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ISPS PUBLIC
UTILITY COMMISSION

**Case Nos. SUZ-W-18-02
and EAG-W-18-01**

**JOINT APPLICATION
AND REQUEST FOR MODIFIED PROCEDURE**

**ATTACHMENT 3
CUSTOMER LETTER**



First Name Last Name
Address
Address line 2
Phone
fax
email

November 15, 2018

Dear Eagle Water Company Customers:

SUEZ is pleased to announce that it is seeking to acquire Eagle Water Company and hopes to be your trusted water provider in the future.

SUEZ, a global innovator in water and wastewater services, filed a joint application with the Idaho Public Utilities Commission to acquire the Eagle Water Company assets that serve approximately 12,000 people. If approved by the Idaho Public Utilities Commission, the acquisition would fold Eagle Water Company into SUEZ' existing Idaho operations serving 240,000 people in Boise and the surrounding area.

While SUEZ has a global presence, our Treasure Valley employees are dedicated to providing exceptional local service to our customers.

For your convenience, a list of frequently asked questions and answers is enclosed that outlines improvements we would make to your water service and system, potential rate changes, and how you can comment on the acquisition. If you have any additional questions, please call us at 208.362.7304.

We will continue to send updates regarding the potential acquisition and look forward to the possibility of serving you in the near future.

Sincerely,

Marshall Thompson

Marshall Thompson
VP & General Manager
Idaho Operations
SUEZ

Who is SUEZ?

SUEZ is a recognized global leader in water and wastewater services and technology that has been serving the Treasure Valley since 1928. Our existing Idaho operations currently serve 240,000 people in the Treasure Valley.

Why is SUEZ filing a joint application with Eagle Water Company to purchase these assets?

Eagle Water Company serves approximately 12,000 people within the City of Eagle, Idaho. At this time, the owner of the system has sought a potential buyer to assume the assets of the system. Selling the system to SUEZ, a company with the necessary expertise and capital to operate and modernize the system, will be beneficial to Eagle Water Company customers.

What are the benefits to Eagle Water Company customers?

If the Idaho Public Utilities Commission approves the sale of the system, SUEZ will make significant improvements that will enhance service reliability for Eagle Water Company customers, including:

- 24-hour automated monitoring of the system to ensure continuous service reliability and water quality
- Provide critical system disinfection for public safety
- The expertise and experience of certified water quality, production and distribution personnel
- A robust online customer web and billing site
- Greater access to capital investments necessary to maintain a water system for the long-term and economies of scale achieved by a larger company

When will the transaction close?

The sale of the system is subject to regulatory approval by the Idaho Public Utilities Commission and is expected to close sometime next year.

Are there any benefits to current SUEZ customers?

Redundancy is critical to the operation of any water system. As proposed, Eagle Water Company assets would be interconnected with SUEZ facilities in the local area to benefit all customers.

How will my rates change?

The Idaho Public Utilities Commission sets rates for new customers. As proposed in this filing Eagle Water Company customers would see gradual rate increases over the next three years.

Residential Eagle Water Company customers on average would see:

- 2019: Monthly rate increases of approximately \$6 or 20 cents per day.
- 2020: Monthly rate increases of approximately \$9 or 30 cents per day.
- 2021: Monthly rate increases of approximately \$9 or 30 cents per day.

Commercial Eagle Water Company customers would also see rate increases. On average:

- 2019: Monthly rate increases of approximately \$40 or \$1.33 per day.
- 2020: Monthly rate increases of approximately \$40 or \$1.33 per day.
- 2021: Monthly rate increases of approximately \$40 or \$1.33 per day.

Residential customers would see an overall increase of 204%, based on an average calculated monthly bill of \$12.35 using 12,000 gallons per month. **Commercial** customers would see a 303% increase based on an average calculated monthly bill of \$38.96 using 56,000 gallons per month.

Is SUEZ planning to expand further in Idaho?

There is no plan to expand SUEZ operations in Idaho at this time.

Where can I review the joint application to acquire Eagle Water Company assets?

Copies of this application are available for public review at the offices of both the Idaho Public Utilities Commission at 472 W. Washington Street, Boise, ID and SUEZ offices at 8248 W. Victory Rd., Boise, ID. Digital copies are also available from the Commission's homepage at www.puc.idaho.gov. Customers may subscribe to the Commission's RSS feed (Rule 039.03) to receive periodic updates via e-mail about the case.

Written comments regarding the utility's application may be filed with the Commission, www.puc.idaho.gov.

How can I reach SUEZ if I have additional questions?

Our representatives are available to answer your questions during normal business hours at 208.362.7304.

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UTILITIES COMMISSION

**Case Nos. SUZ-W-18-02
and EAG-W-18-01**

**JOINT APPLICATION
AND REQUEST FOR MODIFIED PROCEDURE**

**ATTACHMENT 4
PRESS RELEASE**

Boise, ID
11/15/2018

SUEZ FILES INTENT TO ACQUIRE EAGLE WATER IN IDAHO

'Tuck-in' Acquisitions Part of National Growth Strategy

SUEZ, a global innovator in water and wastewater services, filed a joint application with the Idaho Public Utilities Commission to acquire the Eagle Water Company assets that serve approximately 12,000 people within the City of Eagle and portions of Ada County in Southwest Idaho. The acquisition would fold Eagle Water Company into SUEZ' existing Idaho operations that currently serves 240,000 people in Boise and the surrounding area.

"The water utility landscape continues to shift as small private and municipally-owned utilities seek out larger investor-owned companies to acquire their operations. The successful operation of and investment in critical infrastructure more than ever requires reliable and larger operators who can sustain systems well into the future," said Eric Gernath, CEO of SUEZ North America. "Although there is no intent to expand operations in Idaho beyond Eagle Water Company at this time, this acquisition is part of a national strategy to grow the company's portfolio by targeting water utilities in close proximity to existing operations."

The acquisition would include significant upgrades to the Eagle Water system and service improvements for new customers:

- 24-hour automated monitoring of the system to ensure continuous service reliability and water quality
- Provide critical system disinfection for public safety
- The expertise and experience of certified water quality, production and distribution personnel
- A robust online customer web and billing site
- Greater access to capital investments necessary to maintain a water system for the long-term and economies of scale achieved by a larger company

"This acquisition signifies our continuing commitment to provide world-class services to residents of the Treasure Valley," said Marshall Thompson, Vice President and General Manager of the company's Idaho operations. "I look forward to the possibility that we will be serving more of our neighbors in the greater Treasure Valley area soon."

Thompson added that current Idaho customers would also receive the benefit of nearly 13 million gallons a day of additional water supply.

"Substantially improving the availability of water supply in the area helps ensure continuous service, despite any effects that may arise from weather emergencies or regional growth," said Thompson. "Having redundancy is critical to all of our customers."

The sale of the system is subject to regulatory approval by the Idaho Public Utilities Commission and is expected to close sometime in 2019. The Commission is the governing body that will determine and set rates for new customers.

As proposed in this filing, **residential** Eagle Water customers would see gradual rate increases over the next three years. On average:

- 2019: Monthly rate increases of approximately \$6 or 20 cents per day.
- 2020: Monthly rate increases of approximately \$9 or 30 cents per day.
- 2021: Monthly rate increases of approximately \$9 or 30 cents per day.

Over the next three years, **commercial** Eagle Water customers would also see rate increases. On average:

- 2019: Monthly rate increases of approximately \$40 or \$1.33 per day.
- 2020: Monthly rate increases of approximately \$40 or \$1.33 per day.
- 2021: Monthly rate increases of approximately \$40 or \$1.33 per day.

Residential customers would see an overall increase of 204%, based on an average calculated monthly bill of \$12.35 using 12,000 gallons per month. **Commercial** customers would see a 303% increase based on an average calculated monthly bill of \$38.96 using 56,000 gallons per month.

Copies of this application are available for public review at the offices of both the Idaho Public Utilities Commission and SUEZ in Boise. Digital copies are also available from the Commission's homepage at www.puc.idaho.gov. Customers may subscribe to the Commission's RSS feed (Rule 039.03) to receive periodic updates via email about the case.

Written comments regarding the utility's application may be filed with the Commission.

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About SUEZ

SUEZ in North America operates across all 50 states and Canada with 3,260 employees dedicated to environmental sustainability and smart and sustainable resource management. The company provides drinking water, wastewater and waste collection service to 6.4 million people on a daily basis; treats over 600 million gallons of water and over 450 million gallons of wastewater each day; delivers water treatment and advanced network solutions to 16,000 industrial and municipal sites; processes 55,000 tons of waste for recycling; rehabilitates and maintains water assets for more than 4,000 municipal and industrial customers; and manages \$4.1 billion in total assets. The company posted revenues of \$1.064 billion in 2017 and is a subsidiary of Paris-based SUEZ.

About Eagle Water

Eagle Water Company, Inc. provides water supply services. Eagle Water Company, Inc. was founded in 1972 and is based in Eagle, Idaho.

Press Contacts

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Find out more about the SUEZ Group
on the website & on social media

