

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER RAPER
COMMISSIONER ANDERSON
COMMISSION SECRETARY
COMMISSION STAFF

FROM: BRANDON KARPEN
DEPUTY ATTORNEY GENERAL

DATE: JUNE 8, 2017

SUBJECT: IN THE MATTER OF THE APPLICATION OF FALLS WATER COMPANY, INC. FOR AUTHORIZATION TO BUILD A NEW WATER SOURCE, AND ACCESS TO THE SPECIAL PLANT RESERVE ACCOUNT; CASE NO. FLS-W-17-01

On February 10, 2017, Falls Water Company, Inc. filed an Application requesting that the Commission advise the Company on a request to construct an additional well, well house, pumping equipment, and controls, and accept those expenses as rate base in a future rate case. The Company further requested access to a “special plant reserve fund” created by Commission Order in 2012.

On March 9, 2017, notice of the Application was issued, including notice that “Commission Staff will recommend further procedure and scheduling based on further investigation and assessment of the Company’s filing.” Notice at 2. Staff has now adequately evaluated and investigated the Company’s filing and now requests that the Commission order that this case be processed by Modified Procedure and that comment deadlines be set.

BACKGROUND

The Company’s current rates took effect on October 16, 2012. As part of that rate case, the Commission required the Company to establish a special plant reserve fund to finance infrastructure projects as approved by the Commission. Order No. 32663 at 11. The Commission further stated that it “*strongly encourages the Company to consult with Commission Staff before it begins any such projects.*” *Id.* (emphasis in original).

The Company has sought permission to construct a new well and associated plant. It stated that it needs the new well to comply with Idaho Department of Environmental Quality water pressure requirements. The Company has estimated a total project cost of \$647,215. The

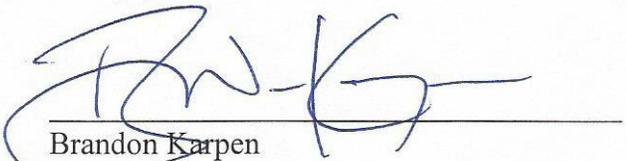
Company requested that this Application be processed by Modified Procedure, but did not request any kind of effective date.

STAFF RECOMMENDATION

After investigating the Company's Application and request, Staff has concluded that the Company's proposal to process this case by Modified Procedure is appropriate and requests that the Commission order the same. Further, Staff is requesting that the Commission set a July 11, 2017 comment deadline, and a July 18, 2017 reply deadline.

COMMISSION DECISION

Does the Commission wish to issue a Notice of Modified Procedure with a July 11, 2017 comment deadline, and a July 18, 2017 reply deadline?



Brandon Karpen
Deputy Attorney General

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