

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Request of Community)
Water Company for a Proposed Rate)
Adjustment)

DOCKET NO. 01-098-01
REPORT AND ORDER

ISSUED: January 29, 2002

SYNOPSIS

Community Water Company sought increases in various rates to be charged its customers. The Commission approved the rate changes established at the hearing.

By The Commission:

Community Water Company (the Company or Community Water) filed a Request to change its rates August 6, 2001. The matter was set for hearing January 22, 2002, with notice given. Community Water provided information of the Request and the hearing to all of its customers. The matter was heard January 22, 2002, before Sandy Mooy, the Hearing Officer designated by the Public Service Commission (Commission). Appearing on behalf of Community Water were Val R. Antczak, counsel from Parson Behle & Latimer, Fran Amendola, President of the Company and Scott Murri, accountant for Community Water. Doug Tingey, Assistant Attorney General, of the Utah Attorney General's Office appeared on behalf of the Division of Public Utilities (DPU), as did Barry Golding, a staff member of the DPU. At the hearing, the DPU and Community Water represented that they had reached agreement on revisions to the supporting material submitted by the Company and had stipulated in support of rates proposed at the hearing. Community Water presented the testimony of Mr. Amendola and Mr. Murri, who testified as to the reasonableness of the proposed rates and the correctness of the supporting material used by the Company and given to the DPU in support of the rate changes.

Based upon the evidence presented, the Hearing Officer recommends entry of the following:

FINDINGS OF FACT AND CONCLUSION OF LAW

1. Community Water is a certificated water corporation operating in the State of Utah, subject to Commission jurisdiction.
2. Community Water's current rates are insufficient to provide adequate revenues to recover the Company's reasonable operating expenses.
3. The proposed rates presented at the hearing provide a reasonable opportunity to generate sufficient revenues for the Company to recover its reasonable operating expenses.
4. The proposed rates are just and reasonable. These proposed rates are:
 - a. Monthly minimum charge, including the first 5,000 gallons of culinary water-- \$12; Irrigation connection monthly charge -- \$5.00
 - b. Usage rates: tier 1 of 5,000 gallons --\$1.25 per 1,000 gallons; tier 2 of next 5,000 gallons \$5.12 per 1,000 gallons
 - c. Non-standard meter charge -- \$150

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED, that:

The proposed rates are approved by the Commission. Community Water Company may make the rates effective from the issuance date of this order or a later date which can be accommodated by the Company's billing system. Community Water Company shall submit revised tariff sheets reflecting the new rates approved by the Commission. The Division of Public Utilities shall review the revised tariff sheets for compliance with this Report and Order.

Recommended this 29th day of January, 2002.

/s/ Sandy Mooy
Hearing Officer

Approved and confirmed this 29th day of January, 2002, as the Report and Order of the Public Service Commission of Utah.

/s/ Stephen F. Mecham, Chairman

/s/ Constance B. White, Commissioner

/s/ Richard M. Campbell, Commissioner

Attest:

/s/ Julie Orchard
Commission Secretary

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