

Jean Jewell

From: robert@luten.us
Sent: Tuesday, April 16, 2013 4:20 PM
To: Jean Jewell; Beverly Barker; Gene Fadness
Subject: PUC Comment Form

A Comment from Robert H. Luten follows:

Case Number: SPL-W-13-01
Name: Robert H. Luten
Address: 5655 W Coeur d'Alene Dr
City: Spirit Lake
State: ID
Zip: 83869
Daytime Telephone: 208-623-2778
Contact E-Mail: robert@luten.us
Name of Utility Company: Spirit Lake East Water Company
Acknowledge: acknowledge

Please describe your comment briefly:

I strongly support the referenced case for rate increase. I was also a member of the ad hoc effort by Spirit Lake East residents to acquire the Spirit Lake East Water Company several years ago. It had been obvious for quite a long time that the company was grossly underfunded due to low water rates and deferred maintenance was becoming critical. It was also clear that the system required expansion to support fire hydrants throughout the Spirit Lake East and Treepport subdivisions.

It was my conclusion at the time (approximately 2006-2007, as I recall) that the net worth, or reasonable purchase value, of the company and water system was something on the order of NEGATIVE \$1-2,000,000 due to the maintenance and upgrades required to support the current population of the two subdivisions. We found that the system had never been designed to support the full build-out of the two divisions and was already suffering from inadequate distribution pipe sizing.

I may be peculiar, but I have a full sprinkler system in my residential hangar at 5655 W Coeur d'Alene Drive, but only a 3/4-inch meter drop off (as I recall) a 4-inch main down Coeur d'Alene Drive. If more than one sprinkler in my hangar ever fires, the flow will be immediately reduced to a trickle. It will be interesting to see how liabilities are resolved after that potential incident.

It is unfortunate that a doubling of water rates is immediately required, but the two subdivisions have benefited from amazingly low water rates for decades and it is now time to pay the piper.

The form submitted on <http://www.puc.idaho.gov/forms/ipuc1/ipuc.html>
IP address is 50.89.38.141
