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**BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH**

**In the Matter of Community Water  
 Company, LLC**

**Docket No. 16-098-01**

**RESPONSE OF INTERVENOR E.  
 SCOTT SAVAGE TO REQUEST OF  
 COMMUNITY WATER COMPANY  
 FOR CLARIFICATION ON ORDER  
 GRANTING INTERIM RATE  
 INCREASE APPLICATION**

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In the second request of Community Water for clarification, Community Water asks the Commission for permission to bill the HOA's at the new interim rates for water used before this Commission imposed those rates. This would cause an unfair and inequitable burden upon the Plat B & D homeowners. As noted in my testimony during the interim hearing, Plat B & D irrigates the property of thirty home owners. The interim rates would result in the Plat B & D home owners paying much more for the irrigation of their property than would thirty individual users. The interim rates have tiers that increase with every 12,000 gallons that are used each month. Thirty individual users would **each** get 12,000 gallons of water usage before their rates increase, but, the interim order increases the rates on the thirty Plat B & D home owners when they **collectively** use 12,000 gallons of water. Community Water recognized this unfairness and

proposed to remedy it by not billing Plat B & D for the water collectively used to irrigate the property of the thirty Plat B & D home owners and, instead, apply 1/30<sup>th</sup> of the water used to irrigate their property to each of their bills.

The Commission commended CWC for listening to the concerns of its customers, including Plat B & D, but decided to defer a determination as to whether or not the proposed rates would generate enough revenue if CWC fairly billed the HOA's for their irrigation water. The Commission indicated that it did not have enough information at this time, and declined to modify the Division's proposed rate schedule on the limited record before it. The Commission supported its decision to defer this issue because, "the irrigation season is nearly over and final rates will be established before the irrigation season begins again." Order Approving Interim Rate Increase, Docket No. 16-098-01 (Sept 15, 2016) at page 4. The foregoing statement from the Commission was supported by its Fact No. 10, "In general, the HOA's expect to stop irrigating in October."

It remains clearly unfair to require HOAs to pay the individual usage tiers for their group usage of water. The Commission has deferred consideration of this unfairness until the Division can consider this issue and, if necessary, adjust the rate structure. It was deemed by the Commission that this deferral would have no adverse impact upon the HOAs since the interim rate structure would not go into effect until October 1 and the HOAs would have turned off their irrigation water by that time. The interim rate structure will have an immediate adverse, unfair, inequitable and dramatic effect upon the Plat B & D home owners if they have to pay pursuant to the interim rate structure for irrigation water used in September. The clear intent of the Order is

that it becomes effective for water used after October 1, 2016. That is when “Community Water Company shall **begin** charging the rates set forth in the Division’s June 13, 2016 Petition.” (*Id.*) (Emphasis added). One does not “begin” implementing the new rates by applying them to past usage. If that were the case, there would be no reason stopping Community Water from charging the new rates for water used in August, July or all of 2016. More importantly, the Commission has allowed the implementation of the interim rates (with their potential unfairness to the HOAs) because the HOAs were turning off their irrigation water on October 1 and thus the new rates would not impact them during the interim. It is contrary to the Commission’s reasoning to now have those unfair interim rates actually applied to the HOAs water usage during September. The interim rates should go into effect for water used after October 1<sup>st</sup> despite CWC’s method of billing.

DATED this 23rd day of September, 2016.

/s/ E. Scott Savage  
E. Scott Savage, President of  
Park West Village  
Plat B&D HOA and  
Intervenor

## CERTIFICATE OF SERVICE

I hereby certify that on this 23rd day of September, 2016, I caused a true and correct copy of the within and foregoing **RESPONSE OF INTERVENOR E. SCOTT SAVAGETO REQUEST OF COMMUNITY WATER COMPANY FOR CLARIFICATION ON ORDER GRANTING INTERIM RATE INCREASE APPLICATION** to be electronically served:

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