

FENNEMORE

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October 18, 2023

Trisha Osborne
Assistant Commission Secretary
Public Utilities Commission of Nevada
1150 E. William Street
Carson City, NV 89701

Re: **Docket No. 23-_____: Application of Great Basin Water Co. to revise Water Tariff Nos. 236, 238, 240 and 241A to implement the deferred water service adjustment rate mechanism relating to the Order issued in Docket No. 21-12025 for its Pahrump, Spring Creek, Cold Springs and Spanish Springs Divisions, and for other relief properly related thereto.**

Dear Trisha:

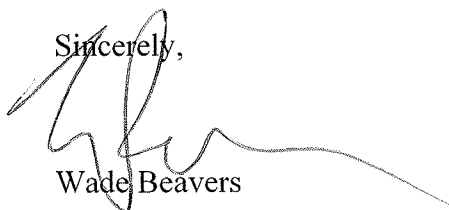
Accompanying this letter for filing with the Public Utilities Commission of Nevada (the "Commission"), is Great Basin Water Co.'s ("GBWC") Application to revise Water Tariff Nos. 236, 238, 240 and 241A to implement the deferred water service adjustment rate mechanism relating to the Order issued in Docket No. 21-12025 for its Pahrump, Spring Creek, Cold Springs and Spanish Springs Divisions, and for other relief properly related thereto.

Courtesy copies of the filing are being provided to the Regulatory Operations Staff ("Staff") and the Bureau of Consumer Protection ("BCP") by electronic mail. GBWC is happy to provide paper copies of the Application to Staff and BCP at their offices upon request.

In addition, GBWC is providing Staff and BCP with all executable files supporting the Application. These executable files are being provided via a Box.com data room (the "Data Room"). Links to this Data Room will be emailed to pucn.sc@puc.nv.gov (Staff) and to bcpserve@ag.nv.gov (BCP). Access to confidential workpapers will be provided to Staff and BCP via the Data Room upon execution of a protective agreement.

An ACH payment in the amount of \$200.00 has been concurrently submitted for the Application filing fee. Should you have any questions, please advise.

Sincerely,



Wade Beavers

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The table below summarizes the impact of the proposed changes broken out by division and service, as more fully described throughout this Application. Except as indicated, each sur-charge or sur-credit would be imposed as an additional commodity charge per 1,000 gallons for all customers and for all tiers of consumption.

<u>Division</u>	<u>Sur-Charge / (Sur-Credit)</u>
Pahrump ¹	(\$0.33)
Spring Creek	\$0.11
Cold Springs	\$0.12
Spanish Springs	(\$0.02)

I. IDENTITY OF APPLICANT AND AUTHORIZED REPRESENTATIVE

The Company's complete legal name is Great Basin Water Co. The Company is a Nevada corporation; its principal office is 1240 E. State Street, Suite 115, Pahrump, Nevada 89048. The Company's telephone number is (844) 694-4404. The Company is comprised of four divisions: Pahrump, Spring Creek, Cold Springs, and Spanish Springs.

Fennemore Craig, P.C. is GBWC's authorized representative in this proceeding. All communications regarding the Application or this proceeding, including any paper or discovery request that must be served upon GBWC pursuant to NAC 703.6190 should be directed to:

Seán Twomey, President
Great Basin Water Co.
1005 Terminal Way, Ste. 294
Reno, Nevada 89502
Telephone: (775) 335-9041
E-Mail: Sean.Twomey@greatbasinwaterco.com

Dan R. Reaser, Esq.
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E-mail: wbeavers@fennemorelaw.com

¹ The proposed sur-credit for the Pahrump division would not apply to the Transmission Irrigation customer class in that division, which is not subject to decoupling.

1 **II. AUTHORITY**

2 This Application is filed pursuant to sections 704.100, 704.110, and 704.663 of the
3 Nevada Revised Statutes ("**NRS**"); as well as sections 703.115, 703.2201 to 703.2481, and
4 704.63385 of the Nevada Administrative Code ("**NAC**").

5 **III. SUMMARY OF APPLICATION**

6 The Company's request for approval of a new schedule is necessary to implement the
7 DWSA rate mechanism pursuant to NRS 704.663, which the Commission approved for each of
8 GBWC's four water service divisions in Docket No. 21-12025. The approved DWSA
9 mechanism allows GBWC to recover the costs of providing service without regard to the
10 difference in the quantity of water reasonably expected to be sold and that which was actually
11 sold.

12 While GBWC has previously sought to implement a DWSA rate mechanism in certain
13 dockets for certain of its operating divisions through the filing of a letter of advice, GBWC now
14 files this application for approval of the proposed new rate schedules, because GBWC's
15 calculations have shown the proposed change in schedules for the Cold Springs and Spring
16 Creek divisions will result in an increase in annual gross operating revenue in an amount that
17 will exceed \$15,000. *See* NRS 704.100(1)(f). However, as further described later in this
18 Application, GBWC requests the Commission's permission to waive certain Commission
19 regulations which it believes are unnecessary to support this request for adjustment in rates,
20 based on the applicable statutes and regulations, and on the Commission's previous approval of
21 the DWSA methodology presented here in Docket No. 21-12025.

22 Specifically, the Application requests approval of a sur-charge or sur-credit in each of
23 GBWC's four water service divisions to reconcile and recover the amounts accrued in the
24 Commission-approved regulatory deferred accounts for each division for the period July 18,
25 2022, through July 17, 2023. The proposed sur-charges and sur-credits are driven exclusively by
26 implementation of the DWSA rate mechanism previously approved by the Commission, which
27 results in proposed monthly bill adjustments.

1 In its December 30, 2021, application in Docket No. 21-12025 to consolidate and
2 increase its annual revenue requirements for water and sewer service in its four divisions, the
3 Company sought the Commission's approval to (i) continue the previously-approved DWSA
4 methodology in its Pahrump and Spanish Springs water service divisions pursuant to NAC
5 704.63385(5)(b) and (ii) implement the same DWSA methodology in the Spring Creek and Cold
6 Springs water service divisions pursuant to NAC 704.63385(1)(b), and to apply the requested
7 DWSA methodology on a uniform, consolidated basis across all of its divisions. *See* Docket No.
8 21-12025, Application filed December 30, 2021 at page 13.

9 On June 20, 2022, the Commission issued its Order in Docket No. 21-12025 in which it
10 approved GBWC's request to implement or continue the DWSA mechanisms in each of its four
11 water service divisions, and directed that GBWC file an application to implement decoupling for
12 each division within 15 months of the effective date of rates arising from the rate proceeding.
13 Docket No. 21-12025, Commission Order issued June 20, 2022, at 16, ¶30, 20, ¶1. The
14 Commission further ordered that the decoupling rates should be a single volumetric rate per
15 thousand gallons applied to all customers in each division, and provided the stipulated allowed
16 volumetric revenue requirement for each division. *Id.*

17 Following the Commission's order in Docket No. 21-12025, GBWC established a
18 regulatory deferred account as to each of its water service divisions to track the difference
19 between water commodity revenues approved by the Commission in Docket 21-12025 and
20 revenues actually collected over a twelve-month period beginning July 18, 2022 (the effective
21 date of the rates issued and approved by the Commission in Docket No. 21-12025) (the
22 "**Tracking Period**"). The Tracking Period recently concluded on July 17, 2023 and (consistent
23 with the approach to calculating the decoupling adjustment described in Docket No. 21-12025)
24 GBWC now proposes amortizing the net balances in the deferred accounts over another twelve
25 months by identifying a sur-charge or, where applicable, a sur-credit to customers in this
26 Application to account for the over- and under-collected amounts in each division.

1 As demonstrated in this Application, after applying permitted adjustments, and after
2 accounting for interest, GBWC over-recovered revenues in each of its Pahrump and Spanish
3 Springs divisions, and under-recovered revenues in each of its Cold Springs and Spanish Springs
4 divisions during the Tracking Period as follows:

- 5 (a) for the Pahrump division, over-recovery in the total amount of \$101,894;
- 6 (b) for the Spring Creek division, under-recovery in the amount of \$73,158;
- 7 (c) for the Cold Springs division, under-recover in the amount of \$31,079; and
- 8 (d) for the Spanish Springs division, over-recovery in the amount of \$6,882.

9 Further, as to three divisions (Pahrump, Cold Springs, and Spanish Springs), there are
10 remaining deferred account balances from prior DWSA implementation that have been added to
11 the over- or -under-collected amounts above to yield a final over-collected balance as to the
12 Pahrump division of \$241,78, a final under-collected balance in Cold Springs of \$47,131, and a
13 final over-collected balance in Spanish Springs of \$2,687.

14 Accordingly, pursuant to the DWSA rate mechanism approved in Docket No. 21-12025,
15 and GBWC's subsequent calculations, the tariff sheets proposed as part of this Application
16 reflect a sur-charge or sur-credit to be applied to customer bills in each of GBWC's water service
17 divisions until the balance of the regulatory asset account established for each division to track
18 the difference between water commodity revenues approved by the Commission in Docket No.
19 21-12025 and revenues actually collected has been amortized. As reflected in the proposed tariff
20 pages accompanying the Application, if the Commission grants the Application as filed:

- 21 (a) a DWSA sur-credit would apply to water service in the Pahrump division at a rate of
22 \$0.33 per 1,000 gallons for all tiers of usage and all water customers, (with the
23 exception of the Transmission Irrigation customer class);
- 24 (b) a DWSA sur-charge would apply to water service in the Spring Creek division at a
25 rate of \$0.11 per 1,000 gallons for all tiers of usage and all water customers;
- 26 (c) a DWSA sur-charge would apply to water service in the Cold Springs division at a
27 rate of \$0.12 per 1,000 gallons for all tiers of usage and all water customers; and
28

(d) a DWSA sur-credit would apply to water service in the Spanish Springs division at a rate of \$0.02 per 1,000 gallons for all tiers of usage and all water customers.

The prepared direct testimony of GBWC witness Aleksey V. Dolinko accompanying this Application provides additional information about this mechanism and the resulting sur-charges and sur-credits applicable to each division.

This Application, along with the accompanying exhibits, prepared direct testimony, and workpapers to be provided to the parties, contain a complete and accurate explanation of the circumstances and conditions that justify the Company's request for a modification in its water service rates for each of its four divisions. Due to its narrow scope, this Application does not include adjustments to be certified pursuant to NRS 704.110(3), nor does the Company intend to file a statement of expected changes in circumstances pursuant to NRS 704.110(4).

Moreover, because the tariff changes proposed in this Application are necessary to reconcile the difference between water commodity revenues approved by the Commission in Docket No. 21-12025 and revenues actually collected, this Application does not result in a change to GBWC's previously-approved revenue requirement.

IV. INDEX OF TARIFFS, EXHIBITS, STATEMENTS, SCHEDULES, AND TESTIMONY

The following testimony, tariff pages, and exhibits are submitted along with this Application:

<i>Description of Document</i>	<i>Cover Page</i>
<u>Draft Notice</u>	
Draft Notice	Draft Notice
<u>Tariffs Showing Proposed Rates, Rules, and Regulations²</u>	
Proposed Water Tariffs – 236 WRES-1	Proposed Water Tariff Sheets
Proposed Water Tariffs – 238 WMF-1	Proposed Water Tariff Sheets

² See NAC 703.2211(1).

Proposed Water Tariffs – 240 WNRES-1	Proposed Water Tariff Sheets
Proposed Water Tariffs – 241A WIRR-1	Proposed Water Tariff Sheets
<u>Tariffs Showing Existing Rates, Rules, and Regulations³</u>	
Existing Water Tariffs – 236 WRES-1	Existing Water Tariff Sheets
Existing Water Tariffs – 238 WMF-1	Existing Water Tariff Sheets
Existing Water Tariffs – 240 WNRES-1	Existing Water Tariff Sheets
Existing Water Tariffs – 241A WIRR-1	Existing Water Tariff Sheets
<u>Exhibits</u>	
Proposed Notice of Application	Exhibit 1
Proposed Notice of Hearing	Exhibit 2
References to Prior Proceedings	Exhibit 3
<u>Prepared Direct Testimony</u>	
Prepared Direct Testimony of Aleksey V. Dolinko	Prepared Direct Testimony of Aleksey V. Dolinko

V. TARIFF MODIFICATIONS

GBWC requests that the Commission approve revised tariff pages necessary to implement the DWSA rate mechanism as described in this Application. The tariff sheet and rule number for the proposed revised water tariff pages are as follows:

PUCN Sheet No.	Title of Sheet	Cancelling PUCN Sheet No.	Changed
SEVENTH REVISED PUCN SHEET NO. 236	SCHEDULE WRES-1 RESIDENTIAL SERVICE – COLD SPRINGS, SPANISH SPRINGS, SPRING CREEK AND PAHRUMP (continued)	SIXTH REVISED PUCN SHEET NO. 236	Added DWSA Charges and Credits

³ See NAC 703.2211(2).

ELEVENTH REVISED PUCN SHEET NO. 238	SCHEDULE WMF-1 MULTI-FAMILY SERVICE – COLD SPRINGS, SPANISH SPRINGS, SPRING CREEK, AND PAHRUMP (continued)	TENTH REVISED PUCN SHEET NO. 238	Added DWSA Charges and Credits
ELEVENTH REVISED PUCN SHEET NO. 240	SCHEDULE WNRES-1 NON-RESIDENTIAL SERVICE – COLD SPRINGS, SPANISH SPRINGS, SPRING CREEK, AND PAHRUMP (continued)	TENTH REVISED PUCN SHEET NO. 240	Added DWSA Charges and Credits
EIGHTH REVISED PUCN SHEET NO. 241A	SCHEDULE WIRR-1 IRRIGATION SERVICE – COLD SPRINGS, SPANISH SPRINGS, SPRING CREEK, AND PAHRUMP (continued)	SEVENTH REVISED PUCN SHEET NO. 241A	Added DWSA Charges and Credits

VI. REQUEST FOR WAIVER FROM THE COMMISSION'S REGULATIONS

GBWC hereby requests waiver from Commission regulations pursuant to NAC 703.115 to the extent that certain requirements applicable to the Company's typical general rate case ("GRC") are unnecessary to support an application for adjustment in rates of this type, which seeks only to implement the previously-approved DWSA rate mechanism pursuant to NRS 704.663. This request for waiver is based on GBWC's assessment of the requirements necessary to support this Application set forth in NAC 704.63385(1)(b) and NAC 704.63385(3)(a) - (d),⁴ as

⁴ NAC 704.62285(1)(b) allows a utility to file for decoupling. NAC 704.63385(3)(a)-(d) requires that a utility provide the following items along with a decoupling request:

(a) *A description of the manner in which the utility proposes to decouple the revenues of the utility from the quantity of water sold by the utility, including, without limitation, a description of:*

(1) *The proposed decoupling methodology;*

1 well as its understanding of the requirements for this type of application from prior collaborative
2 discussions with Regulatory Operations Staff (“**Staff**”) in connection with other dockets,
3 including in Docket No. 20-80023, where the Company also presented a request to implement a
4 DWSA sur-charge via an application, with respect to the Cold Springs division.⁵

5 Specifically, GBWC requests waiver from the following Commission regulations in their
6 entirety:

- 7 • NAC 703.2207
- 8 • NAC 703.22073
- 9 • NAC 703.2208
- 10 • NAC 703.2209
- 11 • NAC 703.2265
- 12 • NAC 703.63445

13 Pursuant to NAC 703.115(1), good cause exists for the requested deviations. First good
14 cause exists for the requested waiver of the noticing requirement under NAC 703.2207 because
15 Staff, the Attorney General’s Bureau of Consumer Protection (“**BCP**”), and the Commission are
16 aware of the Commission’s deadline for filing this Application based on the scheduled outlined
17

18 *(2) The manner in which the utility proposes to calculate the authorized revenues*
19 *that will be used in the proposed decoupling methodology described in subparagraph (1);*
20 *and*

21 *(3) The process by which the utility proposes to report to the Commission the*
22 *annual reconciliation of the actual revenue of the utility versus the authorized revenue of*
23 *the utility and to implement the resulting change in rates;*

24 *(b) An illustration of the effect on each customer class of the proposal to decouple*
25 *revenue;*

26 *(c) A description of any necessary and corresponding adjustments to the costs of fuel or*
27 *power used to pump water and the costs of chemicals used to treat water; and*

28 *(d) A plan for the education of customers of the utility with respect to the proposal to*
decouple the revenue of the utility from the quantity of water sold by the utility.

⁵ See Application filed August 31, 2020 in Docket No 20-08023, to implement DWSA sur-charge for the Cold Springs water service division as authorized by the Commission in Docket No. 18-11014, at pages 6-10; see also Order issued on February 11, 2021 in Docket No. 20-08023 (approving application).

1 in the Commission's prior order.⁶ Additionally, the Company has recently confirmed in writing
2 to Staff its intent to file this consolidated application by the deadline contemplated in those prior
3 proceedings. Thus, the requirement to provide additional notice of the filing deadline would be
4 redundant. Additionally, the majority of the topics which a utility is required to address in such
5 notice under NAC 703.2207(3) do not pertain to this narrow filing, including cost of capital,
6 depreciation, and cost of service.

7 Second, good cause exists for the requested waiver of the prefiling meetings pursuant to
8 NAC 703.22073 and NAC 703.2209 because many of the topics that the parties are required to
9 discuss during the meetings contemplated in these regulations are not applicable to this
10 Application given its narrow scope and the fact that the Commission has previously approved the
11 DWSA rate mechanism. *See, e.g.,* NAC 703.2209(2) (requiring the parties to discuss cost of
12 capital, depreciation, cost of service, and design of the proposed rate). Waiver of NAC
13 703.22073 and NAC 703.2209 therefore allows for a simplified procedure which reduces burden
14 and costs on all parties involved, especially where (in this case) all parties and the Commission
15 are aware that filing is forthcoming and aware of the filing's narrow purpose.

16 Good cause also exists for the requested deviation from NAC 703.2208. Staff had
17 previously notified GBWC prior to the filing of a similar application to implement a DWSA sur-
18 charge in the Cold Springs water division in Docket No. 20-08023 that, due to the limited scope
19 of the type of application, it was unnecessary for GBWC to provide the parties with responses to
20 any master data requests ("MDRs") (where Staff typically communicates a narrowed list of
21 required MDRs to GBWC for its previous GRC applications, and GBWC in turn provides only
22 the responses Staff requests). GBWC agrees with Staff's prior assessment and believes that the
23 MDR responses which it typically provides in other dockets will not be necessary for GBWC to
24 demonstrate that it has under-recovered or over-recovered in revenues in its various divisions
25

26 ⁶ *See* Order issued June 20, 2022, Docket No. 21-12025, at 16, ¶30 ("... GBWC shall
27 file an application to implement decoupling for each division within 15 months of the effective
28 date of rates in the Commission order in this proceeding and annually thereafter ..."), *see also*
id. at , 20, ¶1.

1 during the Tracking Period, and that the corresponding proposed surcharge is appropriate.
2 Additionally, any party to this docket is welcome to request information relevant to this
3 Application through the discovery process, including regarding any topics typically covered
4 through MDR responses, should the parties deem them relevant once the Application has been
5 filed.

6 Good cause exists to permit deviation from NAC 703.2265's requirement to include
7 statements and schedules in the Application because the statements and schedules are
8 inapplicable for the reasons outlined in Section VII of this Application. Finally, good cause
9 exists for waiver from NAC 704.63445's requirement to provide unadjusted consumption data to
10 the parties for the test year because this Application does not pertain to a "test year" in the
11 traditional sense, and there is no need to consider the need for a cost of service study for this
12 Application, as it is merely a true-up or reconciliation as approved in Docket No. 21-12025
13 based on actual consumption.

14 Pursuant to NAC 703.115(2), the Company seeks deviation from the above-referenced
15 regulations. Deviation from this list of regulations is in the public interest pursuant to NAC
16 703.115(3). At a broad level, the reduced burden on the utility that deviation provides will result
17 in cost-savings that will be passed along to ratepayers. More specifically, such cost savings are
18 in the public interest where they avoid duplicative work – for example, waiver from the written
19 notice requirement pursuant to NAC 703.2207 is not contrary to the public interest because the
20 Commission, Staff, and the BCP (and, more generally, the public) are already aware that the
21 filing is forthcoming based on the Order issued in Docket No. 21-12025. *See* Order issued June
22 20, 2022, Docket No. 21-12025, at 16, ¶30 (" . . . GBWC shall file an application to implement
23 decoupling for each division within 15 months of the effective date of rates in the Commission
24 order in this proceeding and annually thereafter . . . ") *see also id.* at 20, ¶1. Moreover, GBWC
25 does not seek waiver from any of the specific customer-noticing measures associated with an
26 application for adjustment in rates (including NAC 703.2711), such that customers will be fully
27 apprised of this filing and the docket's progression.
28

1 Additionally, waiver from NAC 703.22073, NAC 703.2208, NAC 703.2209, and NAC
2 704.63445 are in the public interest because a simplified procedure allows for significant cost
3 savings on the Company's part which are then passed along to ratepayers, and waiver of these
4 requirements does not impact the general public's participation in the filing, nor the information
5 to which the general public has access. The public is not included as part of regulatory pre-filing
6 meetings nor does it receive access to MDR responses or unadjusted consumption data, which
7 are only provided to parties to a typical GRC docket. Additionally, waiver from NAC 703.2265,
8 to the extent it applies to certain inapplicable statements and schedules, is in the public interest
9 because the public would not benefit from GBWC's efforts (including the cost to hire third
10 parties) in preparing, reviewing, and compiling statements and schedules which are irrelevant to
11 the subject matter of this narrow docket as described herein. The absence of unnecessary
12 statements and schedules also provides for a simpler and more concise filing which GBWC
13 believes will be easier for the general public to review and understand.

14 Finally, GBWC does not believe the requests for deviation to be contrary to statute.
15 Accordingly, GBWC requests that the Commission grant it permission to deviation from the
16 regulations identified above for the reasons set forth.

17 **VII. INAPPLICABLE STATEMENTS AND SCHEDULES**

18 Pursuant to NAC 703.2241, GBWC hereby provides written explanation of the omission
19 of statements and schedules prescribed under NAC 703.2265 to 703.2461 which it considers
20 inapplicable to this Application given its narrow scope.

21 The Company herein provides workpapers to show the data and relevant calculations to
22 support the proposed sur-charges and sur-credits for implementation of DWSA previously-
23 approved. The Company also provided all required supporting schedules with its 2021 general
24 rate application in Docket No. 21-12025 in which the Commission approved GBWC's request
25 for the DWSA mechanism. The statements and schedules required for a general rate application
26 under NAC 703.2271 through 703.2452 are unnecessary in light of the narrow scope of the
27 requested relief.

1 For example, the portion of Statement F which would require the Company to show the
2 percentage of the overall rate of return requested and the general reasons therefore, as described
3 in NAC 703.2301, is inapplicable to this Application because GBWC is not requesting a rate of
4 return. Statement G, along with the accompanying Schedules G-1 through G-5, are similarly
5 unnecessary due to the limited scope of this Application, which seeks only to implement the
6 DWSA rate mechanism as previously approved. GBWC is not seeking a change in the overall
7 rate base, nor does this filing pertain to utility plant, depreciation, or materials and supplies, nor
8 does the Application include a provision for cash to be used as working capital.

9 Likewise, Statement I is inapplicable to this Application because the Application does not
10 include adjustments to be certified pursuant to NRS 704.110(3). Statement K, along with the
11 accompanying Schedules K-1 through K-7, are inapplicable to this Application because
12 information regarding expenses related to operation and maintenance are not necessary to
13 demonstrate that GBWC under-recovered during the twelve-month tracking period at issue.

14 Statement L and accompany Schedule L-1 are inapplicable to this Application because
15 plant depreciation and amortization expenses are not at issue, and this information therefore not
16 necessary to demonstrate under-recovery or over-recovery. Statement N and accompanying
17 Schedule N-1 are inapplicable to this Application because the parties need not analyze allocation
18 of rate base and related components to conclude that GBWC under-recovered or over-recovered
19 as described herein. Because GBWC does not propose a rate design or present new ratemaking
20 or accounting methods as part of this Application, both Statements O and P are inapplicable.
21 Statement Q is inapplicable because the number and type of shares held is irrelevant to GBWC's
22 under-recover or over-recovery during the twelve-month tracking period and the accompanying
23 DWSA rate mechanism.

24 Because the Statements and Schedules required for a general rate application under NAC
25 703.2271 through 704.2452 are unnecessary given the narrow scope of relief requested in this
26 Application and consistent with the reasoning demonstrated in the foregoing examples, GBWC
27 has omitted the statements and schedules from this Application, consistent with NAC 703.2241.
28

1 **VIII. CONCLUSION AND REQUEST FOR RELIEF**

2 The Company respectfully requests the following:

- 3 1. That the Commission approve and authorize GBWC to add or change a schedule to
4 recover or refund amounts accrued in the deferred accounts for each of its four (4) water
5 service divisions, as authorized by the Commission in Docket No. 21-12025 for
6 decoupling of revenues of the utility from the quantity of water sold for the twelve month
7 period July 18, 2022 through July 17, 2023;
- 8 2. That the Commission approve revised tariff pages for GBWC's Pahrump Division which
9 reflect the appropriate sur-credit resulting from implementation of the previously-
10 approved DWSA rate mechanism of \$0.33 per 1,000 gallons, for all tiers and all water
11 customers, with the exception of the Transmission Irrigation customer class;
- 12 3. That the Commission approve revised tariff pages for GBWC's Spring Creek Division
13 which reflect the appropriate sur-charge resulting from implementation of the previously-
14 approved DWSA rate mechanism of \$0.11 per 1,000 gallons for all tiers and all water
15 customers;
- 16 4. That the Commission approve revised tariff pages for GBWC's Cold Springs Division
17 which reflect the appropriate sur-charge resulting from implementation of the previously-
18 approved DWSA rate mechanism of \$0.12 per 1,000 gallons for all tiers and all water
19 customers;
- 20 5. That the Commission approve revised tariff pages for GBWC's Spanish Springs Division
21 which reflect the appropriate sur-credit resulting from implementation of the previously-
22 approved DWSA rate mechanism of \$0.02 per 1,000 gallons for all tiers and all water
23 customers; and
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6. That the Commission grant any further relief that it deems just and reasonable.

Dated and respectfully submitted this 18th day of October, 2023.

FENNEMORE CRAIG, P.C.

By:

Dan R. Reaser

Nevada Bar No. 1170

Wade Beavers

Nevada Bar No. 13451

7800 Rancharrah Parkway

Reno, Nevada 89511

Attorneys for Great Basin Water Co.

1 **CERTIFICATE OF SERVICE**

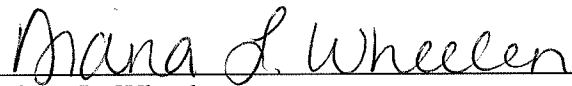
2 I hereby certify that I am an employee of Fennemore Craig, P.C. and on October 18,
3 2023, I caused to be served, a true and correct copy of **Application**, via Electronic Mail, or as
4 indicated below, to the following parties:

5 **Electronic Mail Only:**

6 Regulatory Operations Staff
7 Public Utilities Commission of Nevada
8 1150 E. William Street
9 Carson City, Nevada 89701
10 Pucn.sc@puc.nv.gov

Office of the Attorney General
Bureau of Consumer Protection
100 N. Carson Street
Carson City, Nevada 89701
bcpserv@ag.nv.gov

11 Dated this 18th day of October, 2023.

12 
13 Diana L. Wheelen

DRAFT NOTICE

PUBLIC UTILITIES COMMISSION OF NEVADA
DRAFT NOTICE
(Applications, Tariff Filings, Complaints, and Petitions)

Pursuant to Nevada Administrative Code (“NAC”) 703.162, the Commission requires that a draft notice be included with all applications, tariff filings, complaints and petitions. Please complete and include **ONE COPY** of this form with your filing. (Completion of this form may require the use of more than one page.)

A title that generally describes the relief requested or the proceeding scheduled. NAC 703.160(5)(a).

Application of Great Basin Water Co. to revise Water Tariff Nos. 236, 238, 240, and 241A to implement the deferred water service adjustment rate mechanism relating to the Order issued in Docket No. 21-12025 for its Pahrump, Spring Creek, Cold Springs, and Spanish Springs Divisions, and for other relief properly related thereto.

The name of the applicant, complainant, petitioner or the name of the agent for same. NAC 703.160(5)(b).

Great Basin Water Co. (“GBWC”)

A brief description of the purpose of the filing or proceeding, including, without limitation, a clear and concise introductory statement that summarizes the relief requested or the type of proceeding scheduled AND the effect of the relief or proceeding upon customers. NAC 703.160(5)(c).

Greater Basin Water Co. (“GBWC”) filed an application for authority to add or change a schedule to recover amounts accrued in deferred accounts authorized by the Commission in Docket No. 21-12025 for decoupling revenues of the utility from the water sold in each of GBWC’s four water service divisions (Pahrump, Spring Creek, Cold Springs, and Spanish Springs) and for other relief properly related thereto (the “Application”). The purpose of the Application is to implement the deferred water service adjustment (“DWSA,” also known as “decoupling”) rate mechanism pursuant to NRS 704.663, which the Commission approved for each of GBWC’s four water service divisions in Docket No. 21-12025. The Application proposes tariff revisions which serve to implement the previously-approved DWSA mechanism, which allows each of the divisions to recover the costs of providing service without regard to the difference in the quantity of water reasonably expected to be sold and that which was actually sold. Pursuant to the DWSA rate mechanism approved in Docket No. 21-12025 and GBWC’s calculations, the tariff sheets proposed in the Application reflect either a sur-charge or a sur-credit in each of the water service divisions to be applied to customer bills in each division until the balance of the regulatory asset account established for the division to track the difference between water commodity revenues approved by the Commission in Docket No. 21-12025 and revenues actually collected has been amortized. If the Commission were to grant the Application as filed: (a) a DWSA sur-credit would apply to water service in the Pahrump division at a rate of \$0.33 per 1,000 gallons for all tiers of usage and all water customers (with the exception of the Transmission Irrigation customer class); (b) a DWSA sur-charge would apply to water service in the Spring Creek division at a rate of \$0.11 per 1,000 gallons for all tiers of usage and all water customers; (c) a DWSA sur-charge would apply to water service in the Cold Springs division at a rate of \$0.12 per 1,000 gallons for all tiers of usage and all water customers; and (d) a DWSA

sur-credit would apply to water service in the Spanish Springs division at a rate of \$0.02 per 1,000 gallons for all tiers of usage and all water customers. Because the tariff changes proposed in the Application are necessary to reconcile the difference between water commodity revenues approved by the Commission in Docket No. 21-12025 and revenues actually collected, the Application does not result in a change to GBWC's previously-approved revenue requirement.

A statement indicating whether a consumer session is required by Nevada Revised Statute 704.069(1).¹ NAC 703.162(2).

A consumer session will not be required.

If the draft notice pertains to a tariff filing, please include the tariff number and the section number(s) or schedule number(s) being revised.

GBWC Tariff No. 1-W (Water Service)		
PUCN Sheet No.	Title of Sheet	Canceling PUCN Sheet No.
SEVENTH REVISED Sheet No. 236	SCHEDULE WRES-1 RESIDENTIAL SERVICE – PAHRUMP (continued)	SIXTH REVISED Sheet No. 236
ELEVENTH REVISED Sheet No. 238	SCHEDULE WMF-1 MULTI-FAMILY SERVICE – PAHRUMP (continued)	TENTH REVISED Sheet No. 238
ELEVENTH REVISED Sheet No. 240	SCHEDULE WNRES-1 NON-RESIDENTIAL SERVICE – PAHRUMP (continued)	TENTH REVISED Sheet No. 240
EIGHTH REVISED Sheet No. 241A	SCHEDULE WIRR-1 IRRIGATION SERVICE – PAHRUMP (continued)	SEVENTH REVISED Sheet No. 241A

¹ NRS 704.069 states in pertinent part:

1. . . . [T]he Commission shall conduct a consumer session to solicit comments from the public in any matter pending before the Commission pursuant to NRS 704.061 to 704.110 inclusive, in which:

(a) A public utility has filed a general rate application, an application to recover the increased cost of purchased fuel, purchased power, or natural gas purchased for resale, an annual deferred energy accounting adjustment application pursuant to NRS 704.187 or an annual rate adjustment application; and

(b) The changes proposed in the application will result in an increase in annual gross operating revenue, as certified by the applicant, in an amount that will exceed \$50,000 or 10 percent of the applicant's annual gross operating revenue, whichever is less.

PROPOSED WATER

TARIFF SHEETS

Tariff No. 1-W (Water)

SCHEDULE WRES-1

RESIDENTIAL SERVICE – COLD SPRINGS, SPANISH SPRINGS,
SPRING CREEK, AND PAHRUMP (continued)

COMMODITY CHARGE - continued

		Rate per 1,000 gallons
Spanish Springs	Metered Consumption	
Tier 1	0 to 5,000 gallons	\$ 1.59
Tier 2	5,001 to 30,000 gallons	\$ 2.38
Tier 3	30,001+ gallons	\$ 2.98
Spring Creek	Metered Consumption	Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 4.41
Tier 2	5,001 to 30,000 gallons	\$ 5.80
Tier 3	30,001+ gallons	\$ 6.84
Pahrump	Metered Consumption	Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 3.20
Tier 2	5,001 to 30,000 gallons	\$ 5.38
Tier 3	30,001+ gallons	\$ 8.18

DEFERRED WATER SERVICE ADJUSTMENT¹

	Rate per 1,000 gallons
Cold Springs	\$ 0.12
Spanish Springs	\$ (0.02)
Spring Creek	\$ 0.11
Pahrump	\$ (0.33)

¹ Rates approved in Docket No. 23-

SYSTEM IMPROVEMENT RATE

	Rate per 1,000 gallons
Cold Springs	N/A
Spanish Springs	N/A
Spring Creek	N/A
Pahrump	N/A

PAHRUMP TAX ADJUSTMENT CHARGE

The charges for service hereunder shall be subject to the tax adjustment rider of Utility's water tariff, when applicable.

Issued:
Effective:
Advice No.:

Issued by:
Sean Twomey, President
Great Basin Water Co.

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Tariff No. 1-W (Water)

SCHEDULE WMF-1

MULTI-FAMILY SERVICE – COLD SPRINGS, SPANISH SPRINGS,
SPRING CREEK, AND PAHRUMP (continued)

COMMODITY CHARGE (continued)

Spanish Springs Metered Consumption		Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 1.59
Tier 2	5,001 to 30,000 gallons	\$ 2.38
Tier 3	30,001+ gallons	\$ 2.98
Spring Creek Metered Consumption		Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 4.41
Tier 2	5,001 to 30,000 gallons	\$ 5.80
Tier 3	30,001+ gallons	\$ 6.84
Pahrump Metered Consumption		Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 2.82
Tier 2	5,001 to 30,000 gallons	\$ 4.75
Tier 3	30,001+ gallons	\$ 7.21

DEFERRED WATER SERVICE ADJUSTMENT¹

	Rate per 1,000 gallons
Cold Springs	\$ 0.12
Spanish Springs	\$ (0.02)
Spring Creek	\$ 0.11
Pahrump	\$ (0.33)

¹ Rates approved in Docket No. 23-

SYSTEM IMPROVEMENT RATE

	Rate per 1,000 gallons
Cold Springs	N/A
Spanish Springs	N/A
Spring Creek	N/A
Pahrump	N/A

PAHRUMP TAX ADJUSTMENT CHARGE

The charges for service hereunder shall be subject to the tax adjustment rider of Utility's water tariff, when applicable.

Issued:
Effective:
Advice No.:

Issued by:
Sean Twomey, President
Great Basin Water Co.

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Tariff No. 1-W (Water)

SCHEDULE WNRES-1

NON-RESIDENTIAL SERVICE – COLD SPRINGS, SPANISH SPRINGS,
SPRING CREEK, AND PAHRUMP (continued)

COMMODITY CHARGE (continued)

Spanish Springs Metered Consumption		Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 1.59
Tier 2	5,001 to 60,000 gallons	\$ 2.38
Tier 3	60,001+ gallons	\$ 2.98
Spring Creek Metered Consumption		Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 4.41
Tier 2	5,001 to 999,999 gallons	\$ 5.80
Tier 3	1,000,000+ gallons	\$ 6.84
Pahrump ≤ 4” Metered Consumption		Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 2.24
Tier 2	5,001 to 30,000 gallons	\$ 3.86
Tier 3	30,001+ gallons	\$ 5.84
Pahrump > 4” Metered Consumption		Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 2.24
Tier 2	5,001 to 2,000,000 gallons	\$ 3.86
Tier 3	2,000,001+ gallons	\$ 5.84

DEFERRED WATER SERVICE ADJUSTMENT¹

	Rate per 1,000 gallons
Cold Springs	\$ 0.12
Spanish Springs	\$ (0.02)
Spring Creek	\$ 0.11
Pahrump	\$ (0.33)

¹ Rates approved in Docket No. 23-

SYSTEM IMPROVEMENT RATE

	Rate per 1,000 gallons
Cold Springs	N/A
Spanish Springs	N/A
Spring Creek	N/A
Pahrump	N/A

Issued:
Effective:
Advice No.:

Issued by:
Sean Twomey, President
Great Basin Water Co.

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Tariff No. 1-W (Water)

SCHEDULE WIRR-1

IRRIGATION SERVICE – COLD SPRINGS, SPANISH SPRINGS,
SPRING CREEK, AND PAHRUMP (continued)

COMMODITY CHARGE - continued

Spanish Springs Metered Consumption		Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 1.59
Tier 2	5,001 to 60,000 gallons	\$ 2.38
Tier 3	60,001+ gallons	\$ 2.98
Spring Creek Metered Consumption		Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 4.41
Tier 2	5,001 to 999,999 gallons	\$ 5.80
Tier 3	1,000,001+ gallons	\$ 6.84
Pahrump ≤ 4” Metered Consumption		Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 3.88
Tier 2	5,001 to 30,000 gallons	\$ 6.56
Tier 3	30,001+ gallons	\$ 10.00
Pahrump > 4” Metered Consumption		Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 3.88
Tier 2	5,001 to 2,000,000 gallons	\$ 6.56
Tier 3	2,000,001+ gallons	\$ 10.00

DEFERRED WATER SERVICE ADJUSTMENT¹

	Rate per 1,000 gallons
Cold Springs	\$ 0.12
Spanish Springs	\$ (0.02)
Spring Creek	\$ 0.11
Pahrump	\$ (0.33)

¹ Rates approved in Docket No. 23-

SYSTEM IMPROVEMENT RATE

	Rate per 1,000 gallons
Cold Springs	N/A
Spanish Springs	N/A
Spring Creek	N/A
Pahrump	N/A

Issued:
Effective:
Advice No.:

Issued by:
Sean Twomey, President
Great Basin Water Co.

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EXISTING WATER

TARIFF SHEETS

Great Basin Water Co.
1240 E. State St., Ste. 115
Pahrump, NV 89048

SIXTH REVISED PUCN Sheet No. 236
Cancels
FIFTH REVISED PUCN Sheet No. 236

Tariff No. 1-W (Water)

SCHEDULE WRES-1

**RESIDENTIAL SERVICE – COLD SPRINGS, SPANISH SPRINGS,
SPRING CREEK, AND PAHRUMP (continued)**

COMMODITY CHARGE - continued

		Rate per 1,000 gallons
Spanish Springs	Metered Consumption	
Tier 1	0 to 5,000 gallons	\$ 1.59
Tier 2	5,001 to 30,000 gallons	\$ 2.38
Tier 3	30,001+ gallons	\$ 2.98
Spring Creek	Metered Consumption	
Tier 1	0 to 5,000 gallons	\$ 4.41
Tier 2	5,001 to 30,000 gallons	\$ 5.80
Tier 3	30,001+ gallons	\$ 6.84
Pahrump	Metered Consumption	
Tier 1	0 to 5,000 gallons	\$ 3.20
Tier 2	5,001 to 30,000 gallons	\$ 5.38
Tier 3	30,001+ gallons	\$ 8.18

DEFERRED WATER SERVICE ADJUSTMENT¹

	Rate per 1,000 gallons
Cold Springs	N/A
Spanish Springs	\$ (0.01)
Spring Creek	N/A
Pahrump	\$ (0.45)

¹ Rates approved in Dockets No. 22-08026 (Spanish Springs), and 22-02028 (Pahrump).

SYSTEM IMPROVEMENT RATE

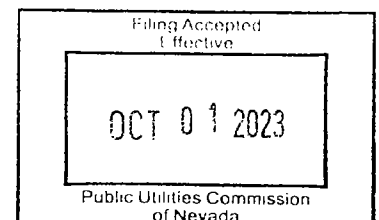
	Rate per 1,000 gallons
Cold Springs	N/A
Spanish Springs	N/A
Spring Creek	N/A
Pahrump	N/A

PAHRUMP TAX ADJUSTMENT CHARGE

The charges for service hereunder shall be subject to the tax adjustment rider of Utility's water tariff, when applicable.

Issued:
Effective:
Advice No.:

Issued by:
Sean Twomey, President
Great Basin Water Co.



Tariff No. 1-W (Water)

SCHEDULE WMF-1

MULTI-FAMILY SERVICE – COLD SPRINGS, SPANISH SPRINGS,
SPRING CREEK, AND PAHRUMP (continued)

COMMODITY CHARGE (continued)

		Rate per 1,000 gallons
Spanish Springs	Metered Consumption	
Tier 1	0 to 5,000 gallons	\$ 1.59
Tier 2	5,001 to 30,000 gallons	\$ 2.38
Tier 3	30,001+ gallons	\$ 2.98
Spring Creek	Metered Consumption	Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 4.41
Tier 2	5,001 to 30,000 gallons	\$ 5.80
Tier 3	30,001+ gallons	\$ 6.84
Pahrump	Metered Consumption	Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 2.82
Tier 2	5,001 to 30,000 gallons	\$ 4.75
Tier 3	30,001+ gallons	\$ 7.21

DEFERRED WATER SERVICE ADJUSTMENT¹

	Rate per 1,000 gallons
Cold Springs	N/A
Spanish Springs	\$ (0.01)
Spring Creek	N/A
Pahrump	\$ (0.45)

¹ Rates approved in Dockets No. 22-08026 (Spanish Springs), and 22-02028 (Pahrump).

SYSTEM IMPROVEMENT RATE

	Rate per 1,000 gallons
Cold Springs	N/A
Spanish Springs	N/A
Spring Creek	N/A
Pahrump	N/A

PAHRUMP TAX ADJUSTMENT CHARGE

The charges for service hereunder shall be subject to the tax adjustment rider of Utility's water tariff, when applicable.

Issued:
Effective:
Advice No.:

Issued by:
Sean Twomey, President
Great Basin Water Co.

Filing Accepted
Effective

OCT 01 2023

Public Utilities Commission
of Nevada

Great Basin Water Co.
1240 E. State St., Ste. 115
Pahrump, NV 89048

TENTH REVISED PUCN Sheet No. 240
Cancels
NINTH REVISED PUCN Sheet No. 240

Tariff No. 1-W (Water)

SCHEDULE WNRES-1

NON-RESIDENTIAL SERVICE – COLD SPRINGS, SPANISH SPRINGS,
SPRING CREEK, AND PAHRUMP (continued)

COMMODITY CHARGE (continued)

Spanish Springs Metered Consumption		Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 1.59
Tier 2	5,001 to 60,000 gallons	\$ 2.38
Tier 3	60,001+ gallons	\$ 2.98
Spring Creek Metered Consumption		Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 4.41
Tier 2	5,001 to 999,999 gallons	\$ 5.80
Tier 3	1,000,000+ gallons	\$ 6.84
Pahrump ≤ 4" Metered Consumption		Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 2.24
Tier 2	5,001 to 30,000 gallons	\$ 3.86
Tier 3	30,001+ gallons	\$ 5.84
Pahrump > 4" Metered Consumption		Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 2.24
Tier 2	5,001 to 2,000,000 gallons	\$ 3.86
Tier 3	2,000,001+ gallons	\$ 5.84

DEFERRED WATER SERVICE ADJUSTMENT¹

	Rate per 1,000 gallons
Cold Springs	N/A
Spanish Springs	\$ (0.01)
Spring Creek	N/A
Pahrump	\$ (0.45)

¹ Rates approved in Dockets No. 22-08026 (Spanish Springs), and 22-02028 (Pahrump).

SYSTEM IMPROVEMENT RATE

	Rate per 1,000 gallons
Cold Springs	N/A
Spanish Springs	N/A
Spring Creek	N/A
Pahrump	N/A

Issued:
Effective:
Advice No.:

Issued by:
Sean Twomey, President
Great Basin Water Co.

Filing Accepted
Effective

OCT 01 2023

Public Utilities Commission
of Nevada

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Great Basin Water Co.
1240 E. State St., Ste. 115
Pahrump, NV 89048

SEVENTH REVISED PUCN Sheet No. 241A
Cancels
SIXTH REVISED PUCN Sheet No. 241A

Tariff No. 1-W (Water)

SCHEDULE WIRR-1

IRRIGATION SERVICE – COLD SPRINGS, SPANISH SPRINGS,
SPRING CREEK, AND PAHRUMP (continued)

COMMODITY CHARGE - continued

Spanish Springs Metered Consumption		Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 1.59
Tier 2	5,001 to 60,000 gallons	\$ 2.38
Tier 3	60,001+ gallons	\$ 2.98
Spring Creek Metered Consumption		Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 4.41
Tier 2	5,001 to 999,999 gallons	\$ 5.80
Tier 3	1,000,001+ gallons	\$ 6.84
Pahrump ≤ 4" Metered Consumption		Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 3.88
Tier 2	5,001 to 30,000 gallons	\$ 6.56
Tier 3	30,001+ gallons	\$ 10.00
Pahrump > 4" Metered Consumption		Rate per 1,000 gallons
Tier 1	0 to 5,000 gallons	\$ 3.88
Tier 2	5,001 to 2,000,000 gallons	\$ 6.56
Tier 3	2,000,001+ gallons	\$ 10.00

DEFERRED WATER SERVICE ADJUSTMENT¹

	Rate per 1,000 gallons
Cold Springs	N/A
Spanish Springs	\$ (0.01)
Spring Creek	N/A
Pahrump	\$ (0.45)

¹ Rates approved in Dockets No. 22-08026 (Spanish Springs), and 22-02028 (Pahrump).

SYSTEM IMPROVEMENT RATE

	Rate per 1,000 gallons
Cold Springs	N/A
Spanish Springs	N/A
Spring Creek	N/A
Pahrump	N/A

Issued:
Effective:
Advice No.:

Issued by:
Sean Twomey, President
Great Basin Water Co.

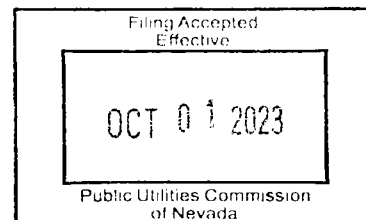


EXHIBIT 1

EXHIBIT 1

BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA [DRAFT PROPOSED] NOTICE OF APPLICATION (Description of the Application pursuant to NAC 703.2211)

Great Basin Water Co. (“GBWC,” or the “Company”) filed an Application with the Public Utilities Commission of Nevada (“Commission”), designated as Docket No. 23 _____, requesting that the Commission authorize it to add or change a schedule to recover amounts accrued in the deferred accounts authorized by the Commission in Docket No. 21-12025 for decoupling of revenues of the utility from the quantity of water sold in each of GBWC’s four water service divisions (Pahrump, Spring Creek, Cold Springs, and Spanish Springs) – thus implementing the deferred water service adjustment (“DWSA,” also known as “decoupling”) rate mechanism pursuant to NRS 704.663 – and for other relief properly related thereto (the “Application”). The Application is filed pursuant to sections 704.100, 704.110, and 704.663 of the Nevada Revised Statutes (“NRS”); as well as sections 703.2201 to 703.2481, 704.63385, and 703.115 of the Nevada Administrative Code (“NAC”).

I. DWSA SUR-CHARGE (OR SUR-CREDIT)

The Company’s request for approval of a new schedule is necessary to implement the DWSA rate mechanism pursuant to NRS 704.663, which the Commission approved for each of GBWC’s four water service divisions in Docket No. 21-12025. Pursuant to the previously-approved DWSA rate mechanism and GBWC’s subsequent calculations, the tariff sheets proposed as part of this Application reflect either a sur-charge or a sur-credit in each of the water service divisions to be applied to customer bills in each division until the balance of the regulatory asset account established for the division to track the difference between water commodity revenues approved by the Commission in Docket No. 21-12025 and revenues actually collected has been amortized. As reflected in the proposed tariff pages accompanying the Application, if the

Commission grants the Application as filed: (a) a DWSA sur-credit would apply to water service in the Pahrump division at a rate of \$0.33 per 1,000 gallons for all tiers of usage and all water customers (with the exception of the Transmission Irrigation customer class); (b) a DWSA sur-charge would apply to water service in the Spring Creek division at a rate of \$0.11 per 1,000 gallons for all tiers of usage and all water customers; (c) a DWSA sur-charge would apply to water service in the Cold Springs division at a rate of \$0.12 per 1,000 gallons for all tiers of usage and all water customers; and (d) a DWSA sur-credit would apply to water service in the Spanish Springs division at a rate of \$0.02 per 1,000 gallons for all tiers of usage and all water customers.

As demonstrated in the Application, after applying permitted adjustments, and after accounting for interest, GBWC over-recovered revenues in each of its Pahrump and Spanish Springs Divisions, and under-recovered revenues in each of its Cold Springs and Spanish Springs divisions during the twelve-month tracking period following the Commission's Order in Docket No. 21-12025. Thus, the tariff changes proposed in the Application are necessary to reconcile the difference between water commodity revenues approved by the Commission in Docket No. 21-12025 and revenues actually collected, but the Application does not result in a change to GBWC's previously-approved revenue requirement.

II. TARIFF MODIFICATIONS

The Company requests that the Commission approve the changes to the following rate schedule tariff pages:

PROPOSED CHANGE TO TARIFF

GBWC Tariff No. 1-W (Water Service)		
PUCN Sheet No.	Title of Sheet	Canceling PUCN Sheet No.
SEVENTH REVISED Sheet No. 236	SCHEDULE WRES-1 RESIDENTIAL SERVICE – PAHRUMP (continued)	SIXTH REVISED Sheet No. 236

GBWC Tariff No. 1-W (Water Service)		
PUCN Sheet No.	Title of Sheet	Canceling PUCN Sheet No.
ELEVENTH REVISED Sheet No. 238	SCHEDULE WMF-1 MULTI-FAMILY SERVICE – PAHRUMP (continued)	TENTH REVISED Sheet No. 238
ELEVENTH REVISED Sheet No. 240	SCHEDULE WNRES-1 NON-RESIDENTIAL SERVICE – PAHRUMP (continued)	TENTH REVISED Sheet No. 240
EIGHTH REVISED Sheet No. 241A	SCHEDULE WIRR-1 IRRIGATION SERVICE – PAHRUMP (continued)	SEVENTH REVISED Sheet No. 241A

This Application is available for public viewing on the Commission's website at <http://puc.nv.gov/> and is also available for public review at the offices of the Commission: 1150 East William Street, Carson City, Nevada 89701, and 9075 West Diablo Drive, Suite 250, Las Vegas, Nevada 89148.

The Commission may approve rates as proposed or decrease or increase rates as necessary to provide for rates that are just and reasonable. Interested and affected persons may file: 1) comments in writing; 2) petitions for leave to intervene; or 3) notices of intent to participate as commenters in order to be placed on the service list to receive pleadings in the docket at either of the Commission's offices on or before _____, 2023.

By the Commission,

TRISHA OSBORNE
Assistant Commission Secretary

Dated:
Carson City, Nevada
(SEAL)

EXHIBIT 2

EXHIBIT 2

BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

In the Matter of:

Docket No. 23-_____

Application of Great Basin Water Co. to revise Water Tariff Nos. 236, 238, 240 and 241A to implement the deferred water service adjustment rate mechanism relating to the Order issued in Docket No. 21-12025 for its Pahrump, Spring Creek, Cold Springs, and Spanish Springs Divisions, and for other relief properly related thereto.

[DRAFT PROPOSED] NOTICE OF HEARING

The Application requests that the Commission authorize Great Basin Water Co. to add or change a schedule to recover amounts accrued in the deferred accounts authorized by the Commission in Docket No. 21-12025 for decoupling of revenues of the utility from the quantity of water sold in each of GBWC's four water service divisions (Pahrump, Spring Creek, Cold Springs, and Spanish Springs), thus implementing the deferred water service adjustment ("DWSA," also known as "decoupling") rate mechanism pursuant to NRS 704.663 – and for other relief properly related thereto (the "Application"). The Application is filed pursuant to sections 704.100, 704.110, and 704.663 of the Nevada Revised Statutes ("NRS"); as well as sections 703.2201 to 702.2481, 704.63385, and 703.115 of the Nevada Administrative Code ("NAC"). NOTICE IS HEREBY GIVEN that, pursuant to NRS 704.110, the Commission has scheduled a HEARING in this matter as follows:

[] Day, Month/Date 202[]
[Time]
Hearing Room []
Public Utilities Commission of Nevada
[Address]
[City,] Nevada 89[]

This hearing may be continued from day to day as necessary, and may be conducted by virtual or other alternative means. The Commission will consider evidence regarding GBWC's above-referenced Application. The Commission may approve rates as proposed or decrease or increase rates as necessary to provide for rates that are just and reasonable. The Commission may consider other issues related to the provisions of Chapters 703 and 704 of the NRS and NAC. The Commission may also make decisions on any procedural issues raised at the hearing.

I. DWSA RATE MECHANISM

The Company's request for approval of new schedules is necessary to implement the DWSA rate mechanism pursuant to NRS 704.663, which the Commission approved for all four of GBWC's water service divisions in Docket No. 21-12025. Pursuant to the previously-approved DWSA rate mechanism and GBWC's subsequent calculations, the tariff sheets proposed as part of this Application reflect either a sur-credit or a sur-charge in each of the water service divisions to be applied to customer bills in each division until the balance of the regulatory asset account established for the division to track the difference between water commodity revenues approved by the Commission in Docket No. 21-12025 and revenues actually collected has been amortized. As reflected in the proposed tariff pages accompanying the Application, if the Commission grants the Application as filed: (a) a DWSA sur-credit would apply to water service in the Pahrump division at a rate of \$0.33 per 1,000 gallons for all tiers of usage and all water customers (with the exception of the Transmission Irrigation customer class); (b) a DWSA sur-charge would apply to water service in the Spring Creek division at a rate of \$0.11 per 1,000 gallons for all tiers of usage and all water customers; (c) a DWSA sur-charge would apply to water service in the Cold Springs division

at a rate of \$0.12 per 1,000 gallons for all tiers of usage and all water customers; and (d) a DWSA sur-credit would apply to water service in the Spanish Springs division at a rate of \$0.02 per 1,000 gallons for all tiers of usage and all water customers.

As demonstrated in the Application, after applying permitted adjustments, and after accounting for interest, GBWC over-recovered revenues in each of its Pahrump and Spanish Springs Divisions, and under-recovered revenues in each of its Cold Springs and Spanish Springs divisions during the twelve-month tracking period following the Commission's Order in Docket No. 21-12025. Thus, the tariff changes proposed in the Application are necessary to reconcile the difference between water commodity revenues approved by the Commission in Docket No. 21-12025 and revenues actually collected, but the Application does not result in a change to GBWC's previously-approved revenue requirement.

II. TARIFF MODIFICATIONS

GBWC requests that the Commission approve the changes to the following rate schedule tariff pages:

PROPOSED CHANGE TO TARIFF

GBWC Tariff No. 1-W (Water Service)		
PUCN Sheet No.	Title of Sheet	Canceling PUCN Sheet No.
SEVENTH REVISED Sheet No. 236	SCHEDULE WRES-1 RESIDENTIAL SERVICE – PAHRUMP (continued)	SIXTH REVISED Sheet No. 236
ELEVENTH REVISED Sheet No. 238	SCHEDULE WMF-1 MULTI-FAMILY SERVICE – PAHRUMP (continued)	TENTH REVISED Sheet No. 238

GBWC Tariff No. 1-W (Water Service)		
PUCN Sheet No.	Title of Sheet	Canceling PUCN Sheet No.
ELEVENTH REVISED Sheet No. 240	SCHEDULE WNRES-1 NON-RESIDENTIAL SERVICE – PAHRUMP (continued)	TENTH REVISED Sheet No. 240
EIGHTH REVISED Sheet No. 241A	SCHEDULE WIRR-1 IRRIGATION SERVICE – PAHRUMP (continued)	SEVENTH REVISED Sheet No. 241A

This Application is available for public viewing on the Commission's website at <http://puc.nv.gov> and is also available for public review at the offices of the Commission: 1150 East William Street, Carson City, Nevada 89701, and 9075 West Diablo Drive, Suite 250, Las Vegas, Nevada 89148.

By the Commission,

TRISHA OSBORNE
Assistant Commission Secretary

Dated:
Carson City, Nevada

(SEAL)

EXHIBIT 3

EXHIBIT 3

Pursuant to Nevada Administrative Code 703.2211(5), Great Basin Water Co. hereby references prior proceedings before the Commission which have been held and which are related to any of the proposals contained in this Application:

Rate Applications

Docket No. 21-12025. Application of Great Basin Water Co. for authority to consolidate and adjust its annual revenue requirement for water and sewer service rates charged to all classes of customers in the Pahrump, Spring Creek, Cold Springs, and Spanish Springs Divisions and for other relief properly related thereto.

Tariff Modifications / Filings

Docket No. 23-09015. Application of Great Basin Water Co. to establish a system improvement rate in its Pahrump Division for its Firebird Circle Loop Project, an eligible project designated by the Commission in Docket No. 18-03005, and for relief properly related thereto.

PREPARED DIRECT
TESTIMONY OF
ALEKSEY V.
DOLINKO

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BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

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In the Matter of:

Docket No. 23-_____

Application of Great Basin Water Co. to
revise Water Tariff Nos. 236, 238, 240, and
241A to implement the deferred water
service adjustment rate mechanism relating
to the Order issued in Docket No. 21-12025
for its Pahrump, Spring Creek, Cold Springs,
and Spanish Springs Divisions, and for other
relief properly related thereto.

PREPARED DIRECT TESTIMONY OF
ALEKSEY V. DOLINKO
ON BEHALF OF GREAT BASIN WATER CO.

October 18, 2023

**PREPARED DIRECT TESTIMONY
OF ALEKSEY DOLINKO
ON BEHALF OF GREAT BASIN WATER CO.**

Q.1 PLEASE STATE YOUR NAME, PRESENT POSITION AND BUSINESS ADDRESS.

A.1 My name is Aleksey Dolinko and I am the Director of Financial Planning and Analysis (“FP&A”) for the Great Basin Water Co. (“GBWC” or the “Company”). My business address is 500 W. Monroe Street Chicago, Illinois 60661.

Q.2 WHAT ARE YOUR DUTIES IN YOUR CURRENT POSITION?

A.2 As the Director of FP&A, I perform the budgeting, forecasting and analytical processes that support an organization's financial health and business strategy. I combine in-depth analysis of both operational and financial data to help align business processes and strategies with financial goals, and to evaluate progress toward those goals. I also lead regulatory filings with the Public Utilities Commission of Nevada (“PUCN” or the “Commission”), including but not limited to rate cases and advice letters, providing strategy, and quality assurance.

Q.3 WHAT IS YOUR EDUCATIONAL AND PROFESSIONAL BACKGROUND?

A.3 I graduated from the University of Illinois at Chicago (“UIC”) in 2008 with bachelor’s degrees in Finance and Information Decision Sciences. In 2013, I completed my Master’s in Business Administration from the University of Chicago, Booth School of Business.

I have worked for GBWC since September 2016. Prior to joining GBWC, I worked for

1 Allstate Insurance for eight (8) years; I started as a Financial Analyst and left the company
2 as a Finance Manager.

3
4 **Q.4 HAVE YOU TESTIFIED PREVIOUSLY BEFORE THE PUBLIC UTILITIES**
5 **COMMISSION OF NEVADA (THE “COMMISSION” OR “PUCN”)?**

6 A.4 Yes. I have testified in twenty-one (21) dockets:

- 7 1. Docket No. 16-12006, *GBWC Spring Creek Meter Reading*
- 8 2. Docket No. 16-12037, *GBWC Pahrump GRC*
- 9 3. Docket No. 17-12022, *GBWC Spring Creek GRC*
- 10 4. Docket No. 18-03005, *GBWC 2018 Consolidated IRP*
- 11 5. Docket No. 18-11014, *GBWC Cold Springs /Spanish Springs GRC*
- 12 6. Docket No. 19-12029, *GBWC Pahrump GRC*
- 13 7. Docket No. 20-07005, *Pahrump Decoupling #1*
- 14 8. Docket No. 20-07015, *GBWC Cold Springs GRC*
- 15 9. Docket No. 20-07017, *GBWC Spring Creek GRC*
- 16 10. Docket No. 20-08021, *Spanish Springs Decoupling #1*
- 17 11. Docket No. 20-08023, *Cold Springs Decoupling #1*
- 18 12. Docket No. 21-03042, *SIR Well 2 PD*
- 19 13. Docket No. 21-06009, *SIR Dewatering PD*
- 20 14. Docket No. 21-08019, *Spanish Springs Decoupling #2*
- 21 15. Docket No. 21-08020, *Cold Springs Decoupling #2*
- 22 16. Docket No. 21-12025, *GBWC 2021 Consolidated GRC*
- 23 17. Docket No. 22-02028, *Pahrump Decoupling #3*
- 24 18. Docket No. 22-08026, *Spanish Springs Decoupling #3*
- 25 19. Docket No. 22-10007, *Annual SIR Compliance*
- 26 20. Docket No. 23-02032, *Pahrump Decoupling #4*
- 27 21. Docket No. 23-09015, *Firebird Circle Loop SIR PD*

1 **Q.5 HAVE YOU TESTIFIED BEFORE ANY OTHER PUBLIC UTILITIES**
2 **COMMISSION?**

3 A.5 Yes. I have testified before the Arizona Corporation Commission in two (2) dockets:

4 1. Docket No. W-01812A-20-0109, *Bermuda Water Co 2020 Rate Case*

5 2. Docket No. W-01812A-22-0256, *Bermuda Water Co 2022 Rate Case*

6
7 **Q.6 WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS DOCKET?**

8 A.6 To provide explanation and methodology of the Deferred Water Service Adjustment
9 (“DWSA,” or “decoupling”) calculations for all four (4) of GBWC’s divisions: Pahrump,
10 Spring Creek, Cold Springs, and Spanish Springs.

11
12 **Q.7 WHAT RATE CASE DOES THIS DECOUPLING FILING RELATE TO?**

13 A.7 In this docket we have calculated proposed monthly bill adjustments for the decoupling
14 mechanism approved in the Commission’s final order issued in the 2021 NV Consolidated
15 Rate Case, Docket No. 21-12025 (“2021 Rate Case”), in which the Commission approved
16 the implementation of decoupling for each of GBWC’s four (4) divisions, at rates that shall
17 be a single volumetric rate per thousand gallons applied to all customers in each division,
18 and directed that GBWC file an application to implement decoupling for each division
19 within 15 months of the effective date of the rates the Commission approved in that docket.
20 *See* Commission Order, Docket No. 21-12025, issued June 20, 2022, at 16, ¶30, 20, ¶1.

21
22 **Q.8 PLEASE SUMMARIZE THE METHODOLOGY THAT HAS BEEN UTILIZED IN**
23 **CONNECTION WITH THIS DECOUPLING FILING.**

24 A.8 The approach to calculating the decoupling adjustment in this filing was described in detail
25 in the 2021 Rate Case docket in which the authorization for implementing the decoupling
26 mechanism was granted,¹ and is the same DWSA methodology that was earlier-approved

27 ¹ *See* Docket No. 21-12025, 2021 Consolidated Rate Case Application filed December 30,
28

1 and applied for GBWC's Pahrump division in Docket No. 19-12029. The methodology is
2 summarized here with additional specifics on how the calculations for each of the
3 Company's four (4) divisions were conducted to arrive at the proposed sur-charges and
4 sur-credits proposed in this decoupling filing.

5
6 As to each of its four (4) divisions, the Company has established a deferred account to track
7 the difference between water commodity revenues approved by the Commission in Docket
8 No. 21-12025, Order dated June 20, 2022, and volumetric revenues actually collected over
9 a twelve (12) month tracking period commencing on July 18, 2022—the date on which the
10 rates approved by the Commission in connection with the 2021 Rate Case became
11 effective—and ending on July 17, 2023, excluding revenues from base service charges or
12 other non-service revenue sources (e.g., late fees). Additionally, a calculation to adjust
13 monthly electric power and chemical costs was performed as to each division based on
14 actual usage and compared to the amounts allowed by the Commission in the 2021 Rate
15 Case. The differences have been reconciled and recorded to each of the deferred accounts.

16
17 The net balance in each deferred account at the end of the twelve (12) month period
18 represents either an over-collection or under-collection of the authorized volumetric
19 revenue requirement. Now that the twelve (12) month tracking period has ended, the net
20 balance in each of the deferred accounts will be credited or debited over the next twelve
21 (12) month period as a proposed monthly rate sur-charge or monthly rate sur-credit applied
22 to customer bills to bring the balance in each of the deferred accounts back to zero (0). It
23 is expected that perfect amortization of the accounts over the coming year is unlikely, and,
24 therefore, some over- or under-amortization of each account is expected. At the end of the
25 twelve (12) month amortization period, any remaining balance in each deferred account
26 will remain in the deferred account and, along with the new tracking period's deferrals,

27
28

2021, Volume 7, Direct Testimony of Aleksey Dolinko at Q/A 107 – Q/A 120.

will be included in the new period's DWSA filing.

Q.9 WHAT TIME PERIOD IS BEING ANALYZED FOR THIS FILING?

A.9 The decoupling analysis provided herein relates to the twelve (12) month tracking period that began on July 18, 2022 and ended on July 17, 2023.

Q.10 ARE ALL CUSTOMER CLASSES IN EACH DIVISION SUBJECT TO DECOUPLING?

A.10 No. There is one customer class in one division, the Transmission Irrigation customer class in the Pahrump division, that will not be subject to this decoupling. That customer class, which presently uses its own water rights and is not subject to the Company's Water Conservation Plan, is not subject to decoupling per prior order of the Commission. *See* Docket No. 18-11013, Order dated September 16, 2019 at ¶152. All other customer classes in each of the four (4) divisions (Residential, Multi-Family, Non-Residential, and Irrigation) are subject to decoupling, and numbers and calculations below relate to those customer classes.

Q.11 PLEASE SUMMARIZE THE FINAL RESULT OF THE ANALYSIS THAT WAS PERFORMED IN CONNECTION WITH THIS DECOUPLING FILING.

A.11 Table 1 below summarizes the total amounts of over- or (under-) collected actual volumetric revenues in relation to the authorized volumetric revenues for each division, applying the calculations set forth herein.

Table 1	
	<u>Over/(Under)</u>
	<u>Collection</u>
Pahrump	\$ 101,894
Spring Creek	\$ (73,158)
Cold Springs	\$ (31,079)
Spanish Springs	\$ 6,882

Q.12 PLEASE ELABORATE ON THE ANALYSIS.

A.12 The first step is to identify the total volumetric revenues that were collected in each division during the twelve (12) month tracking period (July 18, 2022 to July 17, 2023), which are set forth in Table 2 below.

Table 2	
	<u>Collected</u>
Pahrump	\$ 3,550,420
Spring Creek	\$ 4,095,265
Cold Springs	\$ 1,404,184
Spanish Springs	\$ 417,225

The next step is to calculate the allowed revenues. We first take the stipulated annual volumetric revenues established for each division in the 2021 Rate Case² and then adjust for change in chemical and electric costs. As was described in greater detail in the 2021 Rate Case, the adjustment for chemical and electric costs is necessary to account for differences in consumption. *See* Docket No. 21-12025, 2021 Consolidated Rate Case Application filed December 30, 2021, Volume 7, Direct Testimony of Aleksey Dolinko at Q/A 110, 114. Table 3 shows the total allowed revenues for each division before and after adjustment for chemical and electric costs.

Table 3			
	<u>Allowed before Adj</u>	<u>Adjustment</u>	<u>Final Allowed</u>
Pahrump	\$ 3,445,363	\$ 7,503	\$ 3,452,866
Spring Creek	\$ 4,213,060	\$ (47,882)	\$ 4,165,178
Cold Springs	\$ 1,455,635	\$ (21,615)	\$ 1,434,020
Spanish Springs	\$ 419,498	\$ (8,877)	\$ 410,621

Table 4 shows the total amounts of over- or (under-) collections for each division before accounting for monthly interest:

² *See* Commission Order, Docket No. 21-12025, issued June 20, 2022, at 16, ¶30, 20, ¶1.

Table 4				
		<u>Collected</u>	<u>Final Allowed</u>	<u>Over/(Under)</u> <u>Collection</u>
Pahrump	\$	3,550,420	\$ 3,452,866	\$ 97,554
Spring Creek	\$	4,095,265	\$ 4,165,178	\$ (69,913)
Cold Springs	\$	1,404,184	\$ 1,434,020	\$ (29,836)
Spanish Springs	\$	417,225	\$ 410,621	\$ 6,604

Q.13 HOW DOES THE COMPANY ACCOUNT FOR MONTHLY INTEREST?

A.13 The Company calculates an accrual of interest on both over- and under-collected amounts in each division for purposes of determining the final net balance used in determining a proposed sur-charge or sur-credit.

As the first step in calculating the accrual of interest, the total allowed revenues for each division are allocated across each month in the twelve (12) month tracking period to generate a monthly allowed revenue figure for each month in each division. Second, as to each month, the difference between the total actual monthly volumetric revenue collected and the monthly allowed revenue figure is calculated. Third, the monthly difference figures are combined to generate a cumulative, ongoing difference total through each month. Fourth, the ongoing, accumulated difference total through each month is multiplied by an interest rate that is 1/12th of the allowed rate of return that was established in the 2021 Rate Case. Fifth, as to each division, the total accumulated interest through the last month of the tracking period is added to the total combined monthly difference figure to generate the final balance.

Table 5 below illustrates the total accumulated interest and the final over and (under) collection for each division:

Table 5				
		<u>Over/(Under)</u> <u>Collection</u>	<u>Interest</u>	<u>Final Over/(Under)</u> <u>Collection</u>
Pahrump	\$	97,554	\$ 4,341	\$ 101,894
Spring Creek	\$	(69,913)	\$ (3,245)	\$ (73,158)
Cold Springs	\$	(29,836)	\$ (1,243)	\$ (31,079)
Spanish Springs	\$	6,604	\$ 278	\$ 6,882

Q.14 WHAT IS THE NEXT STEP IN ESTABLISHING A SUR-CHARGE / SUR-CREDIT BASED ON THE ANALYSIS ABOVE?

A.14 The next step is to establish the respective running balances in each division from prior decoupling. Three of the Company's four divisions (Pahrump, Cold Springs, and Spanish Springs) have had decoupling in the past. As each of the sur-charges and sur-credits arising out of the Company's prior decoupling filings have been tied to projected annualized consumption, and as consumption may vary, there is generally a balance other than zero (0) in the relevant deferred account by the time of the next decoupling filing.

For purposes of this filing, the Company has projected the deferred account balances in each division through June 1, 2024, which is the proposed effective date of the decoupling that is the subject of this filing. The Company is open to re-calculating the balances set forth below should that projected effective date change.

The table below summarizes the projected running deferred account balance from prior decoupling sur-credits or sur-charges in each division, plus the final over- or under-collection in each division during the twelve (12) month tracking period utilizing the calculations set forth above, to generate the final balance that is used to calculate the proposed sur-credit or sur-charge proposed in this decoupling filing:

Table 6				
	<u>Balance from</u>	<u>Final Over/(Under)</u>	<u>Final Balance</u>	
	<u>Prior Dockets</u>	<u>Collection</u>		
Pahrump	\$ 139,887	\$ 101,894	\$	241,781
Spring Creek	\$ -	\$ (73,158)	\$	(73,158)
Cold Springs	\$ (16,052)	\$ (31,079)	\$	(47,131)
Spanish Springs	\$ (4,195)	\$ 6,882	\$	2,687

Q.15 HOW ARE THE PROPOSED SUR-CREDIT/SUR-CHARGES CALCULATED?

A.15 As to each division, if the final balance is positive, that means that the company owes the customers in that division a refund, and thus the Company is proposing a sur-credit. The

opposite is also true, where the final balance is negative, the Company is proposing a sur-charge to recover under-collected revenue. To calculate the proposed sur-charge or sur-credit, the final balance in each division has been divided by the projected annualized consumption for that division.

As with all other volumetric rates, the value is expressed per 1,000 gallons.

Table 7				
	<u>Final Balance</u>	<u>Annual Consumption</u>	<u>Sur-Charge/</u>	<u>(Credit)</u>
Pahrump	\$ 241,781	742,008,919	\$	(0.33)
Spring Creek	\$ (73,158)	671,188,187	\$	0.11
Cold Springs	\$ (47,131)	404,828,852	\$	0.12
Spanish Springs	\$ 2,687	161,435,537	\$	(0.02)

Q.16 WHY IS THE PROPOSED SUR-CREDIT OR SUR-CHARGE A SINGLE VOLUMETRIC RATE FOR ALL ELIGIBLE CUSTOMERS IN EACH DIVISION?

A.16 The proposed sur-credits and sur-charges are intended to be consistent with the terms of the Commission's Order in the 2021 Rate Case, which directed that each decoupling rate should be a single volumetric rate per thousand gallons applied to all customers in each division. *See* Commission Order, Docket No. 21-12025, issued June 20, 2022, at 16, ¶30, 20, ¶1.

Q.17 WHAT CUSTOMER COMMUNICATIONS ARE PLANNED REGARDING THE IMPLEMENTATION OF DWSA?

A.17 As it has done with previous decoupling filings, the Company plans to explain the new sur-charge or sur-credit to customers in each division through a bill insert to be included with the first bill delivered after the new rates become effective. An example of the proposed bill insert is attached hereto as AVD-01 to Exhibit ____ hereto.

1 **Q.18 DOES THIS CONCLUDE YOUR TESTIMONY?**

2 A.18 Yes. However, I reserve the right to supplement this testimony in the event of a hearing on
3 this matter.

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AFFIRMATION

Pursuant to Section 703.710 of the Nevada Administrative Code, I hereby affirm that the foregoing testimony was prepared by me or under my direction and is correct to the best of my knowledge.

Signed: 

Dated: 10-18-2023

ADV-01 to Exhibit

ADV-01 to Exhibit

Deferred Water Service Adjustment (DWSA)

As a valued customer of Great Basin Water Co., we have important information about your water bill.

Paying for water isn't just about the water you use on a daily basis. The water rates you pay also keep the entire infrastructure of pipes, wells, fire hydrants, etc. maintained and running reliably so water is available at your tap when you need it.

What changes will I see in my bill?

There will be a sur-credit to customers at all usage tiers per 1,000 gallons as shown in the table below. This approved sur-credit will be in effect until the balance is reduced to zero. For a customer using 5,000 gallons of water a month, this would equal a monthly credit of about \$2.25.

What is a Deferred Water Service Adjustment?

The DWSA is either a charge or credit to customers and is authorized by the Public Utilities Commission of Nevada (PUCN). With this authorization, Great Basin Water Company (GBWC) charges rates to help offset fluctuations in water usage.

Deferred Water Service Adjustment Sur-Credit

Quantity of Water	Deferred Water Service Adjustment Sur-Credit	
Docket No. 19-12029 – All Tiers	\$0.45	Per 1,000 gallons

This ensures we are adequately covering the costs of the water service we provide to you and guarantees that you are not being charged more than has been reviewed and authorized by the PUCN in the utility's last rate case.

In turn, this helps to ensure that the revenues received by GBWC will be sufficient to cover (but not exceed) the costs of providing a safe and reliable supply of drinking water to your taps in a cost-efficient manner.

Will rates change again?

Per Nevada law, rates are subject to periodic adjustment through a rate case or similar filings and there is a possibility of rates going up or down in the future, if approved by the PUCN.

Rates are based upon many factors and the DWSA charges and credits may also adjust annually.

For more information on how rates are set, visit our website at www.GreatBasinWaterCo.com, email BeWaterSmart@GreatBasinWaterCo.com, or contact us at (844) 694.4404.

Also, we encourage you to register for My Utility Account (GBWC's online portal to communicate directly with customers), please visit: <https://account.myutility.us/account/>