

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION )**  
**OF BITTERROOT WATER COMPANY FOR )** **CASE NO. BIT-W-05-1**  
**AUTHORITY TO INCREASE ITS RATES )**  
**)** **NOTICE OF**  
**)** **PUBLIC WORKSHOP**  
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On June 15, 2005, Bitterroot Water Company, Inc. (Bitterroot; Company) filed an Application with the Idaho Public Utilities Commission (Commission) requesting a change in its tariff rates from a metered base rate of \$20 per month to a metered base rate of \$45 per month. No change is proposed in the commodity charge per 1,000 gallons of water consumed in excess of 15,000 gallons per month. According to the Application, the proposed increase is to help offset the increasing costs associated with the operation, maintenance and capital improvements to the water system.

Bitterroot is a regulated water utility providing water service under Certificate of Public Convenience and Necessity No. 319 to approximately 116 customers in Kootenai County, Idaho. The Company's water rates were last adjusted in 1999. Reference Order No. 28121.

Bitterroot contends that in the last 12 months, the water system has been systematically reviewed and upgraded to maintain compliance with increasingly tougher government standards for water quality. The increased operating expenses, the Company contends, are largely out of its control. Rising power costs play the biggest role in recent operating expense increases. Bitterroot's Application is accompanied by financial schedules and engineering information.

On June 30, 2005, the Commission issued a Notice of Application in Case No. BIT-T-05-1.

YOU ARE HEREBY NOTIFIED that Bitterroot's 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 that a revenue requirement different from that proposed is just, fair and reasonable. IDAPA 31.01.01.124.01.

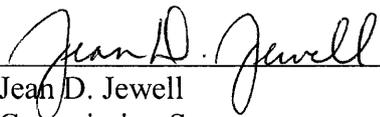
YOU ARE FURTHER NOTIFIED that the rates and charges for Bitterroot's customers are at issue, and every component of every existing and proposed rate and charge is at issue. The Commission may approve, reject or modify the rates and charges proposed and may find that rates and charges different from that proposed by any party are just, fair and reasonable. IDAPA 31.01.01.124.02.

YOU ARE FURTHER NOTIFIED that the tariffs, practices, rules and regulations, service, instrumentalities, equipment, facilities, classifications and customer relations of the utility are at issue and the Commission may address any of them in its Order. IDAPA 31.01.01.124.02.

YOU ARE HEREBY NOTIFIED that the Commission Staff will hold a public workshop for Bitterroot customers on **WEDNESDAY, NOVEMBER 2, 2005, COMMENCING AT 7:00 P.M., AT THE ATHOL COMMUNITY CENTER, 30355 THIRD STREET, ATHOL, IDAHO.** At this meeting customers will have an opportunity to hear from Commission Staff regarding the Company's Application in Case No. BIT-W-05-1 and to ask questions of Staff and representatives of the Company.

YOU ARE FURTHER NOTIFIED that the Application in Case No. BIT-W-05-1 together with financial schedules and engineering information may be viewed at [www.puc.idaho.gov](http://www.puc.idaho.gov) by clicking on "File Room" and "Water Cases." It may also be viewed during regular business hours at the Commission's offices, 472 W. Washington Street, Boise, Idaho and at the business office of Bitterroot Water Company, 24461 Old Highway 95 N., Athol, Idaho.

DATED at Boise, Idaho this *19<sup>th</sup>* day of October 2005.

  
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Jean D. Jewell  
Commission Secretary

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