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Division of Public Utilities

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May 9, 2018

TO: PUBLIC SERVICE COMMISSION

FROM: DIVISION OF PUBLIC UTILITIES

Chris Parker, Director
Bill Duncan, Manager, Telecommunications and Water
Paul Hicken, Utility Technical Consultant

Re: Utah Docket No. 16-2443-01, UPDATED TARIFF OF WATERPRO, INC:
In the Matter of WaterPro Inc.'s Application for Culinary Water Rate Case
(Rate Increase).

RECOMMENDATION: Reject the tariff as filed by WaterPro, Inc.

Background

On March 15, 2018 WaterPro, Inc. filed an updated tariff to reflect the changes authorized by the Public Service Commission (PSC) in Docket 16-2443-01. On March 21, the PSC issued an Action Request to the Division of Public Utilities to review the filing for compliance and make recommendations.

Analysis and Review

The DPU reviewed the Water Rates presented on page 4 of the updated tariff filed with the Commission in September 2017 and found them to be in compliance with the Order Approving Stipulation and Associated Tariff Changes issued on August 8, 2017. These rate changes were reviewed by the parties and agreed upon in the Settlement Stipulation dated June 20, 2017.

However, there were several other changes to other rates and fees found on pages 3, 5 and 6 that were changed on the updated tariff that were not part of the DPU's review and were not included in the Settlement Stipulation.

Specifically, there were changes to Connection Fees, found on page 3, and Miscellaneous Fees and Penalties found on pages 5-6 of the updated tariff. Rates and fees detailed on these pages were not discussed, reviewed or authorized in the most recent rate case and stipulation that was approved by the PSC on August 8, 2017. As indicated in Item 12 of the June 2017 Settlement Stipulation, "No Other Rate or Tariff Changes. The Parties agree that with the exception of tariff sheet changes to reflect the increased rates, no other rate or tariff changes are requested or required."

The DPU researched but could not find documentation that changes to these fees were authorized from the previous rate case in Docket 12-2443-01. The tariff associated with this docket was authorized and finally filed with the Commission in February 2015. It was approved by the PSC on April 17, 2015.

The DPU will continue to work with WaterPro to develop a tariff that is in full compliance with the PSC order in this docket. We therefore, recommend the changes to pages 3, 5 and 6 of the updated tariff be rejected.

CC: Darren L. Jensen-Peterson, CEO/General Manager, WaterPro Inc.
Trish Schmidt, Assistant Attorney General, Utah Attorney General's Office
Marialie Wright, Manager, Customer Service, Utah Division of Public Utilities