BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF FALLS WATER CO.,) CASE NO. FLS-W-24-02 **INC.'S APPLICATION FOR AN ORDER**) **AUTHORIZING INCREASES IN THE**) NOTICE OF APPLICATION **COMPANY'S RATES AND CHARGES FOR**) WATER SERVICE IN THE STATE OF) NOTICE OF INTERVENTION DEADLINE **IDAHO**))) NOTICE OF SUSPENSION OF **PROPOSED EFFECTIVE DATE**)) **ORDER NO. 36468**)

On January 30, 2025, Falls Water Company, Inc. ("Company") applied to increase its rates and charges for water service in Idaho ("Application"). The Company requests a March 1, 2025, effective date for new rates.

With this Order, the Commission provides notice of the Company's Application, sets a deadline for interested parties to intervene, and suspends the Company's proposed effective date.

BACKGROUND

The Company is a Commission-regulated water corporation serving 6,833 residential and commercial customers north of the City of Ammon and northeast of the City of Idaho Falls in Bonneville County, Idaho. The Company provides service under Certificate of Public Convenience No. 236. The Company's current rates were set about two years ago in Case No. FLS-W-23-01.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that the Company represents that, under existing rates based on an adjusted base test year ending September 24, 2024, it will experience a net operating deficiency of \$658,867. Accordingly, the Company seeks to increase the revenue collected through rates by approximately \$899,493, or approximately 25.02%.

YOU ARE FURTHER NOTIFIED that the Company represents that, if approved as filed, the Application would produce an expected rate of return of about 7.96%—resulting from a 45%/55% debt/equity structure, a 10.20% return on equity, and a 5.22% cost of debt.

NOTICE OF APPLICATION NOTICE OF INTERVENTION DEADLINE NOTICE OF SUSPENSION OF PROPOSED EFFECTIVE DATE ORDER NO. 36468 1 YOU ARE FURTHER NOTIFIED that the Company seeks to increase its hookup fees for certain classes of customers in amounts ranging from \$25 to \$495, depending upon the size of the connection being hooked up.

YOU ARE FURTHER NOTIFIED that the Company proposes consolidating the tariffs for the Falls Water and Taylor Mountain water systems, believing that it will benefit the customer service and business practices for each system.

YOU ARE FURTHER NOTIFIED that the Company represents that it will notify its customers by inserting a written notice in each customer's bill mailed after the filing of the Application and via concurrent press releases to news media. Copies of the notices are included with the Application.

YOU ARE FURTHER NOTIFIED that the Application and supporting documentation have been filed with the Commission and are available for public inspection during regular business hours at the Commission's office. These documents are also available on the Commission's website at <u>www.puc.idaho.gov</u>. Click on the "Water" icon, select "Open Cases," and then click on the case number as shown on the front of this document.

YOU ARE FURTHER NOTIFIED that **the Commission has designated this case as a general rate case**. As such, the Company's intrastate revenue requirement, and every component of it, both rate base and expense, are at issue. The Commission may grant, deny, or modify the revenue requirement requested and may find a revenue requirement different from that proposed by any party is just, fair, and reasonable. IDAPA 31.01.01.124.01.

YOU ARE FURTHER NOTIFIED that all of the Company's retail rates and charges, both recurring and non-recurring, are at issue, and every component of every existing and proposed rate and charge is at issue. The Commission may approve, reject, or modify the rates and charges proposed and may find that rates and charges different from those proposed by any party are just, fair, and reasonable. IDAPA 31.01.01.124.02.

YOU ARE FURTHER NOTIFIED that the Commission may approve, reject, or modify existing or proposed relationships between and among rates and charges within, between, or among customer classes or rate groupings and may approve, reject, or modify existing or proposed relationships among and between customer classes or rate groupings.

NOTICE OF APPLICATION NOTICE OF INTERVENTION DEADLINE NOTICE OF SUSPENSION OF PROPOSED EFFECTIVE DATE ORDER NO. 36468 2 YOU ARE FURTHER NOTIFIED that the Commission may abolish, reduce, or create rate blocks or categories of rates and charges; abolish, create, or reduce components of rates and charges; abolish, reduce, or create customer classes or rate groupings; and abolish, reduce, or create absolute or relative differences among and between existing classes or rate groupings of customers.

YOU ARE FURTHER NOTIFIED that the tariffs, practices, rules and regulations, service, instrumentalities, equipment, facilities, classifications, and customer relations of the utility are at issue, and the Commission may address any of them in its order.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq*.

NOTICE OF INTERVENTION DEADLINE

YOU ARE FURTHER NOTIFIED that persons desiring to intervene in this matter to obtain parties' rights of participation must file a Petition to Intervene with the Commission pursuant to this Commission's Rules of Procedure 72 and 73, IDAPA 31.01.01.072 and -.073. Persons who wish to intervene as a party must file a Petition to Intervene no later than 21 days after the date of service of this Order. Such persons shall also provide the Commission Secretary with their email address to facilitate further communications.

YOU ARE FURTHER NOTIFIED that after the intervention deadline runs, the Commission Secretary shall issue a Notice of Parties identifying the parties and assigning exhibit numbers to each party. Once the Notice of Parties has issued, Commission Staff shall informally confer with the Company and any intervening parties about how to further process this case and shall then report back to the Commission on a proposed case schedule.

YOU ARE FURTHER NOTIFIED that persons who would like to present their views without parties' rights of participation and cross-examination do not have to intervene but may present their views by submitting written comments to the Commission.

YOU ARE FURTHER NOTIFIED that the following people are designated as the Company's representatives in this matter:

Preston N. Carter **Givens Pursley LLP** 601 W. Bannock St. Boise, ID 83702 prestoncarter@givenspursley.com stephaniew@givenspursley.com

K. Scott Bruce Falls Water Co., Inc. 2180 North Deborah Drive Idaho Falls, ID 83401 scott1@fallswater.com

Matt Rowell NW Natural Water 250 SW Taylor St. Portland, OR 97204-3038 matt.rowell@nwnatural.com

NOTICE OF SUSPENSION OF PROPOSED EFFECTIVE DATE

As stated previously, the Company proposes a March 1, 2025, effective date for new rates. The Commission finds that the Company's proposed effective date does not provide adequate time for Commission Staff and interested persons to evaluate the Company's proposal. Pursuant to Idaho Code § 61-622(4), the Commission suspends the proposed changes for thirty (30) days and five (5) months or until the Commission enters an order accepting, rejecting, or modifying the proposed rate increases.

ORDER

IT IS HEREBY ORDERED that persons desiring to intervene in this matter must file a Petition to Intervene no later than 21 days from the service date of this Order. Once the deadline has passed, the Commission Secretary shall prepare and issue a Notice of Parties.

IT IS FURTHER ORDERED that, after the Notice of Parties has issued, Commission Staff shall confer with the parties regarding a procedural schedule for this matter including, if necessary, a hearing in this matter.

IT IS FURTHER ORDERED that the March 1, 2025, effective date the Company proposes for its rate increases is suspended for thirty (30) days plus five (5) months or until the Commission enters an earlier order accepting, rejecting, or modifying the proposed rate increases.

IT IS FURTHER ORDERED that parties comply with Order No. 35375, issued April 21, 2022. Generally, all pleadings should be filed with the Commission electronically and will be deemed timely filed when received by the Commission Secretary. See Rule 14.02. Service between parties should continue to be accomplished electronically when possible. However, voluminous discovery-related documents may be filed and served on CD-ROM or a USB flash drive. NOTICE OF APPLICATION NOTICE OF INTERVENTION DEADLINE NOTICE OF SUSPENSION OF PROPOSED EFFECTIVE DATE **ORDER NO. 36468**

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 18th day of February 2025.

w

EDWARD LODGE, PRESIDENT

R. HAMMOND JR., COMMISSIONER

DAYN HARDIE, COMMISSIONER

ATTEST:

Commission Secretar

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