
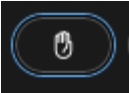


Workshop Participation

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This PowerPoint is available on the commission’s homepage at puc.idaho.gov.

This workshop is being recorded



PUBLIC WORKSHOP

Veolia Water Idaho, Inc.

Rate Case

Case No. VEO-W-22-02

IDAHO PUBLIC UTILITIES COMMISSION

January 31, 2023



Introduction

Travis Culbertson – Auditor III

Ty Johnson – Auditor I

Jolene Bossard – Utilities Compliance

Investigator

Chris Burdin – Deputy Attorney General

Purpose of Public Workshop

Informational session to learn about the case

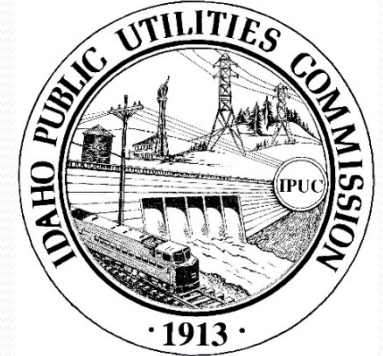
- **Present Veolia Water Idaho, Inc. application.**
- **Explain Staff's role in this case.**

Provide customers an opportunity to meet Commission Staff.

Ask questions to Staff and learn how to submit written public comments.

This Public Workshop is not part of the official case record.

What is the Idaho Public Utilities Commission?



- Established in 1913. Idaho Code Sections 61, 62, and 63.
- The Commission regulates Idaho's investor-owned utilities, ensuring adequate service and reasonable rates.
- The Commission is made up of three commissioners appointed by the Governor. The Commissioners make the decisions in each case.
- Commission Staff is made up of Auditors, Consumer Compliance Investigators, Engineers, and Technical Analysts.
- Staff is conducting this workshop. Staff is one of the Parties in the rate case and providing testimony to the Commissioners.

Why can't the Commission just tell them no?

Customers may want the Commission to reject Veolia Water Idaho, Inc. request to raise rates, but state law requires that the Commission:

- Consider the evidence that is on the record, which includes the Company's Application, testimony from Staff & Parties, and customers' written comments or oral testimony at customer hearings.
- Meet the statutory public interest standard that ensures customers have adequate, safe, and reliable service at just and reasonable rates.

Important Points to Consider:

- It is not in the public interest to have a utility that cannot adequately serve all the customers in its assigned territory now and in the future.
- All Commission decisions must withstand Idaho Supreme Court appeals from either utility or customer groups.

Why can't utilities cut costs just like any other business?

Regulated utilities are not like any other business. They are assigned service territories and must serve every customer in that territory. What they charge customers is determined by state regulators. In exchange for their guarantee to provide **adequate, safe, and reliable service**, the state must provide utilities the opportunity to:

- Recover **prudently incurred** expenses necessary to serve customers, and;
- Earn a **reasonable rate of return** on their investment.



Veolia Water Idaho, Inc. Application



Schedule



Event	Date	Location
Case Filed	September 30, 2022	
Public Workshop	Today (January 31, 2023)	Boise, ID
Staff Testimony	February 15, 2023	
Public Comments	File Now	
Company Rebuttal Testimony	March 8, 2023	
Public Customer Hearing	TBA	TBA
Technical Hearing	TBA	TBA
Close of Case	Final Order	
Proposed Effective Date	Final Order	

Application

Filed September 30, 2022

Requested rate increases effective October 31, 2022.

- On October 20, the Commission suspended the effective date by 30 days and five months.

Requested a 23.4% revenue increase.

- Increase revenues of \$12.1 million
- Across-the-board percentage increase to all customers.

Rate Case Drivers

- Last rate case was in 2020.
- Since last rate case:
 - Plant investments
 - \$70 million since 2020.
 - Investments in source of supply, water treatment, customer service lines, customer meters, and general plant.

Rate Case Drivers, cont.

- Operating Expense increases
 - \$4.7 million in Operating Costs.
 - Includes increases in taxes, depreciation, and payroll.
- “Pro forma” adjustments:
 - Salaries.
 - Projects added to Plant in Service.

Rate Case Drivers, cont.

- Veolia Water Idaho, Inc. maintains the increase is needed to:
 - Provide sufficient capital dollars to maintain & improve quality of service;
 - Provide adequate operation and maintenance coverage; and,
 - Maintain a sound financial position.



Revenue Requirement

Revenue Requirement

- The amount that Veolia Water Idaho, Inc. needs to meet its expenses, cover depreciation, and offer a sufficient rate of return to attract investors.
- **Components:**
 - Operating Expenses;
 - Taxes;
 - Depreciation;
 - Return on Investments.

Expenses

- Must be prudent
- Must be used for service

Taxes

- Properly Calculated

Depreciation

- Properly Calculated
- Based only on Plant that is actually in Service

Return on Investments

- Plant in Service:
 - Used and Useful in serving customers.
 - Must be prudent.
- Rate of Return:
 - Calculated based on Debt and Equity Costs; and,
 - Must be able to access the capital needed to maintain the system and to provide safe & reliable service to customers.



Rate Proposal

Proposed Rates

	<u>Present Rate</u>	<u>Proposed Rate</u>	<u>% Increase</u>
<u>Customer Charge (Bi-monthly)</u>			
5/8 & 3/4-inch meters	\$22.96	\$28.48	24%
1-inch	\$29.35	\$36.41	24%
1-1/2 inch	\$50.21	\$62.29	24%
2-inch	\$77.92	\$96.66	24%
3-inch	\$151.97	\$188.52	24%
4-inch	\$283.52	\$351.71	24%
6-inch	\$473.35	\$587.20	24%
8-inch	\$619.25	\$768.19	24%
10-inch	\$882.48	\$1,094.73	24%
<u>Winter Rates</u>			
Usage up to 3 CCF	\$1.5959	\$1.9797	24%
Greater than 3 CCF	\$1.5959	\$1.9797	24%
<u>Summer Rates</u>			
Usage up to 3 CCF	\$1.5959	\$1.9797	24%
Greater than 3 CCF	\$2.0204	\$2.5063	24%
<u>Flat Rate</u>	\$88.08	\$109.27	24%

Proposed Rates – Existing Eagle Water Customers

<u>Customer Charge (Monthly)</u>	<u>Present Rate</u>	<u>Proposed Rate</u>	<u>% Increase</u>
5/8 & 3/4-inch meters	\$6.70	\$8.31	24%
1-inch	\$8.56	\$10.62	24%
1-1/2 inch	\$14.64	\$18.16	24%
2-inch	\$22.73	\$28.20	24%
3-inch	\$44.32	\$54.98	24%
4-inch	\$82.69	\$102.58	24%
6-inch	\$138.06	\$171.27	24%
8-inch	\$180.61	\$224.05	24%
10-inch	\$257.39	\$319.30	24%
<u>Winter Rates</u>			
Usage up to 1.5 CCF	\$0.9309	\$1.1548	24%
Greater than 1.5 CCF	\$0.9309	\$1.1548	24%
<u>Summer Rates</u>			
Usage up to 1.5 CCF	\$0.9309	\$1.1548	24%
Greater than 1.5 CCF	\$1.1786	\$1.4621	24%
<u>Flat Rate</u>	\$25.69	\$31.87	24%

Average Bill

- Average Residential Bill
 - Increase \$0.25 a day or \$7.59 per month.
- Average Commercial Bill
 - Increase \$0.93 a day or \$27.92 per month.
- Existing Eagle Water Average Residential Bill
 - Increase \$0.15 a day or \$4.43 per month.



Consumer Assistance

Jolene Bossard

Utilities Compliance Investigator

Consumer Assistance

- Utility Compliance Investigators assist customers to resolve issues and/or disputes with the Company.
- Investigators monitor compliance with laws, commission rules, and the Company's tariff.
- In a rate case, investigators review issues from previous cases, review previous complaints, review submitted comments from customers, and investigate consumer issues raised in the case.

Consumer Issues

As of this week, the PUC has received 131 Customer Comments

- The majority of comments were against the increase;
- The amount of the increase is too much;
- Cost of improvements / Eagle Water purchase;
- Issues with Veolia merger / foreign owned company

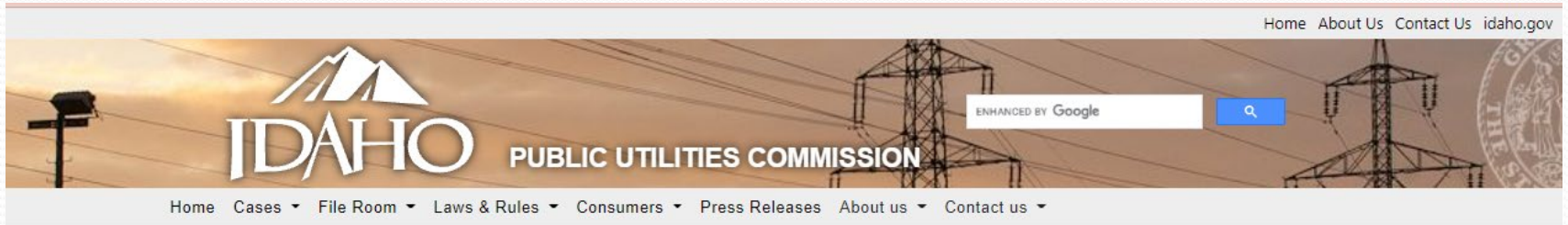
CUSTOMER COMMENTS

Customer written comments are due prior to the Commission closing the record on the case.
(Reference Case Number **VEO-W-22-02**)

- Internet Website Address – puc.idaho.gov
- Select - Case Comment Form (once comments are submitted, they become part of public record)
- Email – Address: secretary@puc.idaho.gov
- Mail – IPUC, PO Box 83720, Boise, ID 83720-0074
 - Blank Customer Comments sheets are available here tonight to be mailed in or left with Staff.
 - Fax letters or comment sheets to the Commission at 208-334-3762
- Public Customer Hearing – TBD

COMMENTS ONLY
(QUESTIONS WILL NOT BE ADDRESSED)

Idaho Public Utilities Homepage



- [Case Comment Form](#)
- [Annual Gross Intrastate Revenues Report Form](#)
- [Electric](#)
- [Telecom](#)
- [Water](#)
- [Natural Gas](#)
- [Rail Safety](#)
- [Pipeline Safety](#)
- [Multi-Utility](#)

Consumers

- [Consumer Complaint / Inquiry Form](#)
- [Frequently Asked Questions](#)
- [Consumer Resources](#)

Energy Issues

- [Office of Energy and Mineral Resources](#)

Agenda, Orders & Notices

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- [Pending Title 61 Utility Tariffs](#)
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- [Case Processing Guidelines](#)

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- [Idaho Power VODER Study Public Hearings](#)
 - [In Re COVID-19 Response - Order No. 35375](#)
 - [Current Openings - Careers](#)
 - [IPUC Rules of Procedure Track Changes Draft Case No. RUL-U-21-01](#)
 - [Negotiated Rulemaking Summary Case No. RUL-U-21-01](#)



Comments Form Page



Case Comment or Question Form

Use this form to **file a comment or ask a question about a utility case** pending before the Commission. If you know the case number, please include it.

Submit electronically below or send in to:

Idaho Public Utilities Commission
P O Box 83720
Boise, Idaho 83720-0074
FAX: (208) 334-3762

Use the **Consumer Complaint / Inquiry Form** if you need help resolving a problem with a utility or have a question about your bill, disconnection of service, service reliability and outages, cost of a line extension, customer service, or other issues that are not related to a utility case.

Case Comment Form	
Use this form to file a comment or ask a question about a case	
Case Number:	<input type="text"/>
First Name:	<input type="text"/>
Last Name:	<input type="text"/>
Address:	<input type="text"/>
City:	<input type="text"/>
State:	<input type="text" value="ID"/>
Zip:	<input type="text"/>
Daytime Phone:	<input type="text"/>
Email:	<input type="text"/>
Utility Company:	<input type="text"/>
I acknowledge that submitting a comment in an open case constitutes a public record under Idaho Code § 74-101 (13) and all information provided by me on this form is available for public and media inspection. My comment may be reviewed by the utility.	
Ask a question or state your comment.	
<input type="text"/>	
<input type="button" value="Send"/>	



Case Summary Page

Home Cases File Room Laws & Rules Consumers

- Case Comment Form
- Annual Gross Intrastate Revenues Report Form
- Electric
- Telecom
- Water
- Natural Gas
- Rail Safety
- Pipeline Safety
- Multi-Utility

Consumers

Water

Cases

Open Cases
Closed Cases

Resources

Water Company Information Packet
EPA Information

Or
Con
Con
Con
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Ru

IUC Open Water Cases

Search:

For:

Value

Go

CaseNo	Company	Description
CAP-W-22-01	CAPITOL WATER CORPORATION	CAPITOL WATER -- APPLICATION TO CHANG
FLS-W-22-01	FALLS WATER COMPANY INC	FALLS WATER--APPLICATION FOR DEFERR
GNR-W-17-01	GENERIC	INVESTIGATION OF VP, INC, AN UNREGULA
GSW-W-22-01	GEM STATE WATER COMPANY LLC	GEM STATE--APPLICATION FOR AN ORDER
ROC-W-21-01	ROCKY MOUNTAIN UTILITY COMPANY, INC.	ROCKY MOUNTAIN UTILITY CO--FORMAL C
VEO-W-22-02	VEOLIA WATER IDAHO INC.	VEOLIA WATER IDAHO--GENERAL RATE CA
VEO-W-22-03	VEOLIA WATER IDAHO INC.	VEOLIA WATER--APPLICATION TO AMEND E

Results: 7 Pages: 1

Intervenor

Public Comments

08/01/2022 COMMENTS(12)_12.PDF
08/02/2022 COMMENTS(11)_11.PDF
08/03/2022 COMMENTS(3)_3.PDF
08/04/2022 COMMENTS(5)_5.PDF

Where do we go from here?

- Customers can subscribe to the Commission's RSS feed to receive updates about all water cases via email.
- Continue submitting your comments.
- Public Customer Hearing, date is TBD.
- The Commission will issue a final order which will close the case.



You can find case information and file comments on the PUC website:

puc.idaho.gov

Case Number VEO-W-22-02

Direct: (208) 334-0300

Toll-Free: (800) 432-0369


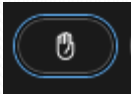
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