

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF VEOLIA WATER) **CASE NO. VEO-W-22-03**
IDAHO, INC.’S APPLICATION TO AMEND)
BRIAN WATER SURCHARGE AND) **ORDER NO. 35636**
REFUND CUSTOMERS)
_____)

On August 18, 2022, Veolia Water Idaho, Inc. (“Company”) applied to amend Brian Water Subdivision (“Brian Water”) Surcharges and to refund customers due to a computational error that produced an incorrect overpayment of \$2.87 for bimonthly customers (\$1.43 for monthly customers).

On September 16, 2022, the Commission issued a Notice of Application and Modified Procedure, setting public comment and Company reply deadlines. Commission Staff (“Staff”) filed comments to which the Company filed a reply. No other comments were received.

Having reviewed the record in this case we now issue this Order granting the Company’s Application.

BACKGROUND

On December 14, 2014, the Commission authorized the Company to collect from customers living in the Brian Water Subdivision “a fixed surcharge . . . every other month for [ten] years once interconnection with [the Company’s] system is complete and final costs are determined.” *See* Order No. 33195 at 6, Application at 1. The Company reported a miscalculation led to overpayments from monthly and bi-monthly customers of the Commission approved rate.

THE APPLICATION

The Company’s current tariff reflects a surcharge of \$141.35 for bimonthly customers, or a surcharge of \$70.67 for monthly, Budget Billing customers.¹ The Company proposes to change the bimonthly surcharge to \$138.48 and monthly surcharge to \$69.24 to correct the prior computational error.

¹ The Company’s Application incorrectly stated that the current surcharge for monthly Budget Billing customers was \$69.24. This is the amount the Company proposes to collect in the amended tariff.

The Company also proposes to refund customer overpayments, including interest at 2%,² to current customers through bill credits and a refund to former customers through checks mailed to their last known addresses.

STAFF COMMENTS

Staff recommended the Commission approve the tariff provisions proposed by the Company. Additionally, Staff recommended an amendment to the Company's proposed Schedule No. 1C Brian Water Surcharge ("Schedule 1C") with language notifying customers that their surcharges will end when the balance is paid in full.

Staff believed it was inaccurate to characterize the miscalculated rate as an overpayment. Instead, Staff stated that "the Company correctly and properly charged the approved rates on Schedule 1C. The tariff was filed with, and approved by, the Commission. Because customers were charged the approved tariff rate, there is no overpayment." Staff Comments at 2. Staff believed the most appropriate way to compensate the customers for the alleged overpayments is to "credit the individual customer[s'] principal balances on the date the payments were made." *Id.* at 3. Staff noted that two customers have a negative principal balance due to their paid in full surcharge balances and Staff recommended that these customers be refunded the overpayment with interest.

Staff agreed with the Company's position that notice under the Commission's Customer Relations Rule 125(b) does not require notification in this matter. IDAPA 31.01.01.125(b). Nonetheless, the Company proposed notifying the customers of a refund after the Commission approves the process for the proposed refund. Staff suggested that a notice should be sent while the case was being processed. Neither the Company nor the Commission has received any correspondence or comments from customers in this regard.

COMPANY REPLY COMMENTS

The Company stated that Staff's recommendation for implementation "is theoretically sound, but it is difficult to implement... Because [crediting individual customer principles balances] would need to be computed manually and tracked individually." Company Reply at 1. The Company argued that Staff's method would be more costly to implement and more prone to mistakes than a one-time credit. The Company further argued that the customers would receive the

² The Company notes that 2% is the currently approved interest rate for customer deposits.

benefit in a timelier fashion by utilizing a one-time credit. The Company therefore requested that the Commission grant the relief as requested in its Application.

COMMISSION FINDINGS AND DISCUSSION

The Company is a water corporation and a public utility as defined in *Idaho Code* §§ 61-125, and -129. The Commission has jurisdiction over the issue in this case under *Idaho Code* §§ 61-301, -303, -501, -502, and -503.

The Commission agrees with Staff's recommendation that the most appropriate way to compensate customers is to "credit the individual customer[s'] principal balances on the date the payments were made." Staff Comments at 3. This allows for the most complete and accurate compensation to the individual customer while also providing a remedy that is more tailored to each customer's surcharge payment, and the elapsed time since each payment was made. Amending Schedule 1C to include a statement explaining that a customer's surcharge will end when the customer's surcharge balance is paid in full will provide the customers with the clarity necessary to understand their compensation.

The Commission also finds that the two customers who have a negative principal balance, due to their surcharge balances having already been paid in full, should be refunded the overpayment with accumulated interest at 2%.

COMMISSION DECISION

IT IS HEREBY ORDERED that all payments received from customers under Schedule 1C be applied to customers' surcharge balance on the date payments were received.

IT IS FURTHER ORDERED that the two customers with a negative principal balance due shall be refunded the overpayment amount with accumulated interest at 2%.

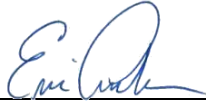
IT IS FURTHER ORDERED that the Commission will amend its proposed Schedule 1C to include a statement that a customer's surcharge shall end when the customer's surcharge balance is paid in full.

IT IS FURTHER ORDERED that the Commission approves the tariff provision as proposed by the Company when Staff's recommendation is incorporated; the Company is directed to file conforming tariffs within seven (7) days of the service date of this Order.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within 21-days of the service date of this Order with regard to any matter decided

in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 20th day of December 2022.



ERIC ANDERSON, PRESIDENT

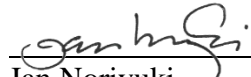


JOHN CHATBURN, COMMISSIONER



JOHN R. HAMMOND JR., COMMISSIONER

ATTEST:



Jan Noriyuki
Commission Secretary

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