

✓ Gen. Ack
sent 6/7/07

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Jean Jewell

From: cjmills@roadrunner.com
Sent: Wednesday, June 06, 2007 4:46 PM
To: Tonya Clark; Jean Jewell; Gene Fadness; Ed Howell
Subject: PUC Comment/Inquiry Form

A Comment from Richard A. Mills follows:

Case Number: DIA-W-07-01
Name: Richard A. Mills
Address: 2693 West Diamond Bar Road
City: Rathdrum
State: Idaho
Zip: 83858
Home Telephone: 208-762-8921
Contact E-Mail: cjmills@roadrunner.com
Name of Utility Company: Diamond Bar Estates Water Company
Add to Mailing List: yes

Please describe your question or comment briefly:

We are unable to reconcile the disparity between the claim that the water rate it proposes to charge customers will increase 87.44 percent when the charge will increase from \$21.00 to \$50.00 for the first 7500 gallons. An escalation of \$29.00 constitutes a 138 percent increase.

We can only deduce that the applicant is including the entire average through-put of the system and by combining all usage over 7500 gallons with the requested increase for basic services minimizes the perceived impact of the increase. It does not. Many customers are able to limit their useage to the amount allowed by basic service (especially during non-agricultural months). Others do not use irrigation water at all. For those customers trying to use only the basic amount, the increase is 138% and is unconscionable.

Exhibit numbers 5 and 6 of the application are invoices and quotations from Consolidated Supply Co. and On-Site Excavating listing equipment or services ordered by or bid to Bar Circle 'S' Water, Inc. or Avondale Construction and total \$6,889.90. We believe the PUC should either disallow these exhibits or require the applicant to provide proof that the equipment and services were applied to the maintenance or improvement of the Diamond Bar Estates Water Company and not the companies named on the invoices and quotations.

The form submitted on <http://www.puc.idaho.gov/forms/ipuc1/ipuc.html>
IP address is 76.182.155.112

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Jean Jewell

From: cjmills@roadrunner.com
Sent: Wednesday, June 06, 2007 5:38 PM
To: Tonya Clark; Jean Jewell; Gene Fadness; Ed Howell
Subject: PUC Comment/Inquiry Form

A Comment from Carolyn Mills follows:

Case Number: DIA-W-07-01
Name: Carolyn Mills
Address: 2693 West Diamond Bar Road
City: Rathdrum
State: Idaho
Zip: 83858
Home Telephone: 208-762-8921
Contact E-Mail: cjmills@roadrunner.com
Name of Utility Company: Diamond Bar Estates Water Company
Add to Mailing List: yes

Please describe your question or comment briefly:

Title 36, Chapter 1 - Policies and Presumptions for Small Water Companies IDAPA 31.36.01, Rule 103 reads:

103. PRESUMPTION OF CONTRIBUTED CAPITAL (Rule 103)

In issuing certificates for a small water company or in setting rates for a small water company, it will be presumed that the capital investment in plant associated with the system is contributed capital, i.e., that this capital investment will be excluded from the rate base . [Adopted, G.O. 174]

We believe the Diamond Bar Estates Water Company qualifies as a small water company as defined in this chapter.

It appears in Exhibit No. 1 of this application that the applicant has included the capital investment, 'Plant in Service', less depreciation, in the rate base calculated for purposes of the application. While we are uncertain as to the impact of this conflict with the rule, it appears to be appropriate to question its inclusion.

We respectfully request the Commission abandon its plan to use Modified Procedures to resolve this case. We ask that the Commission schedule a hearing as opposed to only reviewing written comments. Based on the concerns filed with the Commission thus far, we believe a hearing is justified and appropriate.

The form submitted on <http://www.puc.idaho.gov/forms/ipuc1/ipuc.html>
IP address is 76.182.155.112
