Preston N. Carter, ISB No. 8462 Morgan D. Goodin, ISB No. 11184 GIVENS PURSLEY LLP 601 West Bannock Street P.O. Box 2720 Boise, Idaho 83701-2720

Office: (208) 388-1200 Fax: (208) 388-1300

prestoncarter@givenspursley.com morgangoodin@givenspursley.com

18176955.2

Attorneys for Veolia Water Idaho, Inc.

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF VEOLIA WATER IDAHO, INC. FOR APPROVAL OF FIRE HYDRANT CONVEYANCE, INSTALLATION, AND OPERATION AGREEMENT Case No. VEO-W-23-04

VEOLIA WATER IDAHO, INC.'S REPLY COMMENTS

Veolia Water Idaho, Inc. (Veolia or Company) respectfully submits the following Reply Comments in response to comments filed by the Idaho Public Utilities Commission Staff (Staff).

BACKGROUND

In October 2023, Veolia requested that the Commission approve an agreement between Veolia and the Whitney Fire Protection District (District), under which the District would transfer ownership of certain fire hydrants to Veolia. Veolia's Application also sought the Commission's approval to charge the owners of private fire hydrants pursuant to the Company's current, approved tariffs. (As explained in the Application, and further with Staff, Veolia's current tariffs have charges for private fire hydrants, but those charges have not consistently been collected from customers.)

During the course of this proceeding, Veolia and Staff have exchanged information related to the Application and other topics. As set forth in more detail below, Veolia generally

agrees with Staff's recommendations, but requests that the Commission consider a few minor suggestions and revisions to those recommendations.

COMPANY REPLY COMMENTS

Veolia responds to each of Staff's recommendations as follows.

Modify language regarding private hydrants. Staff recommends that the Commission approve the Agreement, but suggests that language regarding private hydrants be revised to provide, "This Agreement shall not apply to any Private Hydrants as defined by the Company's tariffs. Hydrants included in this Agreement will exclude hydrants a) greater than fifteen (15) feet from public right-of-way, b) located behind a locked gate, or c) owned by persons or entities other than the District." Staff Comments at 6.

The Company does not believe this modification is necessary: the Agreement identifies which hydrants will be transferred from the District to the Company, and excludes private hydrants as defined in the Company's tariff. The reference to private hydrants in the Agreement serves to identify, as between Veolia and the District, which hydrants fall under the Agreement. The Company does not believe that Staff's language will provide any additional clarity between Veolia and the District. In addition, the genesis of Staff's language is not clear. That said, if the Commission accepts this recommendation, Veolia will endeavor to revise the Agreement with the District to include this language.

Compliance filing with revised Agreement and proposed effective date. Staff recommends that the Commission order Veolia to make a compliance filing with a revised Agreement that contains the language set forth above, and that the Commission set an effective date 30 days after Commission Order. Staff Comments at 8. If the Commission orders modifications to the Agreement, Veolia agrees that a compliance filing with that revised Agreement should be filed.

Veolia submits that the effective date of the Agreement should be within 30 days of that

compliance filing rather than 30 days of the Commission's initial order. Modification of the

Agreement requires the written consent of Veolia and the District, and Veolia cannot control the

timing of the District's consideration of any such amendments.

Private hydrants – address billing in service-territory-wide case. Staff recommends that

the issue of billing for private hydrants be addressed in a subsequent case. Veolia agrees with

this recommendation.

Accounting treatment. Staff recommends approval of accounting treatment of the costs

associated with ownership, operation, installation, and maintenance of all hydrants under the

Agreement into Hydrant Plant Account 335.4. Veolia agrees with this recommendation.

Recovery of costs determined in future rate case. Staff recommends that recovery of costs

associated with ownership, operation, installation, and maintenance of hydrants under the

Agreement be determined in a future general rate case. Veolia agrees with this recommendation.

Work with Staff on customer notices before private-hydrant filing. Staff recommends that

the Commission order Veolia to work with Staff on customer notices and press releases prior to

submitting its future application related to private hydrants. Veolia agrees to work with Staff on

customer notices and press releases related to its anticipated future filing related to billing

customers that own private hydrants.

Dated: January 31, 2024.

GIVENS PURSLEY LLP

Preston N. Carter

Attorneys for Veolia Water Idaho, Inc.

o ~. art

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT on January 31, 2024 I caused a true and correct copy of the

Preston N. Carter

foregoing to be served upon the following par	rties as indicated below:
Monica Barrios-Sanchez Commission Secretary Idaho Public Utilities Commission P.O. Box 83720 Boise, Idaho 83720-0074 monica.barriossanchez@puc.idaho.gov	EmailU.S. MailFaxHand Delivery
	9 - N. art