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PSC TO HOLD HEARING IN SUPERIOR
ON PROPOSED WATER RATE AGREEMENT

A proposed agreement to settle the Mountain Water Company rate case pending before the state Public Service Commission will be the topic of a hearing to be held by the PSC Monday, July 14, in Superior.

The technical portion of the hearing will be held at 3 p.m. and an evening hearing to obtain public comment will begin at 6:30 p.m. Both portions of the hearing will be held at the Mineral County Courthouse, 3rd floor courtroom, 300 River Street.

Mountain Water filed this rate case, in which it requested \$105,852 in additional annual revenues, in June 1996. In December 1996 the PSC approved an interim rate increase to allow the company to raise an additional \$42,275 in annual revenues to cover operating expenses which did not include unfinished capital improvements. In April of this year, Mountain Water and the Montana Consumer Counsel, which represents residential and small business customers in matters before the PSC, submitted an agreement for PSC approval in which the two parties propose the PSC authorize Mountain Water to collect the full rate increase the company originally requested. The additional revenues in the agreement reflect improvements to the system made by Mountain Water since the interim rate increase took effect. The company undertook the system improvements after a series of community meetings with town officials and citizens in 1995.

Mountain Water requested the increase of \$105,852 in annual revenues to be raised by:

- increasing rates to flat-rate customers by almost 110 percent, which would result in the minimum monthly bill for a single-family home going from the present rate of \$14.33 per month to \$30.02;
- increasing metered-service rates by almost 53 percent, which would result in an increase in the monthly bill for a 5/8 x 3/4-inch meter with 15 Ccf usage from \$22.30 to \$33.71;
- establishing the monthly rate at \$96.59 for new private fire protection service using a 6-inch sprinkler system;
- increasing flat-rate sprinkling water service by about 5 percent.

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