be eligible for the Equal Pay Plan, the customer must have a minimum of 12 consecutive months of service at the current location and have no past due balances owing at the time of enrollment.

The levelized monthly payments will approximate the 12-month average of the most current bills. Equal Pay amounts will be recalculated annually at the 12-month anniversary of the date the customer began paying their most current Equal Pay Amount. The new monthly payment will be the recalculated Equal Pay amount. A customer's Equal Pay amount may increase, decrease, or stay the same from year to year.

Customers with a negative (underpaid) balance in their Equal Pay account at the time of recalculation will have the new monthly Equal Pay charges equal to the recalculated Equal Pay amount plus one-twelfth of the negative balance. At the customer's option, a negative balance may be paid in full and disregarded for the purposes of calculating the next period's Equal Pay amount. If the negative balance exceeds 25% of the estimated annual bill for the ensuing annual period, the Company may require that the negative balance be paid in full. Customers with a positive balance exceeding \$25 in their Equal Pay account at the time of the recalculation may be refunded at the customer's request. If no request is made the monthly Equal Pay charge will be equal to the recalculated Equal Pay amount reduced by one-twelfth of the positive balance. Upon termination of the Equal Pay

Commented [RA1]: Confirm that we'd prefer this to adjusting them all at once? This was how it was in Veolia, but I know at EWEB they just did them all once a year.

Issued May 5, 2022
Effective

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

Falls Water Co., Inc.
Sheet 11
Replaces All Previous Sheets

agreement, after all charges for services are paid, positive balances will be refunded.

Estimates of future costs based on historical changes furnished by the Company should not be construed by the customer as a guarantee that the total actual changes will be exceed the estimates. In the event of a significant changes in rates for water service or substantial deviation from the customer's historical water consumptions, the Company may at any time submit a revised estimate to the customer and require that the customer pay the revised monthly Equal Pay installment amount as a condition of continuation in the Equal Pay Plan.

The Equal Pay amount will be billed monthly. Once established, the Equal pay will remain in effective from year to year until the customer notifies the Company not less than 30 days prior to the desired date of cancellation or unless the customer fails to pay the Equal Pay amount.

Issued May 5, 2022
Effective

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

FALLS WATER CO., INC.

FLS-W-23-01

Attachment 3

Press Release

For Immediate Release

Media Contact:

Scott Bruce at (208) 522-1300 or scott@fallswater.com

Falls Water Company Files General Rate Case

Idaho Falls, ID -- On May 8, 2023 – Falls Water Co., Inc. has filed an application with the Idaho Public Utilities Commission (IPUC) for a proposed general rate increase to become effective July 15, 2023. The filing is subject to public review and a Commission decision before it can take effect.

Falls Water Co., Inc., part of NW Natural Water Company, seeks approval to increase rates to recover the increasing cost of operations and maintenance, system improvements, and replacing aging infrastructure.

If approved the proposed increase would increase the Company's total annual revenues by \$1,174,000, or 47.3%. The table below shows the current and proposed typical monthly bill and proposed increase for customers using average usage by customer type for the respective systems.

Rate Class (Company)	Average Usage (in 1000 gallons)	Current Bill	Proposed Bill	Percentage Increase
Falls Water 5/8" & 3/4" Meters	19	\$25.17	\$35.19	40%
Falls Water 1" Meters	20	\$29.15	\$45.11	55%
Falls Water 1 1/2" Meters	37	\$47.81	\$65.33	37%
Falls Water 2" Meters	81	\$91.90	\$127.17	38%
Falls Water 4" Meters	75	\$101.19	\$142.88	41%
Taylor Mountain 3/4"	21	\$24.26	\$36.57	51%
Taylor Mountain 1"	23	\$25.68	\$47.18	84%
Taylor Mountain 2"	250	\$362.60	\$389.12	7%
Morningview 1/4 Acre 5/8 & 3/4 Inch	8	\$56.36	\$27.60	-51.0%
Morningview 1/4 Acre 1" Meter	9	\$56.53	\$38.90	-31.2%
Morningview 1/2 Acre 5/8 & 3/4 Inch	14	\$67.38	\$31.74	-52.9%
Morningview 1/2 Acre 1" Meter	19	\$68.23	\$45.50	-33.3%
Morningview 1 Acre 5/8 & 3/4 Inch	43	\$77.81	\$68.09	-12.5%
Morningview 1 Acre 1" Meter	37	\$76.79	\$60.28	-21.5%

A copy of the application is available for review at Falls Water Co., Inc.'s office located at 2180 North Deborah Drive in Idaho Falls, Idaho or at our website, www.fallswater.com. Copies of the application are on file at Idaho Public Utilities offices at 472 West Washington Street, Boise Idaho 83702. The

application is also available for review on the Commission's website at www.puc.idaho.gov. Please send any comments or question to either Gem State Water Company or the Idaho Public Utilities Commission:

Idaho Public Utilities Commission
PO Box 83720
Boise, ID 83720-0074
(800) 432-0369

Falls Water Company, Inc
2180 North Deborah Drive
Idaho Falls, ID 83401
(208) 522-1300

Comments may be submitted to the Idaho Public Utilities Commission via email by going to the following website: <https://puc.idaho.gov/Form/CaseComment> Please refer to Case No. FLS-W-23-01 in all correspondence.

FALLS WATER CO., INC.

FLS-W-23-01

Attachment 4

Customer Notice

NOTICE TO FALLS WATER CO., INC. CUSTOMERS

On May 8, 2023, Falls Water Co., Inc. filed an application with the Idaho Public Utilities Commission (IPUC) for a proposed general rate increase to become effective July 15, 2023. The filing is subject to public review and a Commission decision before it can take effect.

Falls Water Co., Inc. seeks approval to increase rates to recover the increasing cost of operations and maintenance, system improvements, and replacing aging infrastructure.

If the proposed rate increases are approved, the table below shows the current and proposed typical monthly bill for customers using average usage by customer type for the respective systems.

Rate Class (Company)	Average Usage (in 1000 gallons)	Current Bill	Proposed Bill	Percentage Increase
Falls Water 5/8" & 3/4" Meters	19	\$25.17	\$35.19	40%
Falls Water 1" Meters	20	\$29.15	\$45.11	55%
Falls Water 1 1/2" Meters	37	\$47.81	\$65.33	37%
Falls Water 2" Meters	81	\$91.90	\$127.17	38%
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Morningview 1 Acre 5/8 & 3/4 Inch	43	\$77.81	\$68.09	-12.5%
Morningview 1 Acre 1" Meter	37	\$76.79	\$60.28	-21.5%

If approved the proposed increase would increase the Company's total annual revenues by \$1,174,000, or 47.3%. A copy of the application is available for review at Falls Water Co., Inc.'s office located at 2180 North Deborah Drive, Idaho Falls, Idaho, 83401. Copies of the application are on file at Idaho Public Utilities offices at 472 West Washington Street, Boise Idaho 83702. The application is also available for review on the Commission's website at www.puc.idaho.gov. Customers may also subscribe to the Commission RSS feed to receive periodic updates via email about the case.

Idaho Public Utilities Commission
PO Box 83720
Boise, ID 83720-0074

Falls Water Company, Inc.
2180 North Deborah Drive
Idaho Falls, ID 83401

(800) 432-0369

(208) 522-1300

Written comments may be submitted to the Idaho Public Utilities Commission via email by going to the following website:

<https://puc.idaho.gov/Form/CaseComment>

Please refer to Case No. FLS-W-23-01 in all correspondence.