

**February 20, 2018**

**SCA Monthly Update**

The SCA President and Greg Brorby, Assemblyman John Ellison and Senator Pete Goicoechea met with representatives of GBWC to discuss their proposed projects for their 2018 Integrated Resource Plan (IRP). There are 27 projects on the list with 17 projects planned to be completed over the next 3 years and the remainder of the projects the following 3 years. The 3 year plan cost is approximately \$10.4 million. GBWC is proposing to spend \$1,000,000 per year for each of the next 20 years to replace old pipe. Based on their construction costs of \$316 per foot, they will be able to replace approximately 3,165 feet of pipe per year.

There was a lengthy discussion of how to make recovery of \$10.4 million for these capital projects affordable to the citizens of Spring Creek. We have a lot questions regarding their project list which will be addressed once they file the plan with the PUCN. GBWC informed us they intend to file their IRP plan with the Public Utilities Commission (PUCN) on February 28 or March 1. Additional updates will be provided once they make their filing and we can better understand their project justifications.

On Thursday, February 22, the PUCN has scheduled a pre-hearing at 9:30 am for the SCA's 2018 rate request. The SCA will be participating in the hearing via phone. Outcomes of the hearing will be a procedural schedule for a public consumer session, submitting testimony and potential approval or denial of the SCA's request to intervene in this docket. If the petition for leave to intervene is granted, we will be able to participate in the discovery process which means we will submit formal questions that they will be required to respond to. The docket filing indicates that GBWC is seeking a water rate decrease, sewer rate increase and a request to decouple sales from revenue. We will be researching all aspects of these item to ensure the community's concerns are heard and represented. The decoupling request is due to lower water usage due to GBWC conservation programs. Similar decoupling programs have been implemented in recent years in various jurisdictions. We are researching those programs to understand what is working and what isn't.

A membership update will be prepared following the pre-hearing conference