

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER SMITH
COMMISSIONER HANSEN
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL

FROM: SCOTT WOODBURY

DATE: JANUARY 11, 2007

SUBJECT: CASE NO. GNR-W-04-01 (Water Service – Eagle Area)
UNCERTIFICATED WATER SERVICE AREA – PROPOSED ALLOCATION

Background

On October 14, 2004, the Commission issued Order No. 29610 addressing service territory issues raised by Eagle Water Company, Inc.'s ("Eagle Water") Application to Amend its Certificate of Public Convenience and Necessity in Case No. EAG-W-04-2. Following a comment period and oral argument, the Commission ultimately approved a settlement reached by Eagle Water and United Water Idaho Inc. ("United Water") to allocate the five parcels in question between the two companies. In regard to William and Ellene Parr's request for water service and the need for a comprehensive allocation of uncertificated territory in the growing community of Eagle, the Commission wrote:

We understand that the parties are working with William and Ellene Parr to determine if and how water service can be provided to their property. The Commission asks that the parties keep us informed as to the status of the Parrs' request for service. Finally, we open a new docket in Case No. GNR-W-04-1 to consider allocation of the uncertificated service territory in the Eagle area. The Commission directs Staff to establish workshops to work through the requisite issues of such an undertaking. Tr. at 17-18, 20-21.

Order No. 29610 at 3.

On November 19, 2004, a workshop to investigate issues related to the allocation of the uncertificated service territory in the Eagle area, including the property owned by William and Ellene Parr was held in Boise, Idaho. What followed was an informal stay of proceedings to allow Eagle

Water Company and United Water Idaho an opportunity to negotiate a proposed split of the uncertificated area.

On December 30, 2004, the Commission awarded intervenor status to the City of Boise in Case No. GNR-W-04-01. Order No. 29671.

Stipulation and Proposed Allocation

On January 4, 2007, United Water and Eagle Water filed a Joint Motion with the Commission requesting approval of a proposed Stipulation and division of the uncertificated territory. See Exhibit A attached. The proposed Stipulation and division is prompted by additional requests for service. The proposed division results in an approximately equal division of the uncertificated area. In consequence, potential customers within the area will be able to obtain service from the utility closest to their location, thus minimizing line extension charges for those potential customers.

COMMISSION DECISION

The Commission Staff recommends that the tendered Motion and proposed Stipulation be noticed and that the matter be processed pursuant to Modified Procedure, i.e., by written submission rather than by hearing. Reference Commission Rules of Procedure, IDAPA 31.01.01.201-204. Does the Commission agree with Staff's recommended procedure?

Scott Woodbury

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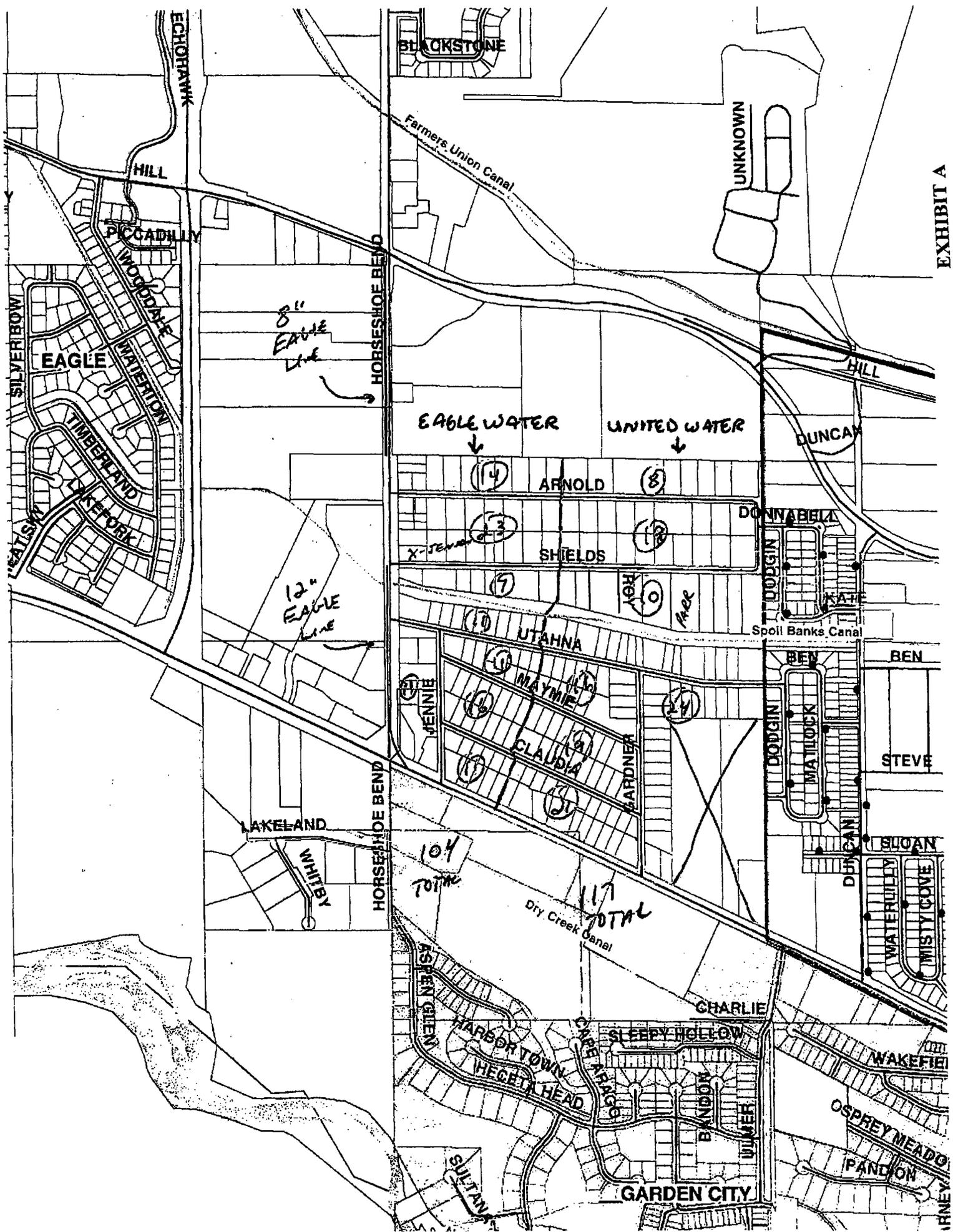


EXHIBIT A

BLACKSTONE

Farmers Union Canal

UNKNOWN

HILL

PICCADILLY

HORSESHOE BEND

8" EAGLE Line

HILL

EAGLE WATER

UNITED WATER

DUNCAN

EAGLE

ARNOLD

(8)

SILVER BOW
SEATON
WATSON

WOODDALE

WATERLOO

TIMBERLAND

LAKEFORK

(14)

(13)

X-TERRACE

SHIELDS

(12)

DONNABELA

12" EAGLE Line

(7)

(10)

ACE

Spoil Banks Canal

UTAHNA

JENNIE

(11)

(12)

MAYMIE

(13)

CLAUDIA

(14)

(15)

BARDNER

(16)

BEN

BEV

LAKELAND

WHITBY

HORSESHOE BEND

104 TOTAL

Dry Creek Canal

117 TOTAL

DODGIN

MATLOCK

STEVE

SLOAN

WATERLILLY

MISTY COVE

ASPEN GLEN

HARBOR TOWN

VEGETA HEAD

CHARLIE

SLEEPY HOLLOW

CHERRY BRACK

BANDON

UNION

WAKEFIELD

OSPREY MEADOW

PANDION

GARDEN CITY

SULTANA

IRNEY