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IDAHO PUBLIC  
UTILITIES COMMISSION

May 12, 2003  
Everett, WA

IDAHO PUBLIC UTILITIES COMMISSION  
P O BOX 8370  
BOISE, ID 83720-0074

RE: Ponderosa Terrace Estates Water System Inc.

COMMISSIONER:

I recently read in the local newspaper that there was a hearing and tentative settlement reached with Ponderosa Terrace Estates Water System Inc. I am an owner of property that is situated in the water district and the article raised several questions for me to which I wish to comment.

It is necessary that the water system and the IPUC come to a formal understanding that will provide a long-term stability for the water district without further reduction of the customer base. Recent well drilling caused by the recent rate uncertainty has exacerbated the current problems.

It appears that the current proposed monthly rate schedule of \$48 for resident users and \$25 for non-resident users should enable the water system owner to maintain the water system profitably and provide the users the water they have been promised.

I am also concerned with the definition of "resident user". A resident user should be defined as "one who lives on the property year round" and a non-resident user should be defined as "a person who uses or lives on the property no more than 8 months per year."

I am also requesting enforcement of the current Commission Order #29172. Under that Order a penalty of \$2,000 per day should be levied against the water system owner per your regulation #61-705, 61-706, and 61-707. According to my calculations as of April 30, 2003 the water company would have been in violation of the order for 301 days for each one of my two lots, totaling 602 days times \$2,000 per each day of violation. The total penalty would be \$1,204,000 for my two lots alone.

I believe that the Stipulated Order should require the water system to

be subject to penalties for its past violations but be allowed to purge those violations by future compliance with the new stipulated agreement. The water system owner's desire and ability to comply with commission regulations has been less than enthusiastic and some consequence for future violation is the only way to assure that future compliance is to be secured. Those measures should be included in the new agreement and order.

If you have any questions about my comments or concerns, please do not hesitate to give me a call. I am always available and willing to discuss this matter.

Sincerely,



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