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IDAHO PUBLIC
UTILITIES COMMISSION

KEN NAGY (I.S.B. No. 6176)
ATTORNEY AT LAW
P.O. Box 164
Lewiston, Idaho 83501
Telephone: (208) 301-0126
Facsimile: (888) 291-3832
E-mail: knagy@lewiston.com

ATTORNEY FOR INTERVENOR INTERMOUNTAIN
FAIR HOUSING COUNCIL, INC.

BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF SUEZ WATER)	CASE NO. SUZ-W-20-02
IDAHO INC.'S APPLICATION FOR)	
AUTHORITY TO INCREASE ITS RATES)	TESTIMONY OF ZOE ANN OLSON
AND CHARGES FOR WATER SERVICE)	
IN IDAHO)	
_____)	

TESTIMONY OF: Zoe Ann Olson, Executive Director, Intermountain Fair Housing
Council, Inc.

PARTY FOR WHO TESTIMONY IS OFFERED: Intervenor Intermountain Fair
Housing Council, Inc.

NATURE OF TESTIMONY: Direct.

SUBMITTED PURSUANT TO: Idaho Admin. Code R. 31.01.01.231 and Notice of
Scheduling, Order No. 34942, March 5, 2021.

1
Olson, Di
Intermountain Fair
Housing Council, Inc.

1 Q: What is your relationship to the Intervenor Intermountain Fair Housing Council, Inc.?

2 A: I currently serve as the Executive Director for the Intervenor Intermountain Fair
3 Housing Council, Inc. (hereinafter "IFHC").

4 Q: Are you authorized to provide this testimony on behalf of IFHC in this proceeding?

5 A: Yes.

6 Q: What is the mission of IFHC?

7 A: IFHC is a private, nonprofit organization organized under the laws of the State of
8 Idaho with its principal place of business at 4696 West Overland Road, Suite 140, Boise, Idaho
9 83705. Its mission is to ensure open and inclusive housing for all people, and to advance equal
10 access to housing for all persons without regard to race, color, sex, religion, national origin,
11 familial status, sexual orientation, gender identity, source of income, or disability (the term
12 "handicap", as that term is used and defined in the federal Fair Housing Act, 42 U.S.C. §3601 *et*
13 *seq.*, is used herein interchangeably with the term "disability"). IFHC attempts to eradicate
14 discrimination through, among other things, education on the fair housing laws, housing
15 information and referrals, housing counseling, and assistance with mediating and or filing
16 complaints. IFHC also provides education and outreach on fair housing laws and practices to
17 housing consumers, providers, and others.

18 A: Does IFHC's involvement in this proceeding comply with its mission?

19 Q: Yes. IFHC sought intervention in this proceeding in order to bring to the attention of
20 the Idaho Public Utilities Commission (hereinafter "IPUC") IFHC's concerns regarding the
21 process by which the Petitioner Suez Water Idaho Inc. (hereinafter "SUEZ") is seeking a rate
22 increase in this proceeding. IFHC's involvement in this proceeding is therefore in compliance
23 with its mission.

1 Q: Are you familiar with the relief that Suez is seeking in this proceeding?

2 A: Yes.

3 Q: Is IFHC in agreement with the relief that Suez is seeking in this proceeding?

4 A: No. IFHC has three concerns about the relief that Suez is seeking in this proceeding.

5 Q: What is the first basis of IFHC's disagreement with the relief that Suez is seeking in
6 this proceeding?

7 A: IFHC's first concern pertains to the process by which Suez gave notice to the public
8 regarding the matters at issue in this proceeding. IFHC believes that such notice did not comply
9 with federal fair housing laws because it was given only in English. A significant percentage of
10 Suez's customers do not speak English as their first language or are not proficient in English.
11 Such housing consumers are therefore not put on proper and effective notice as to the matters at
12 issue in this proceeding, cannot be expected to be fully aware of the matters at issue in this
13 proceeding, and have therefore been denied the full opportunity to give effective input into this
14 proceeding.

15 Q: Was Suez required to give notice to its customers in languages other than English

16 A: Yes. As recipients of federal funding, both Suez and IPUC are required to comply
17 with the Fair Housing Act (Title VIII of the Civil Rights Act) in regard to land use decisions as
18 they relate to housing. The Fair Housing Act prohibits discrimination against people who are of
19 a different national origin, which includes many people who are not proficient in English.
20 Providers of federally-assisted housing, housing transactors, and programs must also comply
21 with Title VI of the Civil Rights Act. Title VI requires additional language assistance measures.
22 The Fair Housing Act is meant to ensure equal treatment of people who are limited English
23 proficient. Title VI is meant to result in an equal outcome for those who are limited English

1 proficient because of the additional language assistance measures. Limited English proficiency
2 is not listed among the protected classes in either title of the Civil Rights Act. However, case
3 law and a HUD Office of General Counsel guidance document [https://ifhcidaho.org/wp-](https://ifhcidaho.org/wp-content/uploads/2019/07/2-2016-HUD-General-Counsel-Guidance.pdf)
4 [content/uploads/2019/07/2-2016-HUD-General-Counsel-Guidance.pdf](https://ifhcidaho.org/wp-content/uploads/2019/07/2-2016-HUD-General-Counsel-Guidance.pdf) equate limited English
5 proficiency to race and national origin which are both protected classes. [https://ifhcidaho.org/wp-](https://ifhcidaho.org/wp-content/uploads/2019/07/3-HUD_guidance_Jan07.pdf)
6 [content/uploads/2019/07/3-HUD_guidance_Jan07.pdf](https://ifhcidaho.org/wp-content/uploads/2019/07/3-HUD_guidance_Jan07.pdf)

7 Q: What is the second basis of IFHC's disagreement with the relief that Suez is seeking
8 in this proceeding?

9 A: IFHC's second concern pertains to the actions that Suez engaged in prior to initiating
10 this proceeding. The evidence in the record indicates that Suez unilaterally proceeded to
11 complete approximately \$115,000,000.00 in modifications to its water delivery system at issue in
12 this proceeding prior to seeking or obtaining approval from IPUC for a rate increase. The
13 purpose of those modifications are to increase Suez's long-term profitability and Suez predicts
14 that they will increase its revenues by \$10,200,000.00 per year. It does not appear from the
15 record that Suez completed such modifications in order to resolve all of its water quality issues,
16 such as its delivery of brown water to its customers in the Boise Bench area. Such matters
17 should have been given priority when Suez made its modifications. There is also nothing in the
18 record that indicates that Suez considered affordability issues when it completed its
19 modifications. Instead, Suez unilaterally incurred significant expense in making modifications
20 of its choosing and now seeks a rate increase from IPUC to cover the costs of such
21 modifications. Such actions by Suez turns logic on its head. Had Suez first sought a rate
22 increase from IPUC to cover the costs of making modifications to its water delivery system,
23 IPUC could have required Suez to prioritize affordability and water quality issues based on input

1 from the public as a condition to obtaining a rate increase. Unless IPUC now places such
2 conditions on Suez, any input from the public on such matters as affordability and water quality
3 are irrelevant to this proceeding. By comparison, when an Idaho municipality wishes to
4 complete significant and costly modifications of its public works, it first conducts public
5 hearings and, if it determines that it wishes to proceed, submits the matter to a public referendum
6 by seeking a bond levy. In so doing, the public can have effective input and the municipality can
7 receive and consider that input before it decides whether to proceed. In contrast, in this
8 proceeding, the issue before IPUC is not whether to grant the increase but how much to grant.
9 Therefore, the rate increase that Suez is seeking is a foregone conclusion and as a result of that
10 rate increase, housing affordability will certainly be impacted.

11 Q: What is the third basis of IFHC's disagreement with the relief that Suez is seeking in
12 this proceeding?

13 A: IFHC's third concern pertains to the lack of certain actions by Suez prior to initiating
14 this proceeding. The evidence in the record indicates that Suez wholly failed to conduct any
15 studies or inquiries into the impact that the rate increase it is seeking will have on housing
16 consumers on the basis of race, color, sex, religion, national origin, familial status, and disability,
17 which are protected statuses under the federal Fair Housing Act, 42 U.S.C. §3601 *et seq.*
18 (hereinafter "FHA"). There is no dispute that any increase in rates will impact housing
19 affordability. However, IFHC has reviewed the increase that Suez is seeking and is concerned
20 that the increase will constitute a disparate impact specifically on housing consumers who are
21 members of the above-listed protected statuses. The FHA prohibits policies or practices which
22 have a discriminatory effect on any of the protected statuses, even if the specific practice was not
23 motivated by discriminatory intent. *See*, 24 C.F.R. §100.500. Thus, although there is no

1 evidence at this time that Suez intends to engage in discriminatory conduct on any of the
2 protected statuses, the granting of the rate increase that Suez would nevertheless constitute a
3 violation of the FHA. *Id.* Fair housing regulations provide that when such a claim is brought,
4 the defending party must “produc[e] evidence showing that the challenged policy or practice
5 advances a valid interest (or interests) and is therefore not arbitrary, artificial, and unnecessary.”
6 *Id.* at §100.500(c). However, Suez would be unable to make such a showing in light of the facts
7 in the record discussed above, including:

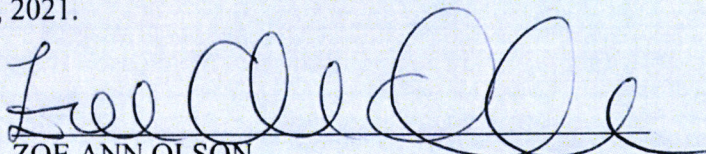
- 8 a) Suez’s failure to provide proper or effective notice as to the matters at issue in this
9 proceeding to customers who do not speak English as their first language or are not
10 proficient in English, thereby denying them the full opportunity to give effective
11 input into this proceeding, which shows its interest in obtaining a rate increase is
12 arbitrary. Suez has arbitrarily chosen to provide a meaningful opportunity for
13 participation in this proceeding only for English-speaking customers.
- 14 b) Suez’s actions in unilaterally deciding to proceed to complete modifications to its
15 water delivery system at issue prior to seeking or obtaining approval from IPUC for a
16 rate increase, which shows its interest in obtaining a rate increase is artificial and
17 unnecessary. Suez has artificially and unnecessarily attempted to create a need for a
18 rate increase without considering affordability and water quality issues, and instead
19 placing its profits over such other concerns.

20 Q: What relief is IFHC seeking in this proceeding?

21 A: IFHC recognizes that the IPUC is not the proper forum to make a determination that
22 the FHA has been violated by Suez. However, IFHC wishes to bring these considerations to the
23 attention of the IPUC and urges the IPUC to require Suez to address water quality issues and

1 affordability prior to approving a rate increase. If the rate increase that Suez has requested is
2 granted without these issues being properly addressed, each and every customer of Suez who is
3 impacted by the discriminatory effect of Suez's actions would be an injured party under the FHA
4 and has the right to initiate formal legal action. In order to remedy this situation, the IPUC
5 should require Suez to first conduct a comprehensive study or inquiry into how the proposed rate
6 increase will impact housing affordability in the relevant service area. Once this is
7 accomplished, in the event that Suez wishes to proceed with its rate increase, it should be
8 required by the IPUC to comply with fair housing requirements to give notice of such a request
9 in all languages commonly spoken in the relevant service area. Until such steps are
10 accomplished, the IPUC cannot proceed with this matter without contributing to the
11 discriminatory effect of Suez's actions.

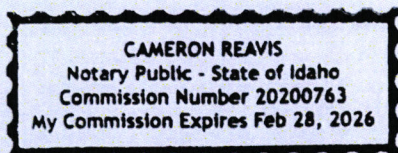
DATED this 17 day of March, 2021.

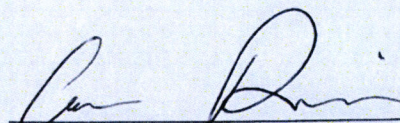

ZOE ANN OLSON

STATE OF IDAHO)
County of Ada) ss

SUBSCRIBED AND SWORN TO BEFORE ME this 17th day of
March, 2021.

(SEAL)




Notary Public in and for the State of Idaho,
Residing at Boise, Idaho
My commission expires: Feb 28, 2026

CERTIFICATE OF SERVICE

I hereby certify that on the 17th day of March, 2021, I caused to be served a full, true, and accurate copy of the foregoing by the method/s indicated below, and addressed to the following:

Jan Noriyuki
Commission Secretary
Idaho Public Utilities Commission
11331 W. Chinden Blvd.

☐ By U.S. Mail
☒ By Email to: jan.noriyuki@puc.idaho.gov
matt.hunter@puc.idaho.gov
terri.carlock@puc.idaho.gov

Building 8, Suite 201-A
P.O. Box 83720
Boise, ID 83720

Michael C. Creamer
Preston N. Carter
Givens Pursley LLP
Attorneys at Law
601 W. Bannock St.
Boise, ID 83702

☐ By U.S. Mail
☒ By Email to: mcc@givenspursley.com
and prestoncarter@givenspursley.com

David Njuguna
Suez Water Management & Services
461 From Rd., Suite 400
Paramus, N.J. 07052

☐ By U.S. Mail
☒ By Email to: David.njuguna@suez.com

Dayn Hardie
Deputy Attorney General
Idaho Public Utilities Commission
11331 W. Chinden Blvd.
Building 8, Suite 201-A
P.O. Box 83720
Boise, ID 83720

☐ By U.S. Mail
☒ By Email to: dayn.hardie@puc.idaho.gov

Lorna Jorgensen
John Cortabitarte
Ada County Prosecuting Attorney's Office
Civil Division
200 W. Front St., Room 3191
Boise, ID 83702

☐ By U.S. Mail
☒ By Email to: ljorgensen@adacounty.id.gov
jcortabitarte@adacounty.id.gov

Mary Grant
Deputy City Attorney
City of Boise
150 N. Capitol Blvd.
P.O. Box 500
Boise, ID 83701-0500

☐ By U.S. Mail
☒ By Email to: mrgrant@cityofboise.org

Norman M. Semanko
Parsons, Behle & Latimer
800 W. Main St., Suite 1300
Boise, ID 83702

☐ By U.S. Mail
☒ By Email to: NSemanko@parsonsbehle.com
Boisedocket@parsonsbehle.com

Marty Durand
Piotrowski Durand, PLLC
1020 Main St., Suite 440
P.O. Box 2864
Boise, ID 83701

☐ By U.S. Mail
☒ By Email to: marty@idunionlaw.com

Bard M. Purdy
2019 N. 17th St.
Boise, ID 83702

☐ By U.S. Mail
☒ By Email to: bmpurdy@hotmail.com

Austin Rueschhoff
Thorvald A. Nelson
555 17th St., Suite 3200
Denver, CO 80202

☐ By U.S. Mail
☒ By Email to: darueschhoff@hollandhart.com
tnelson@hollandhart.com
aclee@hollandhart.com
glgarganoamari@hollandhart.com

Jim Swier
Greg Harwood
Micron Technology, Inc.
8000 S. Federal Way
Boise, ID 83707

☐ By U.S. Mail
☒ By Email to: jswier@micron.com
gbharwood@micron.com

Ken Nagy

Ken Nagy

Digitally signed by Ken Nagy
DN: cn=Ken Nagy, o=Attorney at Law, ou,
email=knagy@lewiston.com, c=US
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