

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF FALLS WATER COMPANY FOR AUTHORITY TO INCREASE ITS RATES AND CHARGES.) CASE NO. FLS-W-09-01)) NOTICE OF APPLICATION)) NOTICE OF) INTERVENTION DEADLINE)) ORDER NO. 30893
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On August 4, 2009, Falls Water Company filed an Application for authority to increase its total revenue requirement by \$143,496.81, or 14.39%. The Company requests that the Application be processed by Modified Procedure and that the tariff changes become effective September 10, 2009.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that Falls Water provides water service to more than 3,600 residential and commercial customers in an area generally north of the City of Ammon and northeast of the City of Idaho Falls in Bonneville County. Application at 2. The Company last increased its basic rates and charges in January 2008. Order No. 30484. Since that time, the Company has put a new well into service (Well #9), began installing meters and MXU transmitters in an effort to upgrade its system, moved offices and acquired new office furniture, and replaced a hydrant on the water system. *Id.* at 2. As a result, the Company requests an increase in its total revenue requirement of \$143,496.81.

YOU ARE FURTHER NOTIFIED that Falls Water proposes to increase the base rate for all metered schedules from \$14.00 to \$18.00, an increase of 29%. However, the Company proposes to decrease the commodity rate from \$0.667 per 1,000 gallons to \$0.601 per 1,000 gallons, a decrease of 10%. The Company maintains that these changes will cause the average residential metered customer to experience an increase of approximately 14.88%; the average multi-family residential customer to experience an increase of 8.51%; and the average commercial customer to experience an increase of 4.22%. The Company has placed more emphasis on the basic charge to alleviate winter cash flow issues. *Id.* at 5. Furthermore, because

all of its customers are metered, the Company proposes to cancel the Residential Flat Rate Schedule 2. *Id.* The Company requests a return on its common equity of 12%. *Id.* at 4.

YOU ARE FURTHER NOTIFIED that the Company proposes a new non-recurring charge of \$10.00 for testing meters. The Company explains that many customers question their bills at the beginning of the summer irrigation period, but their meters rarely test inaccurately. A charge for testing meters would place the burden on the customers responsible for causing the cost to be incurred and remove it from the general body of ratepayers.¹ The Company also requests a new charge of \$20.00 for returned checks and a late payment charge of 1% per month.

YOU ARE FURTHER NOTIFIED that the Company proposes use of a 2008 test year. The Company requests that its Application be processed by Modified Procedure with tariff changes to become effective September 10, 2009.

YOU ARE FURTHER NOTIFIED that the Application and supporting workpapers, testimonies and exhibits have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application and testimonies are also available on the Commission's web site at www.puc.idaho.gov by clicking on "File Room" and then "Water Cases."

YOU ARE FURTHER NOTIFIED that Falls Water's intrastate revenue requirement, and every component of it, both rate base and expense, are at issue. The Commission may grant, deny, or modify the revenue requirement requested and may find a revenue requirement different from that proposed by any party is just, fair and reasonable.

YOU ARE FURTHER NOTIFIED that the rates and charges for all Falls Water retail customers, both recurring and non-recurring, including those of any special contract customers, are at issue, and every component of every existing and proposed rate and charge is at issue. The Commission may approve, reject or modify the rates and charges proposed and may find that rates and charges different from those proposed by any party are just, fair and reasonable.

YOU ARE FURTHER NOTIFIED that the Commission may approve, reject or modify existing or proposed relationships between and among rates and charges within, between

¹ If the customer's meter tested outside the manufacturer's specification of plus or minus 1.5% of the factory calibrated test meter the Company would replace the meter and waive the \$10 fee.

or among customer classes or rate groupings. The Commission may approve, reject or modify existing or proposed relationships among and between customer classes or rate groupings.

YOU ARE FURTHER NOTIFIED that the Commission may abolish, reduce or create rate blocks or categories of rates and charges; abolish, create or reduce components of rates and charges; abolish, reduce or create customer classes or rate groupings; and abolish, reduce or create absolute or relative differences among and between existing customer classes or rate groupings of customers.

YOU ARE FURTHER NOTIFIED that the tariffs, practices, rules, services, instrumentalities, equipment, facilities, classifications and customer relations procedures of Falls Water are at issue, and the Commission may address any of them in its final Order.

DEADLINE FOR INTERVENTION

YOU ARE FURTHER NOTIFIED that persons desiring to intervene in this matter for the purpose of presenting evidence or cross-examining witnesses at hearing must file a Petition to Intervene with the Commission pursuant to the Commission's Rules of Procedure 72 and 73, IDAPA 31.01.01.072 and .073. Persons intending to participate at hearing must file a Petition to Intervene **no later than 14 days from the service date of this Order**. Persons seeking intervenor status shall also provide the Commission Secretary with an electronic mail address to facilitate further communications in this matter.

YOU ARE FURTHER NOTIFIED that persons desiring to present their views without parties' rights of participation and cross-examination are not required to intervene and may present their comments without prior notification to the Commission or to other parties.

YOU ARE FURTHER NOTIFIED that once the deadline for intervention has passed, the Commission Secretary shall issue a Notice of Parties. After the Notice of Parties is issued, the Commission anticipates that the parties will informally convene to devise a recommended schedule to process this case. In addition to the schedule, the parties may discuss discovery logistics, electronic service, and other scheduling matters. The Notice of Parties shall assign exhibit numbers to each party in this proceeding.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and specifically *Idaho Code* §§ 61-124, 61-125, 61-129, 61-622 and 61-623. The Commission may enter any final Order consistent with its authority under Title 61.

NOTICE OF APPLICATION

NOTICE OF INTERVENTION DEADLINE

ORDER NO. 30893

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

SUSPENSION OF PROPOSED EFFECTIVE DATE

Due to the limited time between when the Company filed its Application and when it requests that the rate become effective, the Commission finds that it cannot complete the processing of Falls Water Company's Application before the proposed effective date of September 10, 2009. Pursuant to *Idaho Code* §§ 61-622 and 61-623, the Commission hereby suspends the proposed changes for a period of 30 days plus 5 months from September 10, 2009, or until such earlier time as the Commission enters an Order accepting, rejecting or modifying the request in this matter.

ORDER

IT IS HEREBY ORDERED that persons desiring to intervene in this case for the purpose of presenting evidence or cross-examination at hearing shall file a Petition to Intervene with the Commission no later than 14 days from the service date of this Order.

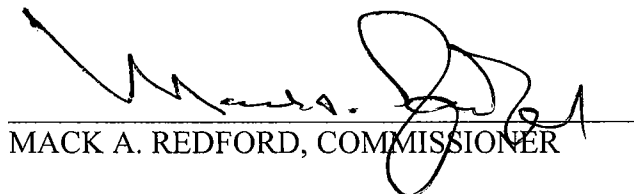
IT IS FURTHER ORDERED that Falls Water Company's proposed changes are suspended for a period of thirty (30) days plus five (5) months from September 10, 2009, or until such time as the Commission enters an Order accepting, rejecting or modifying the request in this matter.

IT IS FURTHER ORDERED that after the Notice of Parties is issued, the Staff shall informally convene a prehearing conference with the parties to discuss the processing of this case.

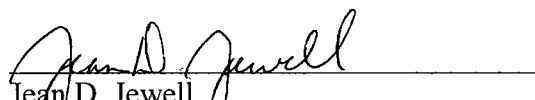
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 2nd
day of September 2009.


JIM D. KEMPTON, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


MACK A. REDFORD, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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