

Michael C. Creamer (ISB No. 4030)
Preston N. Carter (ISB No. 8462)
Givens Pursley LLP
601 W. Bannock St.
Boise, ID 83702
Telephone: (208) 388-1200
Facsimile: (208) 388-1300
mcc@givenspursley.com
prestoncarter@givenspursley.com

Attorneys for SUEZ Water Idaho Inc.

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IDAHO PUBLIC
UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION
OF SUEZ WATER IDAHO INC. FOR
AUTHORITY TO INCREASE ITS RATES
AND CHARGES FOR WATER SERVICE
IN THE STATE OF IDAHO

Case No. SUZ-W-20-02
APPLICATION

SUEZ Water Idaho Inc., ("SUEZ Water," "Applicant," or "Company") files this Application with the Idaho Public Utilities Commission ("Commission") requesting an Order approving revisions to Applicant's schedules of rates and charges for water service in the State of Idaho to become effective on or after October 31, 2020.

I.

Applicant is a public utility water corporation within the meaning of the Idaho Public Utility Law, is duly organized and existing under the laws of the State of Idaho and is engaged in conducting a general water business in and about Boise City, Ada County, Idaho, having its principal office and place of business at 8248 West Victory Road, Boise, Idaho. A certified copy of Applicant's Articles of Incorporation, together with all amendments to date, is on file with the Commission, along with Applicant's most recent annual report. Applicant's current Certificate is Amended Certificate No. 143.

II.

SUEZ Water has been providing water service to the public in Boise City and surrounding areas for more than 100 years. Currently, SUEZ Water provides service to approximately 98,000 customers within Ada County, Idaho.

III.

SUEZ Water's operations, and rates and charges for service have been reviewed in several rate proceedings before the Commission, most recently, five years ago in Case No. UWI-W-15-01.

IV.

Attached hereto as Attachment 1 are copies of Applicant's Schedule Number 1, General Metered Service; Schedule Number 1B, Flat Rate Service; Schedule Number 2, Public Hydrants and Street Sprinkling; Schedule Number 3, Private Fire Sprinkling and Service; and Schedule Number 4, Private Fire Hydrant Service, containing the rates under which water service is currently rendered and charged to Applicant's customers.

V.

Attached hereto as Attachment 2 are copies of Applicant's new proposed Schedule Numbers 1, 1B, 2, 3 and 4 setting forth charges to be made to Applicant's customers rates on and after October 31, 2020.

VI.

Applicant proposes to increase rates by \$10,160,211. This represents an overall average increase of 22.3% over SUEZ's rates as approved by the Commission in 2015.

SUEZ Water submits that the proposed changes in rates and charges set forth on Attachment 2 are just and reasonable. The expected rate of return under the revised

rates and charges will be 7.46%, which is a fair rate of return on SUEZ Water's investment in property used and useful in rendering water service.

VII.

The revenue realized by Applicant under its presently authorized rates produces a rate of return of 4.09% based on a test year ending June 30, 2020. Applicant seeks additional revenues to recover increased operating expenses and costs associated with plant additions, and to produce a fair rate of return, thereby enabling it to continue to provide adequate and reliable service to its customers.

VIII.

As discussed in the testimony of Marshall Thompson, Applicant is proposing a revision to its Rules and Regulations Governing the Rendering of Water Service to eliminate the Company's gross-up payments from developers to offset the Company's income tax liability associated with Contributions in Aid of Construction. This revision has been proposed under Docket No. SUZ-W-20-01 that is currently under review with the Commission.

IX.

Applicant is filing concurrently herewith Direct Testimony of Marshall Thompson, Harold Walker III, Timothy Michaelson, Jarmila Cary, David Njuguna, Catherine Cooper, Matthew Kahn, James Cagle, Dane Watson, Mohammed Zerhouni and Gary Prettyman, and Exhibits 1-15. Exhibits 1-15 include financial statements, revenue analysis, analysis of cost of service, and supporting work papers that justify and support the proposed increase.

X.

Applicant proposes to implement the requested increase in revenue by a uniform percentage increase to all rate elements.

XI.

Notice to SUEZ Water's customers is being accomplished by news media releases simultaneously with the filing of this Application and by an individual notice mailed to each customer. Copies of the press release and customer notice are attached to this Application as Attachment 3. In addition, a copy of the Application and Applicant's present and proposed rate schedules are available for public inspection at its office at 8248 West Victory Road, Boise, Idaho at any time during office hours. The Application will be available on the Commission's homepage at www.puc.idaho.gov. Customers may also subscribe to the Commission's RSS feed to receive periodic updates.

XII.

Applicant stands ready for an immediate hearing on this Application and requests that a hearing be held as soon as possible.

XIII.

Communications in reference to this Application should be addressed to:

Michael C. Creamer (ISB No. 4030)
Preston N. Carter (ISB No. 8462)
Givens Pursley LLP
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Boise, ID 83702
Telephone: (208) 388-1200
Facsimile: (208) 388-1300
mcc@givenspursley.com
prestoncarter@givenspursley.com

and

David Njuguna
Manager- Regulatory Business
Suez Water Management and Services
Company
461 From Road, Suite 400
Paramus, NJ 07052
david.njuguna@suez.com

SUEZ Water respectfully requests that the Commission:

1. That this Application be heard and acted upon at the earliest possible date,
2. That the Commission find that the Applicant's existing rates are unjust, unreasonable and insufficient to provide Applicant with a fair rate of return and that the revised rates and charges proposed in Attachment 2 of this Application are just and reasonable and that Applicant be permitted to charge said rates to its customers, effective October 31, 2020,
3. That the Commission grant such other and further relief as the Commission may determine proper in the circumstances.

DATED this 30th day of September 2020.

SUEZ WATER IDAHO INC.



By: _____
Michael C. Creamer
Preston N. Carter
Attorneys for Applicant

ATTACHMENT 1

Sheet No. 3
Replacing all Previous Sheets

SUEZ WATER IDAHO INC.

SCHEDULE NO. 1
GENERAL METERED SERVICE

Availability: To all metered customers not served under a separate schedule.

Customer Charges:

Bi-Monthly
Per Meter
Charge

Meter Size

5/8"-3/4	\$21.11
1"	\$26.99
1-1/4" and 1-1/2"	\$46.17
2" or multiple meters of equivalent capacity	\$71.64
3" or multiple meters of equivalent capacity	\$139.73
4" or multiple meters of equivalent capacity	\$260.68
6" or multiple meters of equivalent capacity	\$435.22
8" or multiple meters of equivalent capacity	\$569.37
10" or multiple meters of equivalent capacity	\$811.39

Volume Charge:

Winter Rates

For all water used less than 3CCF (100 cubic Feet) (CCF)(1 CCF=748 gallons):	\$1.4674
For all water used greater than 3CCF	\$1.4674

Volume Charge:

Summer Rates

For all water used less than 3CCF (100 cubic Feet) (CCF)(1 CCF=748 gallons):	\$1.4674
For all water used greater than 3CCF	\$1.8577

Conditions of Contract:

The customer shall pay the total of the customer charge plus the volume charge. The volume charge is based on all metered water for the billing period. Consumption is expressed in hundred cubic foot units or thousand gallon units as determined by the meter installed by the Company. The customer charge will be prorated whenever the customer has not been a customer for the entire billing period.

Summer Period:

The summer rate will apply to water consumed between May 1 and September 30. Meter readings straddling these dates will be prorated.

Issued Per IPUC Order No.
Effective – June 1, 2018

Issued by SUEZ WATER IDAHO INC.
Gregory P. Wyatt, Vice President
8248 West Victory Road, Boise, ID

Application
Attachment 1
Page 2 of 6

SUEZ WATER IDAHO INC.

SCHEDULE NO. 1B
FLAT RATE SERVICE

Availability:

To non-metered residential customers pursuant to Residential or Multi-Family Housing Non-Contiguous Water Systems Agreement Paragraph 11(a) addressing flat rate systems.

Customer Charges:

Based on Suez Water Idaho residential consumption for the year ending June 1998 of 208.75 ccf, the average residential bill, assuming a ¾" meter and 65% / 35% summer/winter split, is \$486.42. Billed bi-monthly, equals \$81.07.

Bi-Monthly Charge: **\$81.07**

Conditions of Contract:

The monthly charge will be prorated whenever the customer has not been a customer for the entire billing period. The Company or the customer may convert to metered service pursuant to Subparagraphs (b) or (c) of Paragraph 11 as follows:

- (b) If Company should determine that a flat rate customer is using water in excess of the average residential customer, the Company will provide a meter setting and meter. Customer will then pay Company's metered tariff rates as approved by the IPUC, which rates may be amended from time to time.
- (c) If a customer prefers to pay Company's approved metered tariff rates, the customer shall pay the installation and material costs associated with the installation of a meter setting.

Sheet No. 6
Replacing all Previous Sheets

SUEZ WATER IDAHO INC.

SCHEDULE NO. 2
PUBLIC HYDRANTS AND STREET SPRINKLING

Availability:

To the Ada County Highway District.

Rates:

Street Sprinkling Service

Flat Charge	\$282.00 /Month
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Miscellaneous:

Bills will be rendered monthly, bi-monthly, or at other intervals upon mutual agreement of the Company and the customer.

Hydrants and service pipes from the fitting on the Company main to the hydrants are to be installed and maintained by and at the expense of the Ada County Highway District.

Issued Per IPUC Order No. 34153
Effective – June 1, 2018

Issued by SUEZ WATER IDAHO INC.
Gregory P. Wyatt, Vice President
8248 West Victory Road, Boise, Idaho

Sheet No. 7
Replacing all Previous Sheets

SUEZ WATER IDAHO INC.

SCHEDULE NO. 3
PRIVATE FIRE SPRINKLER AND SERVICE

Availability:

To all customers who have sprinkler systems and/or inside hose connections supplied by a dedicated service line for fire fighting purposes.

Rate:

For service through a separate line for fire fighting purposes.

For 3" service or smaller, per month	\$18.61
For 4" service per month	\$28.21
For 6" service per month	\$70.06
For 8" service per month	\$115.13
For 10" service per month	\$179.54
For 12" service per month	\$268.93

Miscellaneous:

Provided that if the installation of a private fire service shall require an extension of the existing mains of the company, the cost of such extension shall be borne by the customer.

All private fire services shall be equipped with sealed gate valves or thermal automatic openings.

Meters may be placed on fire services by the utility at any time; however, metered rates will not apply unless improper use of water is disclosed, and if such be the case, usage will be billed to the consumer under Rate Schedule No. 1.

Issued Per IPUC Order No.
Effective – June 1, 2018

Issued by SUEZ WATER IDAHO INC.
Gregory P. Wyatt, Vice President
8248 West Victory Road, Boise, Idaho

Sheet No. 8
Replacing all Previous Sheets

SUEZ WATER IDAHO INC.

SCHEDULE NO. 4
PRIVATE FIRE HYDRANT SERVICE

Availability:

To all customers having private fire hydrant installations.

Rate:

For fire hydrants installed and maintained by the customer at customer's expense:

Each fire hydrant, per month \$11.29/Month

Miscellaneous:

Service pipe from the fitting on the company water main to the fire hydrant is to be installed and maintained by the customer.

ATTACHMENT 2

Sheet No. 3
Replacing all Previous Sheets

SUEZ WATER IDAHO INC.

SCHEDULE NO. 1
GENERAL METERED SERVICE

Availability: To all metered customers not served under a separate schedule.

Customer Charges:

Bi-Monthly
Per Meter Charge

Meter Size

5/8"-3/4	\$21.11 <u>25.81</u>
1"	\$26.99 <u>33.00</u>
1-1/4" and 1-1/2"	\$46.17 <u>56.45</u>
2" or multiple meters of equivalent capacity	\$71.64 <u>87.60</u>
3" or multiple meters of equivalent capacity	\$139.73 <u>170.85</u>
4" or multiple meters of equivalent capacity	\$260.68 <u>318.74</u>
6" or multiple meters of equivalent capacity	\$435.22 <u>532.15</u>
8" or multiple meters of equivalent capacity	\$569.37 <u>696.34</u>
10" or multiple meters of equivalent capacity	\$811.39 <u>992.33</u>

Volume Charge:

Winter Rates

For all water used less than 3CCF (100 cubic Feet) (CCF)(1 CCF=748 gallons):	\$1.4674 <u>1.7942</u>
For all water used greater than 3CCF	\$1.4674 <u>1.7942</u>

Volume Charge:

Summer Rates

For all water used less than 3CCF (100 cubic Feet) (CCF)(1 CCF=748 gallons):	\$1.4674 <u>1.7942</u>
For all water used greater than 3CCF	\$1.8577 <u>2.2714</u>

Conditions of Contract:

The customer shall pay the total of the customer charge plus the volume charge. The volume charge is based on all metered water for the billing period. Consumption is expressed in hundred cubic foot units or thousand gallon units as determined by the meter installed by the Company. The customer charge will be prorated whenever the customer has not been a customer for the entire billing period.

Summer Period:

The summer rate will apply to water consumed between May 1 and September 30. Meter readings straddling these dates will be prorated.

Issued Per IPUC Order No.
Effective — ~~January 10~~ October 31, 2020

Issued by SUEZ WATER IDAHO INC.
Marshall Thompson, Vice President
8248 West Victory Road, Boise, Idaho

Application
Attachment 2
Page 2 of 6

SUEZ WATER IDAHO INC.

SCHEDULE NO. 1B
FLAT RATE SERVICE

Availability:

To non-metered residential customers pursuant to Residential or Multi-Family Housing Non-Contiguous Water Systems Agreement Paragraph 11(a) addressing flat rate systems.

Customer Charges:

Based on Suez Water Idaho residential consumption for the year ending June 1998 of 208.75 ccf, the average residential bill, assuming a ¾" meter and 65% / 35% summer/winter split, is ~~\$486.42~~ 594.16. Billed bi-monthly, equals ~~\$81.07~~ 99.03.

Bi-Monthly Charge: ~~\$81.07~~ 99.03

Conditions of Contract:

The monthly charge will be prorated whenever the customer has not been a customer for the entire billing period. The Company or the customer may convert to metered service pursuant to Subparagraphs (b) or (c) of Paragraph 11 as follows:

- (b) If Company should determine that a flat rate customer is using water in excess of the average residential customer, the Company will provide a meter setting and meter. Customer will then pay Company's metered tariff rates as approved by the IPUC, which rates may be amended from time to time.
- (c) If a customer prefers to pay Company's approved metered tariff rates, the customer shall pay the installation and material costs associated with the installation of a meter setting.

SUEZ WATER IDAHO INC.

Sheet No. 7
Replacing all Previous Sheets

SUEZ WATER IDAHO INC.

SCHEDULE NO. 3
PRIVATE FIRE SPRINKLER AND SERVICE

Availability:

To all customers who have sprinkler systems and/or inside hose connections supplied by a dedicated service line for fire fighting purposes.

Rate:

For service through a separate line for fire fighting purposes.

For 3" service or smaller, per month	\$18.61 <u>22.75</u>
For 4" service per month	\$28.21 <u>34.49</u>
For 6" service per month	\$70.06 <u>85.66</u>
For 8" service per month	\$115.13 <u>140.77</u>
For 10" service per month	\$179.54 <u>219.53</u>
For 12" service per month	\$268.93 <u>328.82</u>

Miscellaneous:

Provided that if the installation of a private fire service shall require an extension of the existing mains of the company, the cost of such extension shall be borne by the customer.

All private fire services shall be equipped with sealed gate valves or thermal automatic openings.

Meters may be placed on fire services by the utility at any time; however, metered rates will not apply unless improper use of water is disclosed, and if such be the case, usage will be billed to the consumer under Rate Schedule No. 1.

Sheet No. 8
Replacing all Previous Sheets

SUEZ WATER IDAHO INC.

SCHEDULE NO. 4
PRIVATE FIRE HYDRANT SERVICE

Availability:

To all customers having private fire hydrant installations.

Rate:

For fire hydrants installed and maintained by the customer at customer's expense:

Each fire hydrant, per month \$~~11.29~~ 13.80/Month

Miscellaneous:

Service pipe from the fitting on the company water main to the fire hydrant is to be installed and maintained by the customer.