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IDAHO PUBLIC  
UTILITIES COMMISSION

August 31, 2020

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

Re: SUZ-W-20-01

Dear PUC Commissioners:

I am submitting these comments as a residential land developer in the Treasure Valley for over 20 years and as a consultant that supports other developers and landowners in the land development process.

When I learned about a new fee being charged by Suez and authorized by the Idaho Public Utilities Commission (Contributions in Aid of Construction or CIAC), which is an additional 21.5% to the cost of the water system, I was shocked. After learning about this added expense, I have explained this added cost to several potential development clients. The result of the added cost has caused some new development projects to be put on hold until the cost of housing increases enough to cover the added cost to develop. In one specific example, the cost would increase the price of each home over \$2,500 per home. I know of a multifamily development that was put on hold until the rents increased enough to cover the added cost. Waiting for price or rents to increase sufficiently to cover added costs is a difficult and potentially precarious position to be in.

As I consider developing new subdivisions, I have realized that the new CIAC fee creates a distinct competitive disadvantage to private systems. Since the CIAC charges only apply to private water systems, the increased costs are inequitably charged to new development depending on its water provider. If a new development is served by a private water system like SUEZ, the CIAC is charged; but the fee is not charged if the development is served by a government owned water system.

The housing market continues to become more expensive and less affordable to both buyers and renters. I appreciate your help to reduce burdensome costs whenever possible so that we can pass on these savings to our customers. I respectfully request that you eliminate the CIAC fee.

Sincerely,

Dave Yorgason