

## BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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| <b>IN THE MATTER OF THE COMMISSION’S</b><br><b>INVESTIGATION OF ISLAND PARK</b><br><b>COMPANY, INC.’S BILLING PRACTICES</b> | )<br>)<br>)<br>) | <b>CASE NO. ISL-W-11-01</b><br><br><b>ORDER NO. 34719</b> |
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On June 21, 2011, the Commission opened an investigation into Island Park Water Company, Inc.’s (“Company”) billing practices. *See* Order No. 32268. In Order No. 32268 the Commission ordered the Company to comply with specific directives.

On May 6, 2020, the Commission issued a Notice of Review, Notice of Modified Procedure and Order to determine whether the Company has complied with the Commission’s directives in Order No. 32268. *See* Order No. 34662. On May 27, 2020, the Commission Staff (“Staff”) filed comments and was the only party to do so. The Company did not file reply comments.

Having reviewed the record, the Commission now issues this Order closing this case.

### BACKGROUND

The Company provides water service to its customers in eastern Idaho near West Yellowstone. In 2010 and 2011, the Company's customers complained to the Commission that the Company was charging them a different annual rate than the rate in the Company's Commission approved tariff schedule (“Tariff”). *See* Order No. 32268 at 1. The Company had issued annual water bills charging customers on a per lot basis instead of a per customer or per connection basis. Staff investigated the complaints and obtained substantiating information. *Id.* at 2. Based on the complaints and Staff’s investigation, the Commission issued an emergency Order directing the Company to: (1) cease all billing practices that conflict with the Tariff; (2) refrain from terminating service to customers who did not pay annual bills that conflict with the Tariff; (3) send corrected invoices to all customers who were billed incorrectly and simultaneously provide copies to the Commission; (4) repay customers for any amounts collected based on a rate exceeding the rate allowed by the Tariff; (5) send a copy of its current customer list to the Commission; and (6) provide Staff with a specific date and time that the Commission's auditors may visit the Company. *See* Order No. 32268 at 2-3.

## **STAFF COMMENTS**

Staff reviewed the audit files and workpapers prepared by Staff in 2011 and responses to audit requests. Staff believed that the Company has made sufficient, reasonable progress to attempt to comply with Order No. 32268. *Staff Comments* at 2. Accordingly, Staff recommended that the Commission close this case. *Id.* However, Staff is still concerned with the billing practices and operations of the Company and has initiated a new audit to investigate its financial management and operation. *Id.* at 5. Additionally, Staff recommended that the Commission remind the Company of its obligations to charge only tariff rates on file, to allow Staff to enter the premises of utilities to carry out the provisions of the Public Utilities Act, to inspect the books and records of the Company and to meet with its employees. *Id.*; *see also Idaho Code* §§ 61-313, 61-520 and 61-610.

## **COMMISSION FINDING AND DECISION**

The Commission has authority over the Company pursuant to *Idaho Code* §§ 61-125 and 61-129. The Commission also has authority to investigate the billing practices of the Company pursuant to *Idaho Code* §§ 61-503, 61-313 and 61-612.

The Commission has reviewed the record in this case, including Staff's comments. Based on its review the Commission finds that the Company has made sufficient progress to meet the requirements set forth in Order No. 32268. Due to this progress, the age of the case, and Staff's new audit the Commission finds it is fair, just, and reasonable to close this case.

Although this case shall be closed the Commission reminds the Company that as a public utility it has certain obligations. First, the Company must bill its customers only as specified in its approved Tariff. *See Idaho Code* § 61-313; *see also* Order No. 32268 at 2. Second, the Company cannot terminate service to customers who have not paid bills that do not conform to the Tariff. *See* Order No. 32268 at 3. Last, the Company must allow the Staff at all reasonable times to inspect the Company's books and records, meet with its employees and to enter its premises as part of Staff's new audit. *See Idaho Code* §§ 61-520, 61-610; *see also* Commission Rule of Procedure 227.


## **ORDER**

IT IS HEREBY ORDERED that this case shall be closed.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order about any matter

decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 10<sup>th</sup> day of July 2020.

  
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PAUL KJELLANDER, PRESIDENT

  
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KRISTINE RAPER, COMMISSIONER

  
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ERIC ANDERSON, COMMISSIONER

ATTEST:

  
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Diane M. Hanian  
Commission Secretary

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