

Preston N. Carter (ISB No. 8462)  
Morgan D. Goodin (ISB No. 11184)  
Givens Pursley LLP  
601 W. Bannock St.  
Boise, ID 83702  
Telephone: (208) 388-1200  
Facsimile: (208) 388-1300  
[prestoncarter@givenspursley.com](mailto:prestoncarter@givenspursley.com)  
[morgangoodin@givenspursley.com](mailto:morgangoodin@givenspursley.com)

*Attorneys for Veolia Water Idaho, Inc.*

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION	)	Case No. VEO-W-22-02
OF VEOLIA WATER IDAHO, INC. FOR	)	
AUTHORITY TO INCREASE ITS RATES	)	
AND CHARGES FOR WATER SERVICE	)	
IN THE STATE OF IDAHO	)	
	)	
	)	
	)	

---

DIRECT TESTIMONY OF ANUPA JACOB  
FOR VEOLIA WATER IDAHO, INC.

FEBRUARY 2023

1   **Q.     Please state your name, position, responsibility and business address.**

2   A.     My name is Anupa Jacob. Since November 2022, I have been the VP/Controller &  
3           Chief Accounting Officer at Veolia Water M&S (Paramus), Inc. (“M&S”)  
4           (formerly SUEZ Water Management & Services Inc.) with the overall  
5           responsibility of the company’s financial accounting records of the regulated  
6           companies. I am authorized to testify on behalf of Veolia Water Idaho, Inc.  
7           (“VWID” or “Company”) in this case. My business address is Veolia Water M&S  
8           (Paramus), Inc., 461 From Road, Suite 400, Paramus, NJ 07652.

9   **Q.     Please summarize your educational background and professional experience.**

10  A.     I received a Bachelor Degree in Electronics and Communication Engineering from  
11           Cochin University of Science and Technology, India and a Master of Business  
12           Administration with a concentration in Accounting from Baruch College, City  
13           University of New York. I am a Certified Public Accountant and have over fifteen  
14           years of experience in accounting and auditing regulated utilities, publicly traded  
15           companies, and private companies. Previous to my current role, I was the Director  
16           of Utility Accounting for M&S, Manager of Technical Accounting and Derivatives  
17           Accounting at National Grid, Plc., and held various roles within the Assurance  
18           practice at PwC. I have not testified previously before this Commission on  
19           accounting matters.

20  **Q.     What is the purpose of your testimony?**

21  A.     The purpose of my testimony is to discuss the following adjustments related to  
22           Exhibit 10, Schedule 1 - Adjustments to Operating and Maintenance Expenses:  
23           Adjustment No. 19 - Management & Service Fees

1 Adjustment No. 23 - Amortization Expense - Deferred Rate Case  
2 Adjustment No. 24 - Amortization Expense - Pension Expense  
3 Adjustment No. 25 - Amortization Expense - Deferred Tank Painting  
4 Adjustment No. 27 - Amortization Expense - Deferred Power  
5 and Exhibit 10, Schedule 2:

6 Adjustment No. 2 - Amortization of Utility Plant Acquisition Adjustments

7 **Q. Please explain how the shared services allocation methodology has changed as**  
8 **a result of the merger with Veolia?**

9 A. The shared services allocation methodology did not change as a result of the merger  
10 with Veolia. The Company continues to use the same cost allocation methodology  
11 reflected in the affiliate agreement between Veolia Water M&S (Paramus), Inc.  
12 (formerly SUEZ Water Management & Services Inc.) and described in the Cost  
13 Allocation Manual (“CAM”), which has been previously reviewed by Idaho Public  
14 Utilities Commission Staff in prior rate case proceedings.

15 **Q. Please explain the Company’s process of updating the allocation percentages**  
16 **for shared services as a result of organizational changes that occur mid-year?**

17 A. When significant organizational changes or other significant events occur during  
18 the year that may affect the allocation of shared costs between affiliated entities,  
19 the Company reviews the nature of the changes and determines the necessary  
20 updates (if any) to the allocation factors in accordance with the CAM.

21 **Q. Were there any changes to shared services as a result of the merger with Veolia**  
22 **that affected the allocation percentages ?**

1 A. As a result of the merger with Veolia in the first quarter of 2022, there were  
2 announcements made regarding the scope and responsibilities of certain employees  
3 within the shared services. We reviewed these changes with each department, and  
4 we recalculated the new allocation percentages using the three-factor formula  
5 depending on the scope of responsibilities for each employee within a department.

6 **Q. How were these changes reflected in the Company's filing?**

7 A. These changes are reflected in Exhibit 10, Schedule 1, Adjustment No. 19,  
8 Management & Services Fees. An accounting adjustment was recorded in June  
9 2022 which appropriately reflected the changes in scope and responsibilities as  
10 mentioned above for the six months ended June 30, 2022. The normalized amount  
11 included on line 6 annualizes the six months ended June 2022 thereby fully  
12 reflecting the changes. The amount shown also is reduced for recorded shared asset  
13 depreciation, which is addressed in the shared asset adjustment on line 9.

14 **Q. Please explain the shared asset adjustment shown on Adjustment No. 19.**

15 A. The M&S company makes capital expenditures, generally related to investments in  
16 information technology hardware and software, as well as other assets to benefit  
17 VWID and its affiliates. In the absence of the M&S company investments in these  
18 assets, VWID would have needed to make these investments on a standalone basis  
19 in order to support its operations and the delivery of reliable service to its  
20 customers.

21 The adjustment reflects a calculation of the cost of shared assets whereby  
22 the balance of the assets, less accumulated depreciation and deferred income taxes,  
23 are calculated and the appropriate portion, based upon the three-factor formula, is

1 projected as of March 31, 2023 reflecting the costs in effect in the period when the  
2 rates are to be effective in this case.

3 **Q. Please describe the various normalizing and annualizing adjustments, as well**  
4 **as known and measurable adjustments, made to operating expense in Exhibit**  
5 **10, Schedule 1.**

6 **A. Adjustment No. 23, Amortization Expense - Deferred Rate Case,** increases  
7 historical test year expense by \$173,055 for deferred rate case expense  
8 amortization. The Company seeks recovery of the current rate case costs, estimated  
9 to be \$360,980, as well as the remaining balance of the deferred rate case expense  
10 in the amount of \$62,225, approved in Case No. SUZ-W-20-02, with an annual  
11 amortization of \$29,868. As a result of the Commission's Order No. 35265, which  
12 approved intervenor funding of \$29,640 related to the acquisition of Eagle Water  
13 (SUZ-W-18-02), the Company is also seeking to recover those costs in this case.  
14 Finally, as further described in the testimony of Matthew Kahn in this case, the  
15 Company proposes to refund the deferred Idaho State tax credit and federal  
16 employee retention credit of \$47,000 through a reduction to rate case expenses in  
17 order to return those amounts expeditiously to customers. The Company seeks a  
18 two-year recovery of the net amount of this expense.

19 Adjustment No. 24, Amortization Expense - Pension Expense, decreases  
20 historical test year expense of \$477,384 by \$454,166 for the amortization of  
21 Deferred Pension. In Case No. SUZ-W-20-2, Order No. 35030, the Commission  
22 approved a pension plan contribution amount of \$1,312,595 as the benchmark from  
23 which future cash contributions would be compared. Payments over or under the

1       \$1,312,595 benchmark were authorized to be deferred for future consideration.  
2       Actual cash contributions were \$1,348,611 in 2021, \$292,898 for the first six  
3       months of 2022 and are estimated to be \$439,347 from July 2022 through March  
4       2023. Therefore, the Company estimates a deferral of \$948,113 to be refunded to  
5       the customers offset by the remaining balance of deferred pension expenses to be  
6       amortized as of March 31, 2023 related to Case No. SUZ-W-20-2 of \$994,550,  
7       which nets to \$46,437. The Company seeks to amortize the net amount of \$46,437  
8       over a two-year period. Please see testimony of Company Witness Cary for an  
9       explanation of Adjustment No. 3 Employee Pension Cash Contribution Costs.

10       Adjustment No. 25, Amortization Expense - Deferred Tanking Painting,  
11       increases historical test year tank painting expense of \$145,217 by \$32,066. Since  
12       its 2020 rate case, the Company has painted the Broken Horn Tank for \$65,239,  
13       Columbia Tank for \$126,088, and Hidden Hollow interior for \$450,000. The  
14       Company is requesting a twenty-year amortization period for these costs, consistent  
15       with recent commission orders and stipulation agreements. Amortization expense  
16       has been adjusted to reflect the addition of the new amortization amounts.

17       Adjustment No. 27, Amortization Expense - Deferred Power, increases  
18       historical test year expense of \$197,484 by \$337,294 for deferred power  
19       amortization. The Company seeks recovery of the deferred Power Cost Adjustment  
20       (annual adjustment mechanism), approved in Case UWI-W-01-02, for cost  
21       incurred since the last rate case through June 2022 of \$295,583 including  
22       accumulated interest, the estimated deferred power costs and interest from July  
23       2022 through March 2023 of \$362,548 as well as the remaining balance of deferred

1 power expenses to be amortized as of March 31, 2023 related to Case no. SUZ-W-  
2 20-2 of \$411,425 for a total test year deferred balance of \$1,069,555 to be amortized  
3 over two years. Please see testimony of Company Witness Cary for an explanation  
4 of Adjustment No. 10 Energy - Purchased Power and Other Utilities.

5 **Q. Please describe the various normalizing and annualizing adjustments, as well**  
6 **as known and measurable adjustments, made to amortization expense in**  
7 **Exhibit 10, Schedule 2**

8 A. Adjustment No. 2 Amortization of Utility Plant Acquisition Adjustment (UPAA)  
9 increases historical test year expense of \$20,712 by \$261,873 for amortization of  
10 UPAA. Commission Order No. 35247 approved the amortization of \$10,475,000  
11 of UPAA related to the acquisition of Eagle Water (SUZ-W-18-02) over 40 years,  
12 which results in an additional annual amortization of \$261,873.

13 **Q. Does this conclude your direct testimony?**

14 A. Yes, it does.

Preston N. Carter (ISB No. 8462)  
Morgan D. Goodin (ISB No. 11184)  
Givens Pursley LLP  
601 W. Bannock St.  
Boise, ID 83702  
Telephone: (208) 388-1200  
Facsimile: (208) 388-1300  
[prestoncarter@givenspursley.com](mailto:prestoncarter@givenspursley.com)  
[morgangoodin@givenspursley.com](mailto:morgangoodin@givenspursley.com)

*Attorneys for Veolia Water Idaho, Inc.*

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION	)	Case No. VEO-W-22-02
OF VEOLIA WATER IDAHO, INC. FOR	)	
AUTHORITY TO INCREASE ITS RATES	)	
AND CHARGES FOR WATER SERVICE	)	
IN THE STATE OF IDAHO	)	
	)	
	)	
	)	

---

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

EXHIBITS 7, 8, AND 10 TO ACCOMPANY THE  
  
DIRECT TESTIMONY OF ANUPA JACOB



**Veolia Water Idaho, Inc.**  
**Balance Sheet Per Books**  
**June 30, 2022**  
**Case No. VEO-W-22-02**

**Line No.**

**Assets**

<b>Utility Plant</b>		
1	Water Plant in Service	\$ 553,641,392
2	Retirement Work in Progress	
3	Plant Held for Future Use	-
4	Construction Work in Progress	17,074,597
5	Utility Plant Acquisition Adjustment	10,808,444
6	Amortization	(192,310,931)
7	<b>Net Utility Plant</b>	<u>389,213,502</u>
<b>Investments</b>		
8	Other Investments	7,554
9	<b>Total Investments</b>	<u>7,554</u>
<b>Current Assets</b>		
10	Cash	-
11	Accts/Notes Receivable - Customers	1,873,483
12	Other Receivables	-
13	Provision for Uncollectable Accounts	(259,677)
14	Accounts Receivable (Associated Companies)	(821,511)
15	Material & Supplies Inventory	797,006
16	Prepaid Expenses	58,070
17	Accrued Utility Revenue	7,161,404
18	<b>Total Current Assets</b>	<u>8,808,776</u>
<b>Deferred Debits</b>		
19	Deferred Rate Case Expense	94,733
20	Other Deferred Charges	17,486,979
21	<b>Total Deferred Debits</b>	<u>17,581,713</u>
22	<b>Total Assets</b>	<u><u>\$ 415,611,544</u></u>

**Capitalization and Liabilities**

<b>Capital</b>		
23	Common Stock Issued	\$ 1,261,750
24	Additional Paid-in Capital	120,052,436
25	Retained Earnings	149,233,022
26	Accumulated Other Comprehensive Income	1
27	<b>Total Equity Capital</b>	<u>270,547,209</u>
<b>Liabilities</b>		
28	Accounts Payable	5,965,059
29	Accounts Payable (Associated Companies)	-
30	Notes Payable	-
31	Customer Deposits	191
32	Accrued Other Taxes Payable	511,780
33	Accrued Income Taxes Payable	3,248,338
34	Misc Current & Accrued Liabilities	3,808,772
35	Advances for Construction	3,841,414
36	Other Deferred Liabilities	23,798
37	Regulatory Liabilities	4,450,131
38	Operating Reserves (Pension & Benefits)	4,894,014
39	Contributions in Aid of Construction	161,333,856
40	Accumulated Amortization of CIAC	(48,505,888)
41	Accumulated Deferred Income Tax	5,492,870
42	<b>Total Liabilities</b>	<u>145,064,335</u>
43	<b>Total Liabilities &amp; Capital</b>	<u><u>\$ 415,611,544</u></u>

**Veolia Water Idaho, Inc.**  
**Statement of Income**

**For the Twelve Months Ended June 30, 2022**  
**Case No. VEO-W-22-02**

**Line No.**

<b>1 Operating Revenues</b>	<b>\$49,459,567</b>
Operating Expenses	
2 Operation and Maintenance Expense	18,284,059
3 Depreciation Expense	9,696,461
4 Amortization, Utility Plant Acquisition Adjustment	20,712
5 Taxes Other Than Income Taxes	2,543,511
6 Income Taxes	2,988,115
<b>7 Total Operating Expenses</b>	<b>33,532,858</b>
<b>8 Net Operating Revenues</b>	<b>15,926,709</b>
9 Gains (Losses) from Disposition of Utility Plant	1
<b>10 Utility Operating Income</b>	<b>\$15,926,710</b>

**Case No. VEO-W-22-02**

**Exhibit No. 8**

**A. Jacob**

**Page 1 of 1**

**VEOLIA WATER IDAHO, INC.**  
**Details of Adjustments to Operating and Maintenance Expenses At Present Rates**  
**SUMMARY - Exhibit 10, Schedule 1**

Historic Test Year ended June 30, 2022, as Adjusted

			(1)	(2)	(3)	(4)	(5)		
Witness	Line No.	Description	Schedule Adjustment No.	Account Reference	Historic Test Year Ended 06/30/2022	Normalizing Adjustments	Adjusted Historic Test Year Ended 06/30/2022	Adjustments	Test Year Ending 03/31/2023
EXHIBIT 10, Schedule 1									
J.Cary	1	Payroll	1	50100 to 50125	\$ 6,672,277		\$ 6,672,277	\$ 989,331	\$ 7,661,608
J.Cary	2	Workers Compensation (excludes reserves, adds claims payments)	2	91460	\$ (159,397) 1/	\$ 255,715	\$ 96,318	\$ 19,889	\$ 116,207
J.Cary	3	Pension Cash Contributions	3	91500, 71257 & 26310	\$ 553,030		\$ 553,030	\$ 32,766	\$ 585,796
J.Cary	4	Post-retirement Benefits Other than Pension (PBOP)	4	91550, 71258	\$ (481,247)		\$ (481,247)	\$ (42,509)	\$ (523,756)
J.Cary	5	Employee Healthcare (excludes reserves)	5	91700	\$ 2,482,907 2/	\$ (25,894)	\$ 2,457,013	\$ (353,303)	\$ 2,103,710
M.Wilson	6	Employee 401k	6	91800	\$ 384,454		\$ 384,454	\$ 71,977	\$ 456,431
M.Wilson	7	Other Employee Benefits - Tuition	7	91850	\$ 13,032		\$ 13,032	\$ 1,602	\$ 14,634
J.Cary	8	Payroll Overheads (Fringe Benefits Allocation)	8	90950 & 90953	\$ (1,547,567)		\$ (1,547,567)	\$ 81,157	\$ (1,466,411)
M.Wilson	9	Purchased Water	9	50605	\$ 378,302		\$ 378,302	\$ (61,608)	\$ 316,694
J.Cary	10	Energy- Purchased Power and Other Utilities	10	50610 & 50620	\$ 2,498,030		\$ 2,498,030	\$ 97,600	\$ 2,595,630
J.Cary	11	Chemicals (reclassification amount in Adjusted Test Year to Materials or capitalized)	11	50635	\$ 472,422 3/	\$ (36,754)	\$ 435,668	\$ 158,707	\$ 594,376
J.Cary	12	Subcontractors	12	50400	\$ 811,173		\$ 811,173	\$ 19,282	\$ 830,455
J.Cary	13	Customer Billing Expenses	13	50405	\$ 301,338		\$ 301,338	\$ 22,125	\$ 323,463
M.Wilson	14	Bad Debts (reserves booked in separate 90405 account)	14	90400 & 90405	\$ (391,803) 4/	\$ 683,545	\$ 291,742	\$ 13,321	\$ 305,063
M.Wilson	15	Materials (reclassification amount in Adjusted Test Year from Chemicals)	15	50300	\$ 278,045 5/	\$ 28,279	\$ 306,324	\$ -	\$ 306,324
M.Wilson	16	Vehicle Allocation (excludes reserves, adds claims payments)	16	50645 & 50646	\$ 832,494 6/	\$ (274,913)	\$ 557,581	\$ 467,768	\$ 1,025,350
J.Cary	17	Office Expenses	17	50650	\$ 741,917		\$ 741,917	\$ 73,730	\$ 815,647
M.Wilson	18	Advertising Expense	18	50651	\$ 217,084		\$ 217,084	\$ 10,598	\$ 227,683
M.Zerhouni	19	Management & Service Fees	19	90850	\$ 4,066,814		\$ 4,066,814	\$ 499,821	\$ 4,566,635
J.Cary	20	General Insurance (excludes reserves, adds claims payments, does not include premiums captured in M&S Fees)	20	91400 & 91450	\$ 227,124 7/	\$ (135,776)	\$ 91,348	\$ 151,177	\$ 242,524
M.Wilson	21	IPUC Fees	21	91900	\$ 97,278		\$ 97,278	\$ 5,899	\$ 103,177
J.Cary	22	Safety	22	92200	\$ 154,824		\$ 154,824	\$ 40,582	\$ 195,406
M.Zerhouni	23	Amortization Expense - Deferred Rate Case (excludes Intervenor funding)	23	92000	\$ 51,960 8/	\$ (22,092)	\$ 29,868	\$ 173,055	\$ 202,923
M.Zerhouni	24	Amortization Expense - Deferred Pension	24	92056	\$ 477,384		\$ 477,384	\$ (454,166)	\$ 23,218
M.Zerhouni	25	Amortization Expense - Deferred Tank Painting	25	92053	\$ 145,217		\$ 145,217	\$ 32,066	\$ 177,283
M.Zerhouni	26	Amortization of Excess Deferred Income Taxes	26	92059	\$ (2,207,184)		\$ (2,207,184)	\$ 2,007,184	\$ (200,000)
M.Zerhouni	27	Amortization Expense - Deferred Power	27	92061	\$ 197,484		\$ 197,484	\$ 337,294	\$ 534,778
M.Zerhouni	28	AFUDC Equity Gross Up Amortization	28	92064	\$ 39,024		\$ 39,024	\$ (8,501)	\$ 30,523
J.Cary	29	Adjustment to Variable Expenses Due to Volume Normalization	29		\$ -		\$ -	\$ (127,937)	\$ (127,937)
	30	Total Adjusted Operating & Maintenance Expenses			\$ 17,306,417	\$ 472,111	\$ 17,778,528	\$ 4,258,907	\$ 22,037,435
	31	Total Unadjusted Operating & Maintenance Expenses			\$ 350,189	\$ -	\$ -	\$ -	\$ 350,189
	32	Total Operating and Maintenance Adjustments			\$ 17,656,607	\$ 472,111	\$ 17,778,528	\$ 4,258,907	\$ 22,387,625
EXHIBIT 10, Schedule 2									
D.Njuguna	34	Adjustment to Depreciation Expense	1	70100 & 70101	\$ 9,696,461			\$ 950,629	\$ 10,647,090
M.Zerhouni	35	Amortization of Utility Plant Acquisition Adjustments (UPAA)	2	71255	\$ 20,712			\$ 261,873	\$ 282,585
	36	Total Depreciation and Amortization			\$ 9,717,173	\$ -	\$ -	\$ 1,212,502	\$ 10,929,675
EXHIBIT 10, Schedule 3									
J.Cary	38	Property Taxes	1	70203	\$ 1,769,525			\$ 375,507	\$ 2,145,032
M.Wilson	39	Payroll Taxes (combined FICA, FUI, SUI)	Pages 2, 3 & 4	70250	\$ 773,986			\$ 124,797	\$ 898,783
	40	Total Taxes Other			\$ 2,543,511	\$ -	\$ -	\$ 500,304	\$ 3,043,815
	41	Total Operating Expenses			\$ 29,917,291	\$ 472,111	\$ 17,778,528	\$ 5,971,714	\$ 36,361,115

**Normalizing Adjustments:**

1/	Workers Compensation (excludes reserves, adds claims payments GL account 26200)	Case No. VEO-W-22-02
2/	Employee Healthcare (excludes reserves)	Exhibit No. 10
3/	Chemicals (reclassification amount in Adjusted Test Year to Materials or capitalized)	Schedule 1-2-3
4/	Bad Debts (reserves booked in separate 90405 account)	Summary
5/	Materials (reclassification amount in Adjusted Test Year)	Cary/Wilson
6/	Vehicle Allocation (excludes reserves, adds claims payments GL account 26200)	Njuguna/ Jacob
7/	General Insurance (excludes reserves, adds claims payments GL account 26200, does not include premiums captured in M&S Fees)	Page 1 of 1
8/	Rate Case Expense Amortization (excludes Intervenor funding)	

**Veolia Water Idaho, Inc.**  
**Details of Adjustments to Operations and Maintenance Expense**  
**Historic Test Year ended June 30, 2022, as Adjusted**

**Adjustment No. 19**  
**Management & Services Fees**  
**Account 90850**

<b>Line No.</b>	<b>Description</b>				<b>Adjustment Amount</b>
1	To normalize Management & Services fees based on actual 6 months ended June 2022, then annualized. Include salary increase factor, expected 2023 change in insurance premiums and shared assets adjustment				<b>\$ 499,821</b>
		<b><u>Year</u></b>	<b><u>M&amp;S Fees</u></b>	<b><u>Amount</u></b>	<b><u>Total</u></b>
2	Per Books for reference only	2019	\$	3,814,660	
3		2020	\$	3,538,627	
4		2021	\$	4,016,367	
5	six months ending June 30, 2022		\$	2,062,183	
6	Normalize 2022 actuals through June 30, 2022 removing depreciation expense of \$365,692 captured below in shared assets, then annualize	2022	\$	3,392,981	
7	Salary increase factor 3.50%		\$	118,754	
8	Expected 2023 change in insurance premiums (Auto/General/Umbrella Liability and Workers Compensation)		\$	29,873	
9	Adjustment for shared assets (includes depreciaton expense)		\$	1,025,027	
10	<b>Pro Forma M&amp;S Fees</b>				<b>\$ 4,566,635</b>
11	<b>Historic Test Year Expense</b>				<b>\$ 4,066,814</b>
12	<b>Adjustment</b>				<b>\$ 499,821</b>

Veolia Water Idaho, Inc.  
Details of Adjustments to Operations and Maintenance Expense  
Historic Test Year ended June 30, 2022, as Adjusted

Adjustment No. 23  
Amortization Expense - Deferred Rate Case  
Account 18680 and 92000

Line No.	Description		Adjustment Amount
1	expense balance as of March 2023		<u>\$ 173,055</u>
2	related to Case no. SUZ-W-20-2 as of March 31, 2023	\$ 62,225	
3	<b>Estimated rate case expense:</b>		
4	Legal	\$ 80,000	
5	Rate of Return	\$ 30,000	
6	Cost of Service Study	\$ 82,480	
7	Customer Class Load Study	\$ 79,500	
8	Intervenors	\$ 40,000	
9	Mailing Notifications/Postcards to customers	\$ 40,000	
10	Miscellaneous & Other Cost	<u>\$ 9,000</u>	
11	<b>Total estimated rate case expense</b>	<b>\$ 360,980</b>	
12	<b>Total rate case expenses to be amortized</b>	<b>\$ 423,205</b>	
13	Approved Intervenor Funding (Order No. 35265 related to Eagle Water acquisition)	\$ 29,640	[1]
14	Deferred Idaho State Tax Credit & Federal Employee Retention Credit	\$ (47,000)	[2]
15	<b>Adjusted rate case expenses to be amortized</b>	<b>\$ 405,845</b>	
16	<b>Test Year annual deferred rate case amortization expense</b>	<b>\$ 202,923</b>	
17	<b>Historic Test year expense</b>	<b>\$ 51,960</b>	
18	<b>Less: Intervenor funding expense</b>	<b>\$ 22,092</b>	
19	<b>SUZ-W-20-02)</b>	<b>\$ 29,868</b>	
18	<b>Adjustment</b>	<b>\$ 173,055</b>	
[1] Refer to the Testimony of M. Zerhouni			
[2] Refer to the Testimony of M. Kahn			

**Veolia Water Idaho, Inc.**  
**Details of Adjustments to Operations and Maintenance Expense**  
**Historic Test Year ended June 30, 2022, as Adjusted**

**Adjustment No. 24**  
Amortization Expense - Pension Expense  
Account 18609 and 26310

<b>Line No. Description</b>		<b>Adjustment Amount</b>
1	Adjustment of amortization of pension costs - based on projected deferred pension balance as of March 2023	<u><b>\$ (454,166)</b></u>
		<b>Deferral Balance</b>
2	Remainder of amount approved for deferred pension expense amortization per Order no. 35030 related to Case no. SUZ-W-20-2 as of March 31, 2023	<u>\$ 994,550</u>
3	Deferred pension as of June 30, 2022	\$ (398,824)
4	Projected additional deferral through March 31, 2023	\$ (549,289)
5	Total	<u>\$ 46,437</u>
8	Test Year annual deferred pension expense & interest amortization	<b>\$ 23,218</b>
10	Historic Test Year Expense	<b>\$ 477,384</b>
11	Adjustment	<u><b>\$ (454,166)</b></u>

**Veolia Water Idaho, Inc.**  
**Details of Adjustments to Operations and Maintenance Expense**  
**Historic Test Year ending June 30, 2022, as Adjusted**

**Adjustment No. 25**  
**Amortization Expense - Tank Painting**  
**Account 18620 and 92053**

<b>Line</b>	<b>Description</b>						<b>Adjustment Amount</b>
							<b>\$ 32,066</b>
	<b>Details</b>	<b>Year Painted</b>	<b>Amortization Allowed</b>	<b>Cost</b>	<b>Amortization Period</b>	<b>Amortization n</b>	<b>Total</b>
<b>1</b>	<b>Ongoing From Prior Cases</b>						
<b>2</b>	Aeronica Tank	Dec-00	UWI-W-04-04	\$ 21,100	20 Years	\$ 1,055	
<b>3</b>	Gowen Tank Exterior	Apr-01	UWI-W-04-04	\$ 39,808	20 Years	\$ 1,990	
<b>4</b>	Federal Reservoir	Jul-06	UWI-W-06-02	\$ 162,895	20 Years	\$ 8,145	
<b>5</b>	Crestline Tank	Dec-09	UWI-W-09-01	\$ 65,628	20 Years	\$ 3,281	
<b>6</b>	Steelhead Tank	Dec-09	UWI-W-09-01	\$ 313,493	20 Years	\$ 15,675	
<b>7</b>	Ustick Reservoir	Dec-09	UWI-W-09-01	\$ 74,183	20 Years	\$ 3,709	
<b>8</b>	Hillcrest Reservoir	Apr-10	UWI-W-11-02	\$ 230,134	20 Years	\$ 11,507	
<b>9</b>	Gowen Tank Interior	Aug-14	UWI-W-15-01	\$ 208,050	20 Years	\$ 10,402	
<b>10</b>	Barber Tank interior	Oct-18	SUZ-W-20-02	\$ 338,037	20 Years	\$ 16,902	
<b>11</b>	Hulls Gulch Interior	Jun-20	SUZ-W-20-02	\$ 1,135,161	20 Years	\$ 56,768	
<b>12</b>	Hulls Gulch exterior	Aug-20	SUZ-W-20-02	\$ 213,330	20 Years	\$ 10,667	
<b>13</b>	Hidden Hollow exterior	Aug-20	SUZ-W-20-02	\$ 102,317	20 Years	\$ 5,116	
							\$ 145,217
	<b>New Amortization Request</b>						
<b>14</b>	Broken Horn Tank Paint	Dec-21		\$ 65,239		\$ 3,262	
<b>15</b>	Columbia Tank Paint	Dec-21		\$ 126,088		\$ 6,304	
<b>16</b>	Hidden Hollow interior	Mar-23		\$ 450,000		\$ 22,500	
							\$ 32,066
<b>17</b>	<b>Test Year annual tank painting amortization expense</b>						<b>\$ 177,283</b>
<b>18</b>	<b>Historic Test Year Expense - Amortization of deferred tank painting expenses (Case No. SUZ-W-20-02)</b>						<b>\$ 145,217</b>
<b>19</b>	<b>Adjustment</b>						<b>\$ 32,066</b>

**Veolia Water Idaho, Inc.**  
**Details of Adjustments to Operations and Maintenance Expense**  
**Historic Test Year ending June 30, 2022, as Adjusted**

**Adjustment No.26**  
Amortization of Excess Deferred Income Taxes  
Account 92059

<b>Line</b>	<b>No.</b>	<b>Description</b>	<b>Adjustment Amount</b>
	<b>1</b>	Adjustment of amortization of Excess Deferred Income Taxes (EDIT)	<b>\$ 2,007,184</b>
	<b>2</b>	Historic Test year amortization of EDIT-Protected	\$ (227,004)
	<b>3</b>	Historic Test year amortization of EDIT-Unprotected	\$ (1,336,430)
	<b>4</b>	Historic Test year amortization of EDIT-Stub period	\$ (643,750)
	<b>5</b>	Total Historic Test Year amortization of EDIT	<b>\$ (2,207,184)</b>
	<b>6</b>	Less: Amortization of EDIT - Unprotected which ended April, 2022	\$ 1,336,430
	<b>7</b>	Less: Amortization of EDIT - Stub period which ended April, 2022	\$ 643,750
	<b>8</b>	To reflect appropriate ARAM amortization	\$ 27,004
	<b>9</b>	<b>Test Year annual EDIT Amortization Expense</b>	<b>\$ (200,000)</b>
	<b>10</b>	<b>Adjustment</b>	<b>\$ 2,007,184</b>



**Veolia Water Idaho, Inc.**  
**Details of Adjustments to Operations and Maintenance Expense**  
**Historic Test Year ended June 30, 2022, as Adjusted**

**Adjustment No. 27**  
Amortization Expense - Deferred Power  
Account 18625 and 92061

Line No.	<u>Description</u>	Adjustment Amount
1	Adjustment of amortization of deferred power costs - based on projected deferred power balance as of March 2023	<b>\$ 337,294</b>
		<b>Deferral Balance</b>
2	Remainder of amount approved for deferred power expense amortization per Order no. 35030 related to Case no. SUZ-W-20-2 as of June 30, 2022	411,425
3	Deferred power as of June 30, 2022	\$ 295,583
4	Projected additional deferral through March 31, 2023	\$ 358,507
5	Projected additional interest through March 31, 2023	\$ 4,041
6	Total	<u>\$ 1,069,555</u>
7	Test Year annual deferred power amortization expense	<b>\$ 534,778</b>
8	Historic Test Year Expense - Amortization of deferred power expenses (Case No. SUZ-W-20-02)	\$ 197,484
9	Adjustment	<b><u>\$ 337,294</u></b>

**Veolia Water Idaho, Inc.**  
**Details of Adjustments to Operations and Maintenance Expense**  
**Historic Test Year ended June 30, 2022, as Adjusted**

**Adjustment No. 28**  
AFUDC Equity Gross Up Amortization  
Account 18623 and 18653, 92064 Amort

<b>Line</b>	<b><u>No.</u></b>	<b><u>Description</u></b>	<b><u>Adjustment</u></b>	<b><u>Amount</u></b>
	1	Adjustment of Amortization of AFUDC Equity Gross Up Expense - based on projected March 2023 Deferred AFUDC Equity Gross Up balance	\$	<u>(8,501)</u>
2		Test Year annual amortization expense per Exhibit 11, Schedule 9 page 1 deferred debits	\$	30,523
3		Historic Test year expense - Amortization of deferred AFUDC equity gross up (Case No. SUZ-W-20-02)	\$	<u>39,024</u>
4		Adjustment	\$	<u>(8,501)</u>

Veolia Water Idaho, Inc.  
**Details of Adjustments to Operations and Maintenance Expense**  
**Historic Test Year ended June 30, 2022, as Adjusted**

**Adjustment No. 2**  
Amortization of Utility Plant Acquisition Adjustment (UPAA)  
Account 11400 and 11500

Line	Acquisition Description	Company	IPUC	Amortization	Utility Plant	Accumulated	Unamortized	Annual	Adjustment Amount
1	Adjustment of amortization of UPAA - based on projected UPAA balance as of March 2023								\$ 261,873
Ongoing From Prior Cases									
2	Raintree	X00014	Sep-00	40 Years	(227,594)	124,262	(103,332)	(5,690)	
3	South County Water	X00020	Jan-99	40 Years	1,009,011	(592,815)	416,196	25,225	
4	Barber Water	X00027	Jan-99	40 Years	46,966	(26,386)	20,580	1,174	
					\$ 828,384	\$ (494,939)	\$ 333,444	\$ 20,710	
Commission Order No. 35247									
5	Eagle Water	ACQ_EAGLE		40 Years	10,475,000	-	10,475,000	261,875	
6	Test Year annual UPAA amortization expense								\$ 282,585
7	Historic Test Year Expense - Amortization of UPAA (Case No. SUZ-W-20-02)								\$ 20,712
8	Adjustment								\$ 261,873

Case No. VEO-W-22-02  
Exhibit No. 10  
Schedule 2  
A. Jacob  
Page 1 of 1