FLS-W

ANNUAL REPORT

OF



2015 APR 16 AM 9: 11
IDAHO PUBLI
UTILITIES COMMISSIC

TO THE

IDAHO PUBLIC
UTILITIES COMMISSION

FOR THE

YEAR ENDED 2014

ANNUAL REPORT FOR WATER UTILITIES TO THE IDAHO PUBLIC UTILITIES COMMISSION

FOR THE YEAR ENDING December 31, 2014

COMPANY INFORMATION

1 Give full name of utility	Falls Water Co., Inc.	
Telephone Area Code	(208) 522-1300	
E-mail address	scott1@fallswater.com	
2 Date of Organization	1/7/1959	
3 Organized under the laws of the state of	Idaho	
4 Address of Principal Office (number & street)	2180 N Deborah Dr	
5 P.O. Box (if applicable)		
6 City	Idaho Falls	
7 State	Idaho	
8 Zip Code	83401	
9 Organization (proprietor, partnership, corp.)	Corporation	
10 Towns, Counties served	Bonneville County and portions of Ammon,	Idaho
11 Are there any affiliated companies?	No	
If yes, attach a list with names, addresses	s & descriptions. Explain any services	
provided to the utility.		
12 Contact Information	Name	Phone No.
President (Owner)	Brent Johnson	208-709-2669
Vice President		
Secretary		
General Manager	K. Scott Bruce	208-522-1300
Complaints or Billing	K. Scott Bruce	208-522-1300
Engineering	Tony Wise	208-522-1300
Emergency Service	Tony Wise	208-522-1300
Accounting	K. Scott Bruce	208-522-1300
13 Were any water systems acquired during the	year or any additions/deletions made	
to the service area during the year?	Yes	
If yes, attach a list with names, addresses provided to the utility.	& descriptions. Explain any services	
14 Where are the Company's books and records	s kept?	
Street Address	2180 N Deborah Dr	
City	Idaho Falls	
State	Idaho	
Zip	83401	
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	3	

NAME:	Fall	s Water Co., Inc.		
	COMPANY INFO	RMATION (Cont.)	
	For the Year Ended	Decembe	er 31, 2014	
15 Is the s	system operated or maintained under a			
	service contract?		No	
16 If yes:	With whom is the contract?	-		
	When does the contract expire?			
	What services and rates are included?			
17 le wate	r purchased for resale through the syster		Ves Leased well	site within FWC's Service Area
	Name of Organization	Lincoln Land Co		Site Within 1 VVO 3 Gervice Area
,	Name of owner or operator		y Falls Water Com	nany Inc
	Mailing Address	PO Box 1768	y rano vvater com	ourry, mo.
	City	Idaho Falls		
	State	Idaho		
	Zip	83403		
			Gallons/CCF	\$Amount
	Water Purchased		31,628,221	\$ 3,300.38
19 Has an	y system(s) been disapproved by the			
	Idaho Division of Environmental Quality	<i>i</i> ?	No	
If yes,	attach full explanation			
20 Has the	e Idaho Division of Environmental Quality	,		
	recommended any improvements?		No	
If yes,	attach full explanation			
21 Numbe	r of Complaints received during year con	cerning:		
	Quality of Service		11	
	High Bills		51	
	Disconnection		4	
22 Numbe	r of Customers involuntarily disconnected	d	92	
23 Date cu	ustomers last received a copy of the Sum	nmary		
	of Rules required by IDAPA 31.21.01.7	01?	July 2014	
Attach	a copy of the Summary			
24 Did sigi	nificant additions or retirements from the			
	Plant Accounts occur during the year?		No	
	attach full explanation			
and an	updated system map			

Falls Water Co., Inc. NAME: **REVENUE & EXPENSE DETAIL** For the Year Ended December 31, 2014 ACCT# DESCRIPTION **400 REVENUES** Unmetered Water Revenue 460 1 Metered Sales - Residential 2 461.1 1,333,379 53,874 3 461.2 Metered Sales - Commercial, Industrial 4 462 Fire Protection Revenue 5 7,734 464 Other Water Sales Revenue 6 465 Irrigation Sales Revenue 7 466 Sales for Resale 8 400 Total Revenue (Add Lines 1 - 7) 1,394,987 (also enter result on Page 4, line 1) Booked to Acct # 9 * DEQ Fees Billed separately to customers ** Hookup or Connection Fees Collected 66,205 Booked to Acct # 271.3 10 11 ***Commission Approved Surcharges Collected Booked to Acct # **401 OPERATING EXPENSES** 601.1-6 Labor - Operation & Maintenance 148,637 12 13 601.7 Labor - Customer Accounts 14 601.8 Labor - Administrative & General 48,899 15 603 Salaries, Officers & Directors 186,000 16 604 **Employee Pensions & Benefits** 68,982 17 610 Purchased Water 3,300 615-16 Purchased Power & Fuel for Power 174,604 18 19 618 Chemicals 3,816 20 620.1-6 Materials & Supplies - Operation & Maint. 24,410 21 620.7-8 Materials & Supplies - Administrative & General 86,104 22 631-34 Contract Services - Professional 4,777 23 635 Contract Services - Water Testing 11,939 24 636 Contract Services - Other 9,331 25 641-42 Rentals - Property & Equipment 64,528 26 650 Transportation Expense 62,596 27 656-59 Insurance 27,364 28 660 Advertising 29 666 Rate Case Expense (Amortization) 30 667 Regulatory Comm. Exp. (Other except taxes) 31 670 **Bad Debt Expense** 10,632 32 675 Miscellaneous 13,401 Total Operating Expenses (Add lines 12 - 32, also enter on Pg 4, line 2) 949,320

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Name: Falls Water Co., Inc.

INCOME STATEMENT

Revenue (From Page 3, line 8)		ACCT#	For Year Ended December 31, 20 DESCRIPTION	014		
	1				1,394,987	
3 403 Depreciation Expense 117,663 4 406 Amortization, Utility Plant Aquisition Adj. 5 407 Amortization Exp Other 6 408.10 Regulatory Fees (PUC) 3,249 7 408.11 Property Taxes 40,896 8 408.12 Payroll Taxes 33,845 9A 408.13 Other Taxes (list)				949,320		
4 06 Amortization, Utility Plant Aquisition Adj. 5 407 Amortization Exp Other 6 408.10 Regulatory Fees (PUC) 3.249 7 408.11 Property Taxes 40.896 8 408.12 Payroll Taxes 33.845 9A 408.13 Other Taxes (list)	3	403				
5 407 Amortization Exp Other 3.249 6 408.10 Regulatory Fees (PUC) 3.249 7 408.11 Property Taxes 40,896 8 408.12 Payoroll Taxes 33,845 9A 408.13 Other Taxes (list)	4	406				
7 408.11 Property Taxes 40,896 8 408.12 Payroll Taxes 33,845 9A 408.13 Other Taxes (list) 40,816 9B 408.13 Other Taxes (list) 40,816 9C 408.13 Other Taxes (list) 40,816 9D 409.10 Federal Income Taxes 40,816 11 409.11 State Income Taxes 40,816 12 410.10 Provision for Deferred Income Tax - Federal 40,817 13 410.11 Provision for Deferred Income Tax - State 40,818 14 411 Provision for Deferred Utility Income Tax Credits 40,818 15 412 Investment Tax Credits - Utility 1,144,973 16 Total Expenses from Operations before interest (add lines 2-15) 1,144,973 17 413 Income From Utility Plant Leased to Others (1,622) 18 414 Revenues, Merchandizing Jobbing and Contract Work 248,392 20 415 Revenues, Merchandizing, Jobbing & Contracts 91 21<	5	407				
8 408.12 Payroll Taxes 33,845 9A 408.13 Other Taxes (list) 408.13 9B	6	408.10	Regulatory Fees (PUC)	3,249		
98 408.13 Other Taxes (list) Header Income Taxes Header Income Taxes	7	408.11	Property Taxes	40,896		
9B	8	408.12	Payroll Taxes	33,845		
90	9A	408.13	Other Taxes (list)			
9D	9B					
409.10 Federal Income Taxes	9C					
1	9D					
12 410.10 Provision for Deferred Income Tax - Federal 13 410.11 Provision for Deferred Income Tax - State 14 411 Provision for Deferred Utility Income Tax Credits 15 412 Investment Tax Credits - Utility 16 Total Expenses from operations before interest (add lines 2-15) 1,144,973 17 413 Income From Utility Plant Leased to Others (1,622) 18 414 Gains (Losses) From Disposition of Utility Plant (1,622) 19 Net Operating Income (Add lines 1, 17 &18 less line 16) 248,392 20 415 Revenues, Merchandizing Jobbing and Contract Work	10	409.10	Federal Income Taxes			
13 410.11 Provision for Deferred Income Tax - State 411 Provision for Deferred Utility Income Tax Credits 412 Investment Tax Credits - Utility 412 Investment Tax Credits - Utility 413 Income From Utility Plant Leased to Others 1,144,973 413 Income From Utility Plant Leased to Others 414 Gains (Losses) From Disposition of Utility Plant (1,622) 415 Net Operating Income (Add lines 1, 17 &18 less line 16) 248,392 20 415 Revenues, Merchandizing Jobbing and Contract Work 416 Expenses, Merchandizing, Jobbing & Contracts 21 416 Expenses, Merchandizing, Jobbing & Contracts 91 23 420 Allowance for Funds used During Construction 91 24 421 Miscellaneous Non-Utility Income 11,276 25 426 Miscellaneous Non-Utility Expense 34,126 26 408.20 Other Taxes, Non-Utility Operations 409-20 27 409-20 Income Taxes, Non-Utility Operations (22,760) 28 Net Non-Utility Income (Add lines 19 & 28) 225,632 30 427.3 Interest Exp. on Long-Term Debt 37,579	11	409.11	State Income Taxes	-		
14 411 Provision for Deferred Utility Income Tax Credits 15 412 Investment Tax Credits - Utility 16 Total Expenses from operations before interest (add lines 2-15) 1,144,973 17 413 Income From Utility Plant Leased to Others 18 414 Gains (Losses) From Disposition of Utility Plant (1,622) 19 Net Operating Income (Add lines 1, 17 &18 less line 16) 248,392 20 415 Revenues, Merchandizing Jobbing and Contract Work	12	410.10	Provision for Deferred Income Tax - Federal			
15 412 Investment Tax Credits - Utility 16 Total Expenses from operations before interest (add lines 2-15) 1,144,973 17 413 Income From Utility Plant Leased to Others (1,622) 18 414 Gains (Losses) From Disposition of Utility Plant (1,622) 19 Net Operating Income (Add lines 1, 17 &18 less line 16) 248,392 20 415 Revenues, Merchandizing Jobbing and Contract Work	13	410.11	Provision for Deferred Income Tax - State			
16 Total Expenses from operations before interest (add lines 2-15) 1,144,973 17 413 Income From Utility Plant Leased to Others (1,622) 18 414 Gains (Losses) From Disposition of Utility Plant (1,622) 19 Net Operating Income (Add lines 1, 17 &18 less line 16) 248,392 20 415 Revenues, Merchandizing Jobbing and Contract Work	14	411	Provision for Deferred Utility Income Tax Credits			
17 413 Income From Utility Plant Leased to Others (1,622) 18 414 Gains (Losses) From Disposition of Utility Plant (1,622) 19 Net Operating Income (Add lines 1, 17 &18 less line 16) 248,392 20 415 Revenues, Merchandizing Jobbing and Contract Work	15	412	Investment Tax Credits - Utility			
18 414 Gains (Losses) From Disposition of Utility Plant (1,622) 19 Net Operating Income (Add lines 1, 17 &18 less line 16) 248,392 20 415 Revenues, Merchandizing Jobbing and Contract Work	16		Total Expenses from operations before interest (add lines 2-15)		1,144,973	
19 Net Operating Income (Add lines 1, 17 &18 less line 16) 248,392 20 415 Revenues, Merchandizing Jobbing and Contract Work ————————————————————————————————————	17	413	Income From Utility Plant Leased to Others			
20 415 Revenues, Merchandizing Jobbing and Contract Work 21 416 Expenses, Merchandizing, Jobbing & Contracts 22 419 Interest & Dividend Income 91 23 420 Allowance for Funds used During Construction 11,276 24 421 Miscellaneous Non-Utility Income 34,126 25 426 Miscellaneous Non-Utility Expense 34,126 26 408.20 Other Taxes, Non-Utility Operations 20 27 409-20 Income Taxes, Non-Utility Operations (22,760) 28 Net Non-Utility Income (Add lines 20,22,23 & 24 less lines 21,25,26, & 27) (22,760) 29 Gross Income (add lines 19 & 28) 225,632 30 427.3 Interest Exp. on Long-Term Debt 37,579	18	414	Gains (Losses) From Disposition of Utility Plant		(1,622)	
21 416 Expenses, Merchandizing, Jobbing & Contracts 22 419 Interest & Dividend Income 91 23 420 Allowance for Funds used During Construction 11,276 24 421 Miscellaneous Non-Utility Income 11,276 25 426 Miscellaneous Non-Utility Expense 34,126 26 408.20 Other Taxes, Non-Utility Operations 20 27 409-20 Income Taxes, Non-Utility Operations (22,760) 28 Net Non-Utility Income (Add lines 20,22,23 & 24 less lines 21,25,26, & 27) (22,760) 29 Gross Income (add lines 19 & 28) 225,632 30 427.3 Interest Exp. on Long-Term Debt 37,579	19		Net Operating Income (Add lines 1, 17 &18 less line 16)			248,392
22 419 Interest & Dividend Income 91 23 420 Allowance for Funds used During Construction 11,276 24 421 Miscellaneous Non-Utility Income 11,276 25 426 Miscellaneous Non-Utility Expense 34,126 26 408.20 Other Taxes, Non-Utility Operations	20	415	Revenues, Merchandizing Jobbing and Contract Work			
23 420 Allowance for Funds used During Construction 11,276 24 421 Miscellaneous Non-Utility Income 11,276 25 426 Miscellaneous Non-Utility Expense 34,126 26 408.20 Other Taxes, Non-Utility Operations ————————————————————————————————————	21	416	Expenses, Merchandizing, Jobbing & Contracts			
24 421 Miscellaneous Non-Utility Income 11,276 25 426 Miscellaneous Non-Utility Expense 34,126 26 408.20 Other Taxes, Non-Utility Operations	22	419	Interest & Dividend Income		91_	
25 426 Miscellaneous Non-Utility Expense 34,126 26 408.20 Other Taxes, Non-Utility Operations ————————————————————————————————————	23	420	Allowance for Funds used During Construction			
26 408.20 Other Taxes, Non-Utility Operations 27 409-20 Income Taxes, Non-Utility Operations 28 Net Non-Utility Income (Add lines 20,22,23 & 24 less lines 21,25,26, & 27) (22,760) 29 Gross Income (add lines 19 & 28) 225,632 30 427.3 Interest Exp. on Long-Term Debt 37,579	24	421	Miscellaneous Non-Utility Income		11,276	
27 409-20 Income Taxes, Non-Utility Operations 28 Net Non-Utility Income (Add lines 20,22,23 & 24 less lines 21,25,26, & 27) (22,760) 29 Gross Income (add lines 19 & 28) 225,632 30 427.3 Interest Exp. on Long-Term Debt 37,579	25	426	Miscellaneous Non-Utility Expense		34,126	
28 Net Non-Utility Income (Add lines 20,22,23 & 24 less lines 21,25,26, & 27) (22,760) 29 Gross Income (add lines 19 & 28) 225,632 30 427.3 Interest Exp. on Long-Term Debt 37,579	26	408.20	Other Taxes, Non-Utility Operations			
29 Gross Income (add lines 19 & 28) 225,632 30 427.3 Interest Exp. on Long-Term Debt 37,579	27	409-20	Income Taxes, Non-Utility Operations	,		
30 427.3 Interest Exp. on Long-Term Debt 37,579	28		Net Non-Utility Income (Add lines 20,22,23 & 24 less lines 21,25	5,26, & 27)		(22,760)
·	29		Gross Income (add lines 19 & 28)			225,632
31 427.5 Other Interest Charges	30		Interest Exp. on Long-Term Debt			37,579
		427.5	<u>-</u>		_	
32 NET INCOME (Line 29 less lines 30 & 31) (Also Enter on Pg 9, Line 2)	32		NET INCOME (Line 29 less lines 30 & 31) (Also Enter on Pg 9,	Line 2)	_	188,053

Name: Falls Water Co., Inc.

ACCOUNT 101 PLANT IN SERVICE DETAIL

For Year Ended ____ December 31, 2014

	SUB ACCT #	# DESCRIPTION	Balance Beginning of Year	Added During Year	Removed During Year	Balance End of Year
1	301	Organization				
2	302	Franchises and Consents				
3	303	Land & Land Rights	2,121,305	-	-	2,121,305
4	304	Structures and Improvements	488,782	-	-	488,782
5	305	Collecting & Impounding Reservoirs				
6	306	Lake, River & Other Intakes				
7	307	Wells	401,931	-	-	401,931
8	308	Infiltration Galleries & Tunnels				
9	309	Supply Mains				
10	310	Power Generation Equipment	16,693	-	_	16,693
11	311	Power Pumping Equipment	458,681	6,061	-	464,742
12	320	Purification Systems	48,554	3,227	-	51,781
13	330	Distribution Reservoirs & Standpipes			- 1	
14	331	Trans. & Distrib. Mains & Accessories	997,789	56,045	-	1,053,834
15	333	Services				
16	334	Meters and Meter Installations	1,775,470	73,178	4,454	1,844,194
17	335	Hydrants	63,093	-	-	63,093
18	336	Backflow Prevention Devices				
19	339	Other Plant & Misc. Equipment				
20	340	Office Furniture and Equipment	61,759	4,305	-	66,064
21	341	Transportation Equipment	127,233	-	-	127,233
22	342	Stores Equipment				
23	343	Tools, Shop and Garage Equipment	83,862	981	-	84,843
24	344	Laboratory Equipment				
25	345	Power Operated Equipment	104,406	-	-	104,406
26	346	Communications Equipment				
27	347	Miscellaneous Equipment				
28	348	Other Tangible Property				
29		TOTAL PLANT IN SERVICE	6,749,558	143,796	4,454	6,888,900

(Add lines 1 - 28) Enter beginning & end of year totals on Pg 7, Line 1

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Name:	Falls Water Co., Inc.
tarre.	Talls Water Co., Inc.

ACCUMULATED DEPRECIATION ACCOUNT 108.1 DETAIL

For Year Ended _____ December 31, 2014

	SUB ACCT#	# DESCRIPTION	Depreciation Rate %	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1	304	Structures and Improvements		87,831	104,255	16,424
2	305	Collecting & Impounding Reservoirs				
3	306	Lake, River & Other Intakes				
4	307	Wells		117,736	131,237	13,501
5	308	Infiltration Galleries & Tunnels				
6	309	Supply Mains				
7	310	Power Generation Equipment		13,459	14,293	835
8	311	Power Pumping Equipment		230,413	251,763	21,350
9	320	Purification Systems		28,792	32,336	3,544
10	330	Distribution Reservoirs & Standpipes				
11	331	Trans. & Distrib. Mains & Accessories		257,115	283,357	26,242
12	333	Services				
13	334	Meters and Meter Installations		761,290	876,093	114,803
14	335	Hydrants		12,738	14,841	2,103
15	336	Backflow Prevention Devices				
16	339	Other Plant & Misc. Equipment				
17	340	Office Furniture and Equipment		48,663	54,049	5,386
18	341	Transportation Equipment		77,863	94,777	16,914
19	342	Stores Equipment				
20	343	Tools, Shop and Garage Equipment		39,710	48,754	9,044
21	344	Laboratory Equipment				
22	345	Power Operated Equipment		3,342	13,783	10,441
23	346	Communications Equipment				
24	347	Miscellaneous Equipment			,	
25	348	Other Tangible Property		521,800	608,767	86,967
26		TOTALS (Add Lines 1 - 25)	Catao ba	2,200,751	2,528,304	327,553

Enter beginning & end of year totals on Pg 7, Line 7

Name:	Falls Water Co., Inc.

BALANCE SHEET

For Year Ended _____ December 31, 2014

		<u>ASSETS</u>	Balance Beginning	Balance End of	Increase or
	ACCT :	# DESCRIPTION	of Year	Year	(Decrease)
1	101	Utility Plant in Service (From Pg 5, Line 29)	6,749,558	6,888,900	139,342
2	102	Utility Plant Leased to Others			
3	103	Plant Held for Future Use	80,000	80,000	_
4	105	Construction Work in Progress	-	-	
5	114	Utility Plant Aquisition Adjustment			
6		Subtotal (Add Lines 1 - 5)	6,829,558	6,968,900	139,342
7	108.1	Accumulated Depreciation (From Pg 6, Line 26)	2,200,751	2,528,304	327,553
8	108.2	Accum. Depr Utility Plant Lease to Others			
9	108.3	Accum. Depr Property Held for Future Use			
10	110.1	Accum. Amort Utility Plant in Service			
11	110.2	Accum. Amort Utility Plant Lease to Others			
12	115	Accumulated Amortization - Aquisition Adj.			
13		Net Utility Plant (Line 6 less lines 7 - 12)	4,628,807	4,440,597	(188,211)
14	123	Investment in Subsidiaries			
15	125	Other Investments			
16		Total Investments (Add lines 14 & 15)			
17	131	Cash	217,900	360,392	142,492
18	135	Short Term Investments			
19	141	Accts/Notes Receivable - Customers	85,527	93,460	7,933
20	142	Other Receivables	93	599	506
21	145	Receivables from Associated Companies			
22	151	Materials & Supplies Inventory	12,462	14,544	2,082
23	162	Prepaid Expenses	92,645	100,854	8,209
24	173	Unbilled (Accrued) Utility Revenue			
25	143	Provision for Uncollectable Accounts	1,300	1,300	_
26		Total Current (Add lines 17 -24 less line 25)	407,326	568,549	161,222
27	181	Unamortized Debt Discount & Expense			
28	183	Preliminary Survey & Investigation Charges			
29	184	Deferred Rate Case Expenses			
30	186	Other Deferred Charges			
31		Total Assets (Add lines 13, 16 & 26 - 30)	5,036,133	5,009,145	(26,988)

Name:	Falls Water Co., Inc.

BALANCE SHEET

For Year Ended _____ December 31, 2014

		LIABILITIES & CAPITAL	Balance	Balance	Increase
	ACCT#	DESCRIPTION	Beginning of Year	End of Year	or (Decrease)
1	201-3	Common Stock	25,000	25,000	(Beerease)
2	204-6	Preferred Stock	20,000	20,000	
3	207-13	Miscellaneous Capital Accounts	1,005,617	1,003,117	(2,500)
4	214	Appropriated Retained Earnings	1,000,017	1,000,117	(2,000)
5	215	Unappropriated Retained Earnings	467,750	655,803	188,053
6	216	Reacquired Capital Stock	,	333,333	
7	218	Proprietary Capital			
8		Total Equity Capital (Add Lines 1-5+7 less line 6)	1,498,367	1,683,920	185,553
9	221-2	Bonds			
10	223	Advances from Associated Companies			
11	224	Other Long - Term Debt	1,108,740	1,043,391	(65,348)
12	231	Accounts Payable	55,247	55,247	_
13	232	Notes Payable	11,288	7,166	(4,122)
14	233	Accounts Payable - Associated Companies	63,275	65,348	2,073
15	235	Customer Deposits (Refundable)			
16	236.11	Accrued Other Taxes Payable			
17	236.12	Accrued Income Taxes Payable			
18	236.2	Accrued Taxes - Non-Utility			
19	237-40	Accrued Debt, Interest & Dividends Payable			
20	241	Misc. Current & Accrued Liabilities	1243	1218	(25)
21	251	Unamortized Debt Premium			
22	252	Advances for Construction			
23	253	Other Deferred Liabilities			
24	255.1	Accumulated Investment Tax Credits - Utility			
25	255.2	Accum. Investment Tax Credits - Non-Utility			
26	261-5	Operating Reserves			
27	271	Contributions in Aid of Construction	3,597,954	3,664,159	66,205
28	272	Accum. Amort. of Contrib. in Aid of Const. **	(1,299,980)	(1,511,304)	(211,324)
29	281-3	Accumulated Deferred Income Taxes			
30		Total Liabilities (Add lines 9 - 29	3,537,766	3,325,225	(212,541)
31	TOTAL	LIAB & CAPITAL (Add lines 8 & 30)	5,036,133	5,009,145	(26,988)

** Only if Commission Approved

	Tails Water Company Communitian	4/14/2013			r age o
	Name:Fall	ls Water Co., Inc.			
	STATEMEN	IT OF RETAINED I	EARNINGS		
	For Year Ended	I December	31, 2014		
1	Retained Earnings Balance @ Beginning of Yea	ar		467,750	
2	Amount Added from Current Year Income (From Pg 4, Line 32)		188,053		
3	Other Credits to Account			(0)	
4	Dividends Paid or Appropriated				
5	Other Distributions of Retained Earnings				
6	Retained Earnings Balance @ End of Y	⁄ear		655,803	
	CAR	ITAL STOCK DET	AII		
	OA!	TIAL STOCK DET	No. Shares	No. Shares	Dividends
7	Description (Class, Par Value etc.)		Authorized	Outstanding	Paid
'	COMMON	-	1000	25	i aiu
	COMMON		1000	25	
		-			
	DETA	AIL OF LONG-TER	RM DEBT		
		Interest	Year-end	Interest	Interest
8	Description	Rate	Balance	Paid	Accrued
	DEQ State Revolving Loan Fund - DW-9923	3.25%	152,315	5,708	
	DEQ State Revolving Loan Fund - Well #9	3.25%	891,076	31,871	

Falls Water Company C	onfidential
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4/14/2015

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	Name: Fa	lls Water Co., Inc.			
	SYSTI	EM ENGINEERING	DATA		
	For Year Ende	dDecembe	r 31, 2014		
1	Provide an updated system map if significant c	hanges have been	made to the syste	em during the yea	r.
2	Water Supply: Pump Designation or location	Rated Capacity (gpm)	Type of Treatment: (None, Chlorine Fluoride Filter etc.)	Annual Production (000's Gal.)	Water Supply Source (Well, Spring, Surface Wtr)
	Well #1	750	,	91,513	,
	Well #2		CHLORINATION	141,972	
	Well #4		SAND SEP/CHLRN	212,715	
	Well #5		SAND SEP/CHLRN	131,449	
	Well #6 (Pump 6)	600	0, 110 021 701121 111	69,749	
	Pump #7 (In Well #6)	600		44,150	
	Well #8		CHLORINATION	113,218	
	Well #9		CHLORINATION	448,967	
				,	
3	System Storage: Storage Designation or Location	Total Capacity 000's Gal.	Usable Capacity 000's Gal.	Type of Reservoir (Elevated,Pres- urized, Boosted)	Construction (Wood, Steel Concrete)
	Well 2/4	5	1.8	Pressurized	Steel

(Duplicate form and attach if necessary. Asterisk facilities added this year.)

Name:	Falls Water Co., Inc.	
	SYSTEM ENGINEERING DATA	

For Year Ended ____

(continued)

December 31, 2014

4 Pump information for ALL system pumps, including wells and boosters.

Horse Power	Rated Capacity (gpm)	Discharge Pressure (psi)	Energy Used This Year
40	400	65	
150	1500	65	
75	600	65	
75	600	65	
The Above are al	I on one Power M	leter Totaling	612,400
75	750	65	163,835
75	750	65	195,245
150	1500	65	205,080
		65	1,045,840
	Power 40 150 75 75 The Above are a 75 75 400	Horse Power (gpm) 40 400 150 1500 75 600 75 600 The Above are all on one Power M 75 750 150 1500 400 3000	Horse Power Capacity (gpm) Pressure (psi) 40 400 65 150 1500 65 75 600 65 75 600 65 The Above are all on one Power Meter Totaling 75 750 65 75 750 65 150 1500 65

^{**} Submit pump curves unless previously provided or unavailable. Asterisk facilities added this year. Attach additional sheets if inadequate space is available on this page.

5	If Wells are metered:	
	What was the total amount pumped this year?	1,253,732,800
	What was the total amount pumped during peak month?	287,362,300
	What was the total amount pumped on the peak day?	10,882,200
6	If customers are metered, what was the total amount sold in peak month?	238,447,000
7	Was your system designed to supply fire flows?	Yes
	If Yes: What is current system rating?	4
8	How many times were meters read this year?	12
	During which months? 12 times once per month for all classes of custome	ers from January to
	December.	
_		
9	How many additional customers could be served with no system improvements	400
	except a service line and meter?	400
	How many of those potential additions are vacant lots?	200
10	Are backbone plant additions anticipated during the coming year? If Yes, attach an explanation of projects and anticipated costs!	No
11	In what year do you anticipate that the system capacity (supply, storage or distribution) will have to be expanded?	2017

Rev 3/02 Page 11

Falls	Water	Company	Confidential
	··uco.	Company	Communicia

4/14/2015

Page 12

Name:	Falls Water Co., Inc.

SYSTEM ENGINEERING DATA (continued)

For Year Ended _____ December 31, 2014

FEET OF MAINS

1 Pipe Size	In Use Beginning Of Year	Installed During Year	Abandoned During Year	In Use End of Year
2"	1,239	-	-	1,239
4"	2,675	-	795	1,879
6"	220,464	3,552	-	224,016
8"	74,099	12,945	-	87,044
10"	29,489	-	-	29,489
12"	27,956	-	562	27,394

CUSTOMER STATISTICS

		Number of	Customers	Thousands of	Gallons Sold
		This	Last	This	Last
		Year	Year	Year	Year
2	Metered:				
2A	Residential	4,076	3,858	1,150,861	1,053,730
2B	Commercial	85	80	50,106	47,389
2C	Industrial	N/A	N/A	N/A	N/A
3	Flat Rate:				
3A	Residential	N/A	N/A	N/A	N/A
3B	Commercial	N/A	N/A	N/A	N/A
3C	Industrial	N/A	N/A	N/A	N/A
4	Private Fire Protection	N/A	N/A	N/A	N/A
5	Public Fire Protection	416	381	N/A	N/A
6	Street Sprinkling	N/A	N/A	N/A	N/A
7	Municipal, Other	N/A	N/A	N/A	N/A
8	Other Water Utilities	N/A	N/A	N/A	N/A
	TOTALS (Add lines 2 through 8)	4,577	4,319	1,200,967	1,101,119

State of Idaho

CERTIFICATE

County of Bonneville)	
WE, the undersigned Brent Johnson, President, and K of the Falls Water Company, Inc. utility, on our oath do severall been prepared under our direction, from the original books, pap we have carefully examined same, and declare the same to be and affairs of said utility for the period covered by the report in thing therin set forth, to the best of our knowledge, information	y say that the foregoing report has pers and records of said utility; that a correct statement of the business respect to each and every matter and
	(Chief Officer)
	(Officer in Charge of Accounts)
Subscribed and Sworn to Before Me	
this 14th day of April , 2015 Sanet Wise NOTARY PUBLIC	JANET WISE Notary Public State of Idaho
My Commission Expires March (2, 2021	gdk/excel/jnelson/anulrpts/wtrannualrpt

Supplemental information for question 13:

New service for Bonneville School District #93 at 3609 N. Ammon Road, Idaho Falls, ID

List of new subdivisions (see attached will service letters for legal descriptions)in which started building homes in 2014:

Birchwood Estates Subdivision Phase 3

Green Valley Subdivision Division 2

Red Rock Subdivision Division 7

Rock River Estates Division 1

Question 23 requested a copy of the Summary of the Rules sent to customers. Attached is a copy of the Spout sent to customers in July 2014

2180 N Deborah Dr. Idaho Falls, Idaho 83401

Tel.: (208) 522-1300

Website: www.fallswater.com

Fax: (208) 522-4099

Gary Marshall Baseline Contractors, Inc. PO Box 434 Shelley, ID 83274 April 30, 2014

Water Service for Birchwood Estates Subdivision Phase No. 3

This confirms that Falls Water Company, Inc. has the ability, capacity, and willingness to provide domestic water utility service to the proposed development, Birchwood Estates Subdivision described as follows:

The entire plat for the development contains the land beginning at a point that is S00°25'50"E 713.67 feet along the section line and S88°57'20"W 653.21 feet and S49°07'W 486.94 feet from the Northeast Corner of Section 3, Township 2 North, Range 38 East of the Boise Meridian, Bonneville County, Idaho said point of beginning being the Extreme Westerly Corner of Lot 7 Block 2, of the Edwards Acres Subdivision, Division No. 1, Bonneville County, Idaho as shown on the recorded plat thereof, and running thence S49°07'W 859.04 feet; S1°43'E 493.55 feet; thence S89°18'W 238.81 feet; thence N40°57'W 306.75 feet; thence S49°07'W 290.00 feet; thence S0°44'E 396.46 feet to the South line of the Northeast Quarter of said Section 3; thence N89°54'47"E 1318.44 feet along said South line; thence N7°28'18"W 158.25 feet; to a point on a curve having a radius of 50.00 feet and a chord that bears N25°15'57"E 169.85 feet; thence to the left along said curve 98.86 feet through a central angle of 113°17'05"; thence N59°15'39"E 169.84 feet thence N00°16'42"W 100.00 feet to the Southeast Corner of Lot 10 Block 2 of Birchwood Estates, Bonneville County, Idaho as shown on the recorded plat thereof; thence N0°25'50"W 293.88 feet; thence S89°06'54"E 373.67 feet to a point on the Westerly line of Edwards Acres Division No. 1; thence N38°37'20"W 901.24 feet to the point of beginning, containing 29.834 acres.

This will serve letter authorizes water service to Birchwood Estates Subdivision Phase 3 described as follows:

Beginning at a point that is S.89°43'10"W. 1007.81 feet from the East ¼ Corner of Section 3, Township 2 North, Range 38 East of the Boise Meridian, Bonneville County, Idaho, said point falling on the Boundary line of Birchwood Estates, Bonneville County, Idaho, a plat of Instrument #743927 and said point being the Southeast corner of Lot 19, Block 2 of said plat; running thence along the boundary line of said plat the following six (6) courses: (1) S.89°54'47"W. 1318.44 feet; (2) N.00°44'00"W. 396.46 feet; (3) N.49°07'00"E. 290.00 feet; (4) S.40°57'00"E. 306.75 feet; (5) N.89°18'00"E. 238.81 feet; (6) N.01°43'00"W. 242.67 feet to the most Northerly corner of Lot 19, Block 1 of said plat; thence S.50°09'06"E. 275.94 feet to the most Easterly corner of said Lot 19; thence S.50°09'06"E. 30.00 feet to a point on the centerline of Edwards Drive; thence N.39°50'54"E. along the centerline of Edwards Drive 190.00 feet; thence S.50°09'06"E. 30.00 feet to the most Northerly corner of Lot 13, Block 2 of said plat; thence S.50°09'06"E. 130.00 feet; thence S.65°27'33"E. 168.61 feet; thence N.77°44'25"E. 204.91 feet to the Southeast corner of Lot 10, of said Block 2; this point being a Boundary corner of said plat; thence along said Boundary line N.89°43'10"E. 175.69 feet and S.11°37'10"W. 102.20 feet to the Northeast corner of Lot 17, of said Block 2; thence S.89°43'10"W. 154.62 feet; thence S.69°15'39"W. 169.84 feet to the Northwest corner of said Lot 17, this point falling on a curve with a radius of 50.00 feet and a central angle of 113°16'25" and a cord bearing of S.25°53'55"E. 83.52 feet; thence right along said curve 98.85 feet to the Northeast corner of Lot 19 of said Block 2; thence S.07°28'18"E. 158.25 feet to the POINT OF BEGINNING. CONTAINING 14.55 Acres

This is subject to the following conditions:

- 1. Installation and extension of the water system by the developer in accordance with Falls Water standards both within the development and connecting to the existing Falls Water system.
- 2. Approval by the Idaho Public Utilities Commission (IPUC).
- 3. In accordance with IPUC approved Rates and Tariff for Falls Water Company, Inc.
- 4. Payment by developer or by subsequent builders, homeowners, or lot purchasers of the connection fee in accordance with IPUC approved Rates and Tariffs.
- 5. System design and installation approved, inspected and accepted by Idaho Department of Environmental Quality, Falls Water's designated professional engineer, and by Falls Water's own internal staff.
- Developer or their representative shall provide as-built drawings on paper and in an electronic format readable by Falls Water as the development progresses.

- 7. This will serve letter is valid for one year from the date of this letter.
- 8. The Developer will pay for the design and installation of a 6" water line loop from the south end of Edwards Drive in the Birchwood Estates subdivision that will connect to the east end of the water line located in Pheasant Grove subdivision on Pheasant Grove Drive. The loop will be installed by the end of October 2014 or as soon as possible after the 2014 irrigation season has ended.
- 9. In accordance with any other lawfully necessary provisions as agreed between developer and Falls Water.

If construction on the phase of this sub-development is not started within one year of the date of this letter the developer or his authorized agent will need to seek a new will serve letter.

FALLS WATER COMPANY, INC.

K. Scott Bruce

K. Scott Bruce

Manager



2180 N Deborah Dr, Idaho Falls, Idaho 83401

Tel.: (208) 522-1300

Website: www.fallswater.com

Fax: (208) 522-4099

Eagle Rock Engineering 4400 Colonial Way Idaho Falls, ID 83404 July 1, 2014

Water Service for Green Valley Subdivision Division No. 2

This confirms that Falls Water Company, Inc. has the ability, capacity, and willingness to provide domestic water utility service to the proposed development, Green Valley Subdivision described as follows:

BEGINNING AT THE NE 1/4 CORNER OF SECTION 11, TOWNSHIP 2 NORTH, RANGE 38 EAST OF THE BOISE, MERIDIAN; BONNEVILLE COUNTY, IDAHO; AND RUNNING THENCE N84°48'57"W 1065.81 FEET ALONG SAID SECTION LINE; THENCE S00°03'41"W 2237.76 FEET; THENCE N87°14'15"W 804.34 FEET; N00°03'36"E 1176.54 FEET; THENCE N84°49'04"W 377.72 FEET; S00°03'34"W 1192.51 FEET; THENCE N87°14'15"W 391.44 FEET; THENCE S00°03'41"W 329.00 FEET; THENCE S87°14'15"E 2637.17 FEET; THENCE N00°00'56"E 2521.78 FEET TO THE TRUCE POINT OF BEGINNING, CONTAINING 84.15 ACRES.

This will serve letter authorizes water service to Green Valley Estates Subdivision Division 2 described as follows:

BEGINNING AT A POINT THAT IS \$00°01'06"W 2521.56 FEET AND N87°14'15"W 523.53 FEET FROM THE NE CORNER OF SECTION 11, TOWNSHIP 2 NORTH, RANGE 38 EAST OF THE BOISE MERIDIAN, BONNEVILLE COUNTY, IDAHO: AND RUNNING THENCE N87°14'15"W 1452.42 FEET; THENCE N02°45'45"E 143.49 FEET; THENCE \$87°14'15"E 43.20 FEET; THENCE N02°45'45"E 185.00 FEET; THENCE \$87°14'15"E 852.62 FEET; THENCE N00°03'42"E 490.66 FEET; THENCE \$89°56'19"E 133.50 FEET; THENCE N45°50'59"E 97.66 FEET; THENCE \$89°56'19"E 133.50 FEET TO A POINT ON THE GREEN VALLEY ESTATES DIVISION No. 1 BOUNDARY; THENCE ALONG SAID BOUNDARY FOLLOWING FIVE (5) COURSES; (1) \$00°03'41"W 339.89 FEET; (2) \$26°49'48"E 78.49 FEET; (3) \$00°03'41"W 130.00 FEET; (4) \$89°56'19"E 168.00 FEET; (5) \$00°03'41"W 373.23 FEET TO THE POINT OF BEGINNING, CONTAINING 15.151 ACRES.

This is subject to the following conditions:

- 1. Installation and extension of the water system by the developer in accordance with Falls Water standards both within the development and connecting to the existing Falls Water system.
- 2. Approval by the Idaho Public Utilities Commission (IPUC).
- 3. In accordance with IPUC approved Rates and Tariff for Falls Water Company, Inc.
- 4. Payment by developer or by subsequent builders, homeowners, or lot purchasers of the connection fee in accordance with IPUC approved Rates and Tariffs.
- 5. System design and installation approved, inspected and accepted by Idaho Department of Environmental Quality, Falls Water's designated professional engineer, and by Falls Water's own internal staff.
- 6. Developer or their representative shall provide as-built drawings on paper and in an electronic format readable by Falls Water as the development progresses.
- 7. Recorded deed for well lot and recorded fifteen (15) foot easement for 12" waterline that is installed to loop Green Valley Subdivision 2 to Old Mill Subdivision.
- 8. This will serve letter is valid for one year from the date of this letter.
- 9. Existing surface water rights from Progressive Irrigation District must be assigned to Falls Water Company, Inc.
- 10. In accordance with any other lawfully necessary provisions as agreed between developer and Falls Water.

If construction on the division of this sub-development is not started within one year of the date of this letter the developer or his authorized agent will need to seek a new will serve letter.

FALLS WATER COMPANY, INC.

K. Scott Bruce
K. Scott Bruce

Manager

2180 N Deborah Dr, Idaho Falls, Idaho 83401

Tel.: (208) 522-1300

Website: www.fallswater.com Fax: (208) 522-4099

Eagle Rock Engineering 4400 Colonial Way Idaho Falls, ID 83404 July 8, 2013

Water Service for Red Rock Subdivision Division No. 7

This confirms that Falls Water Company, Inc. has the ability, capacity, and willingness to provide domestic water utility service to the proposed development, Red Rock Subdivision Division 7 described as follows:

BEGINNING AT A POINT THAT IS \$88°40'09"E 952.89 FEET AND \$01°19'51"W 29.03 FEET FROM THE WEST 1/4 CORNER OF SECTION 2, TOWNSHIP 2 NORTH, RANGE 38 EAST OF THE BOISE MERIDIAN, BONNEVILLE COUNTY, IDAHO; POINT OF BEGINNING ALSO BEING THE NORTHEAST BOUNDARY CORNER OF RED ROCK ESTATES DIVISION No. 4, BONNEVILLE COUNTY; THENCE ALONG SAID BOUNDARY LINE FOLLOWING THIRTEEN (13) COURSES; (1) S02°24'22"W 188.53 FEET; (2) THENCE N87°35'38"W 16.22 FEET; (3) S02°24'22"W 86.36 FEET; (4) S22°22'45"W 173.94 FEET; (5) S67°37'15"E 180.00 FEET; (6) N22°22'45"E 34.27 FEET; (7) S67°37'15"E 120.00 FEET; (8) S22°22'45"W 291.60 FEET; THENCE (9) \$40°15'30"W 198.98 FEET; (10) \$08°35'00"W 251.14 FEET; (11) \$0°00'00"E 101.89 FEET; (12) \$N90°00'00"E 66.92 FEET; (13) S0°00'00"E 180.00 FEET; THENCE N90°00'00"W 21.92 FEET TO THE NORTHEAST BOUNDARY CORNER OF RED ROCK ESTATES DIVISION No. 3, BONNEVILLE COUNTY; THENCE ALONG SAID BOUNDARY LINE FOLLOWING THREE (3) COURSES; (1) S0°00'00"E 170.00 FEET; (2) N90°00'00"W 6.86 FEET; (3) S0°00'05"E 151.74 FEET TO THE NORTHWEST CORNER OF RED ROCK ESTATES DIVISION No. 5, BONNEVILLE COUNTY, THENCE ALONG THE NORTH BOUNDARY LINE OF SAID SUBDIVISION N90°00'00"E 511.54 FEET; THENCE N0°00'00"W 211.74 FEET; THENCE N90°00'00"E 20.32 FEET; THENCE N0°00'00"E 110.00 FEET; THENCE N90°00'00"W 242.83 FEET; THENCE N0°00'00"W 120.00 FEET; THENCE N24°21'37"W 65.86 FEET; THENCE N0°00'00"E 91.73 FEET; THENCE N12°01'44"E 129.94 FEET; THENCE N38°07'45"E 159.41 FEET; THENCE N22°22'45"E 561.34 FEET; THENCE N02°24'22"E 401.94 FEET; THENCE N87°35'38"W 576.00 FEET TO THE POINT OF BEGINNING, CONTAINING 17.437 ACRES.

This is subject to the following conditions:

- 1. Installation and extension of the water system by the developer in accordance with Falls Water standards both within the development and connecting to the existing Falls Water system.
- 2. Approval by the Idaho Public Utilities Commission (IPUC).
- 3. In accordance with IPUC approved Rates and Tariff for Falls Water Company, Inc.
- 4. Payment by developer or by subsequent builders, homeowners, or lot purchasers of the connection fee in accordance with IPUC approved Rates and Tariffs.
- 5. System design and installation approved, inspected and accepted by Idaho Department of Environmental Quality, Falls Water's designated professional engineer, and by Falls Water's own internal staff.
- 6. Developer or their representative shall provide as-built drawings on paper and in an electronic format readable by Falls Water as the development progresses.
- 7. This will serve letter is valid for one year from the date of this letter.
- 8. Existing surface water rights from Progressive Irrigation District must be assigned to Falls Water Company, Inc.
- 9. In accordance with any other lawfully necessary provisions as agreed between developer and Falls Water.

If construction on the division of this sub-development is not started within one year of the date of this letter the developer or his authorized agent will need to seek a new will serve letter.

FALLS WATER COMPANY, INC.

K. Scott Bruce

K. Scott Bruce Manager



2180 N Deborah Dr. Idaho Falls, Idaho 83401

Tel.: (208) 522-1300

Website: www.fallswater.com Fax: (208) 522-4099

Eagle Rock Engineering 4400 Colonial Way Idaho Falls, ID 83404 February 26, 2013

Correctly KNOWNAS Rock River

Water Service for Riverwoods Estates Subdivision Division No. 1

This confirms that Falls Water Company, Inc. has the ability, capacity, and willingness to provide domestic water utility service to the proposed development, Riverwoods Estates Subdivision described as follows:

BEGINNING AT THE WEST 1/4 CORNER OF SECTION 2, TOWNSHIP 2 NORTH, RANGE 38 EAST OF THE BOISE, MERIDIAN; BONNEVILLE COUNTY, IDAHO; AND RUNNING THENCE N00°25'50"W 889.60 FEET; THENCE N89°34'10"E 285.89 FEET; THENCE N00°25'50"W 270.59 FEET; THENCE N68°23'20"E 53.89 FEET; THENCE N28°13'37"E 277.74 FEET; S88°09'27"E 866.32 FEET; THENCE S15°24'38"W 194.32 FEET; THENCE S00°42'47"E 196.35 FEET; THENCE S06°40'19"W 197.18 FEET; THENCE S10°48'41"W 127.78 FEET; THENCE S10°48'43"W 433.09 FEET; THENCE S21°05'57"W 334.13 FEET; THENCE N87°35'39"W 1027.80 FEET TO THE TRUCE POINT OF BEGINNING, CONTAINING 36.01 ACRES.

This will serve letter authorizes water service to Riverwoods Estates Subdivision Division I described as follows:

BEGINNING AT A POINT THAT IS THENCE N00°25′50″W 889.60 AND N89°34′10″E 50.00′ FEET FROM THE WEST 1/4 CORNER OF SECTION 2, TOWNSHIP 2 NORTH, RANGE 38 EAST OF THE BOISE MERIDIAN, BONNEVILLE COUNTY, IDAHO; AND RUNNING THENCE N89′34′10″E 235.89 FEET; THENCE N00°25′50″W 100.0 FEET; THENCE N89°34′10″E 130.0 FEET; THENCE N86°41′05″E 60.08 FEET; THENCE N89°34′10″E 130.0 FEET; THENCE S00°25′50″E 233.02 FEET; THENCE S24°29′52″W 66.16 TO A POINT OF A CURVE HAVING A RADIUS OF 840.0 FEET AND A CHORD THAT BEARS S17°06′05″W 79.93 FEET; THENCE TO THE RIGHT ALONG SAID CURVE 79.96 FEET WITH A CENTRAL ANGLE OF 05°27′14″ TO A POINT ON A CURVE HAVING A RADIUS OF 960.0 FEET AND A CHORD THAT BEARS S10°21′09″W 316.09 FEET; THENCE TO THE LEFT ALONG SAID CURVE WITH A CENTRAL ANGLE OF 18°57′6″; THENCE S00°52′36″W 24.07 FEET; THENCE N89°07′24″W 130.0 FEET; THENCE N83°14′33″W 60.32 FEET; THENCE S89°34′10″W 254.43 FEET; THENCE N00°25′50″W 590.28 FEET TO THE POINT OF BEGINNING, CONTAINING 7.54 ACRES.

This is subject to the following conditions:

- 1. Installation and extension of the water system by the developer in accordance with Falls Water standards both within the development and connecting to the existing Falls Water system.
- 2. Approval by the Idaho Public Utilities Commission (IPUC).
- 3. In accordance with IPUC approved Rates and Tariff for Falls Water Company, Inc.
- 4. Payment by developer or by subsequent builders, homeowners, or lot purchasers of the connection fee in accordance with IPUC approved Rates and Tariffs.
- 5. System design and installation approved, inspected and accepted by Idaho Department of Environmental Quality, Falls Water's designated professional engineer, and by Falls Water's own internal staff.
- 6. Developer or their representative shall provide as-built drawings on paper and in an electronic format readable by Falls Water as the development progresses.
- 7. This will serve letter is valid for one year from the date of this letter.
- 8. Existing surface water rights from Progressive Irrigation District must be assigned to Falls Water Company, Inc.
- 9. In accordance with any other lawfully necessary provisions as agreed between developer and Falls Water.

If construction on the division of this sub-development is not started within one year of the date of this letter the developer or his authorized agent will need to seek a new will serve letter.

FALLS WATER COMPANY, INC.

K Scottisma

K. Scott Bruce Manager

MEDICAL EMERGENCY

If the customer or a member of the customer's family is seriously ill or has a medical emergency, the utility will postpone termination of service for thirty (30) days if a written certificate signed by a licensed physician or oublic health official is received.

An informal or formal complaint concerning the termination may be filed directly with the utility. If the customer is dissatisfied with the proposed resolution of the complaint, they may contact the Consumer Assistance staff by mail at the Idaho Public Utilities Commission, PO Box 83720, Boise, ID 83720-0074, or by telephone at 800-432-0369, or online at http://www.puc.idaho.gov/

A complete set of customer Rules and Regulations are on file with the Idaho Public Utilities Commission and on the website.

FIRE HYDRANTS

Any customer with a fire hydrant located on their property is responsible to make sure that access to the hydrant is not blocked by landscaping, trees and shrubs, or by fences. Fire department personnel must be able to easily get to all sides of a hydrant in the case of a fire.

SPRINKLING

Falls Water does not have established watering days, but we urge you not to waste water. A nozzle or sprinkler **must always** be used when watering your lawn. Use of an "open" hose" can result in termination of service.

BEFORE YOU DIG

Idaho Law requires that you call Dig Line utility locating service prior to any excavating in an easement or digging deeper than 18 inches anywhere on or off your property. Call 811 or 1-800-342-1585 three days before digging.

MPORTANT REMINDERS

- It is the owner's responsibility to repair any water leaks in the service line from the meter to the home, and any leaks in the home or under the home. Prompt repairs of leaks results in lower billings and conserves water.
- During severe cold weather spells, be sure to keep a pencil-sized stream of water running to prevent costly and inconvenient freeze-ups. You will be responsible for repairing any freeze-up beyond the meter.

 Make sure you know where the main water shutoff valve in your house is located in case you have a "plumbing emergency".

Memberships

American Water Works Association Idaho Rural Water Association

Regulated by:

Idaho Public Utilities Commission Idaho Department of Environmental Quality Idaho Department of Water Resources U.S. Environmental Protection Agency

H H

SPOUT

Falls Water Co., Inc.'s Information Pipeline FOR 2014





2180 Deborah Dr., Idaho Falls, Idaho 83401 Phone: (208) 522-1300 Fax: (208) 522-4099 or on our website www.fallswater.com

Falls Water Co., Inc. has operated since 1959 and currently serves over 3,980 homes in Bonneville County

As your water provider, we would like you to become familiar with some of our policies.

WATER SOURCE

Your water is supplied through a network of several inter-connected deep wells throughout the service area. The computer controlled pumps and distribution system automatically delivers water to meet the fluctuating demand.

The water is tested frequently according to testing schedules approved by The Idaho Department of Environmental Quality and by an independent laboratory to ensure that it meets all state and federal water quality standards. The water is chlorinated.

Falls Water Company operates in compliance with and is regulated by the Idaho Department of Environmental Quality and the Idaho Public Utilities Commission (IPUC).

WATER RATES

The IPUC approved rate for residential, multi-family residential, and commercial rates is as follows:

\$73.25	49,000	4"
\$41.00	28,000	2"
\$32.25	22,000	11/2"
\$25.00	17,000	1"
\$17.75	12,000	3/4" or less
Charge	cycle is less than or equal to	Meter Size
Minimum	Gallons included each billing	Service

If usage in a billing cycle or portion of a billing cycle exceeds the allowable gallons included in the minimum charge, the excess usage will be billed at \$0.689 per thousand gallons of water used.

Effective October 16, 2012, meters for all customers will be read year round.

The bills are calculated on water use between meter readings and are due by the 15th of the following month. Customers with outstanding balances, as of the billing date, will be charged a 1% per month late payment fee.

The one-time Hook-up Fee for newly constructed homes is \$500 for a 3/4" meter, \$600 for a 1" meter, \$930 for a 11/2" meter, and \$1,205 for a 2" meter.

Reconnect fees after involuntary disconnection are \$20 for reconnection during office hours, Monday through Friday 8:00 a.m. to 5:00 p.m., and \$40 if reconnected after office hours. This fee is due at the time of service restoration.

A \$15 field collection fee will be charged if our representative receives a partial or full payment on a customer's account while visiting the customer to terminate service for nonpayment. The fee will be waived if payment is made to an employee restoring service after an involuntary disconnection for nonpayment.

A customer requesting that the company test the meter for their service will be charged a \$10 meter testing fee. If the meter tests outside the manufacturer's specifications of plus or minus 1.5%, the meter test charge will be waived, the meter replaced, and an adjustment made to the customer's bill.

A \$20 returned check fee will be charged when a customer's check is returned by the bank for insufficient funds.

THE METER COVER

Our meter readers and service personnel must have access to the water meter located on your property. Please do not cover the meter with landscaping or other obstacles. If you fence your yard, be sure to leave the meter on the outside of the fence. You can identify the cover as a round cast iron lid near where the water line enters your property.

TERMINATION RULES

SUMMARY OF RULES AND REGULATIONS OF THE IDAHO PUBLIC UTILITIES COMMISSION GOVERNING CUSTOMER RELATIONS OF NATURAL GAS, ELECTRIC AND WATER PUBLIC UTILITIES

A utility may terminate service to a customer without his/her permission after adequate notice for the following reasons:

4

- Failure to pay an undisputed past due bill, or when payment is made with a written check or electronic payment drawn on an account with insufficient funds.
- Failure to make security deposit where it is required.
- Failure to abide by terms of a payment arrangement.
- Customer or applicant misrepresented their identity for the purpose of obtaining utility service.
- 5. Customer or applicant denied or prevented the utility's access to the meter.6. Willful waste of service through improper equipment

or otherwise

- Customer or applicant is a minor not competent to contract as defined by Idaho Code.
- Customer or applicant owes money on an existing account or from a previous account for service provided within the past four years.

A utility may deny or terminate service without prior notice to the customer or applicant and without his/her permission for one or more of the following reasons:

- A situation exists that is immediately dangerous to life, physical safety or property.
- The utility is ordered to terminate service by any court, the Commission or other duly authorized public authority.
- The service is obtained, diverted or used without the authorization or knowledge of the utility.
- The utility has made a diligent attempt to notify the customer of termination, but has been unable to make contact.

NOTIFICATION

- 1. A billing may be considered past due fifteen (15) days after the billing date. A written notice of termination must be mailed at least seven (7) days before the proposed termination date.
- At least twenty-four (24) hours before the service is terminated, another attempt shall be made to contact the customer in person or by telephone.
- If service is not terminated within twenty-one (21) calendar days after the proposed termination date, another seven (7) day and twenty-four (24) hour notice is required.

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No additional notice is required if upon receipt of a termination notice the customer makes a payment arrangement and fails to keep it, or when payment is made with a written check or electronic payment drawn on an account with insufficient funds

WHEN TERMINATION IS NOT ALLOWED

- The unpaid bill totals less than fifty dollars (\$50) or two (2) months service, whichever is less.
- The unpaid bill is for service to another customer.
- The unpaid bill results from the purchase of non utility goods or services.
- 4. Terminations are not allowed on Friday, Saturday or Sunday, legal holidays recognized by the State of Idaho, the day preceding legal holidays, or at any time when the company is not open for business.