

DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER
COMMISSIONER REDFORD
COMMISSIONER SMITH
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL**

**FROM: NEIL PRICE
DEPUTY ATTORNEY GENERAL**

DATE: JANUARY 4, 2013

**SUBJECT: APPLICATION OF BRIAN WATER CORPORATION REQUESTING A
TEMPORARY SURCHARGE IN ITS RATES AND CHARGES FOR
WATER SERVICE, CASE NO. BRN-W-12-02**

On December 7, 2012, Brian Water Corporation (“Brian Water” or “Company”) filed an Application (Letter) requesting authority to institute a temporary surcharge. The Company proposes an effective date of January 2013.

On December 17, 2012, the Commission received a copy of the Customer Notice.

APPLICATION

In its filing, Brian Water claims that the surcharge is necessary in order to retire an outstanding loan balance of \$13,000; and fund a nitrate mitigation project on the water system with an estimated cost of \$40,000.

Brian Water estimates a monthly surcharge of \$50.00. The Company states that longer term financing is not available. The Company asks the Commission to authorize the surcharge for a period of two years beginning in January 2013.

The Company is still in the process of completing the engineering report required by IDEQ before it can begin the nitrate mitigation project. The Commission authorized \$15 monthly customer surcharge, BRN-W-12-01, Order No. 32566, to fund the production of a Preliminary Engineering Report to bring the Company into compliance with an Idaho Department of Environmental Quality (IDEQ) Consent Order which will expire in January 2013.

STAFF RECOMMENDATION

Staff is evaluating Brian Water's request for an increase to its current \$15 monthly customer surcharge. Staff is attempting to acquire additional information regarding Brian Water's compliance with IDEQ water system requirements for nitrate mitigation. As part of its evaluation, Staff will be consulting with the Company, customers and representatives of IDEQ in order to ascertain the best path forward. In the interim, Staff recommends the Commission allow the Company to continue its current \$15 customer surcharge, pending the Commission's final decision on the Company's Application.

COMMISSION DECISION

1. Does the Commission wish to suspend Brian Water's Application seeking authority to increase its rates for water service for a period of 30 days plus 5 months, pursuant to *Idaho Code* § 61-622?
2. Does the Commission wish to issue a Notice of Application?
3. Does the Commission wish to authorize the Company to continue its \$15 monthly customer surcharge, subject to the conditions presented in Order No. 32566?



Neil Price
Deputy Attorney General

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