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IDAHO PUBLIC
UTILITIES COMMISSION

33588 North Kelso Drive
Spirit Lake, Idaho 83869

June 26, 2013

Idaho Public Utilities Commission
P.O. Box 83720
Boise, Idaho 83720-0074

RE: CASE NO. SPL-W-13-01

After attending yesterday evenings presentation at the Spirit Lake Community Center, and thanks to Gerry Galinato I have a much clearer evaluation of the SLEH2O Company's position.

The Company wants to increase its financial position and smooth out its income stream. Based on the figures presented, it would appear that after some twenty years the increase from the present \$12.50 to \$24.75 per month is justified. There was some confusion in the Pie Chart as to whether the costs represented were clearly attributable to the present ownership or whether there may have been some inclusion of costs to the previous owner. This question was elicited by a lady sitting behind me at the meeting and I don't feel that it was adequately addressed and left for future consideration. However in the intervening twenty years, the Clients' demand for a supply of potable water has increased as well. I believe it would be in the better interest of both parties if those mutual interests are well served by the Commission in its decision.

The Company wishes to proceed to a Monthly Billing Cycle, stabilizing their Income Stream, a desirable process for any capital venture. The Company is presently incapable of taking Meter Readings on a Monthly Basis, an established process for most service Agencies, as a result of weather and an antiquated process requiring manual observation of the Meters. This process is not irretrievable. With the accumulated usage information on hand, statistical inference should be more than capable of providing a reference format for a Monthly Billing.

Once the framework to accommodate Monthly Billing is established, it would be a desirable feature on the Company's part to provide an easier method of payment. At present the only system available is through the U. S. Postal Service

I would like to point out, for the Commission's consideration, that while the Idaho Department of Water Resources Report of February 4, 2009 on Water Right No. 95-9949 based its findings on a total of 366 homes, the **Enforced Spirit Lake East Plat** in Kootenai County and the **Public Plat of Treeport** in Bonner County will have a combined total of 378 homes; 313 and 65 respectively when built out. A process which I believe is nearly complete.

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Those described rights in the Report, when combined, shall not exceed a total annual maximum diversion volume of 148.5 Acre Feet for irrigation of a total of 49.5 Acres and 219.6 Acre Feet for in-house use for a total of 366 homes. From the reference, it is readily apparent that the availability of water under these Rights is not a point for consideration. The issue is whether or not the Company in return for a reasonable and justified request to increase the Monthly Billing, to **\$24.75** is also willing to provide an additional accommodation of **300 CF** per month to Residents of the two Communities which they serve at no additional cost.

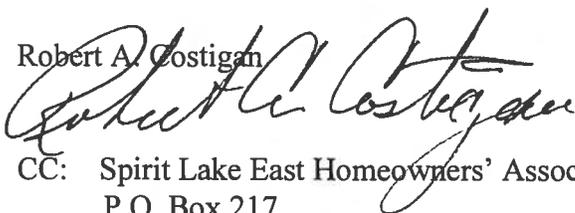
Increasing the Monthly Allotment from 1203 cubic feet to 1500 cubic feet, is a more than justifiable offset, in WE the Clients favor, based on the foregoing allocation by the Idaho Department of Water Resources and the Company's proven capability for provision. Just as the costs of providing water by the Company have risen so has the need for increased accommodation risen, justifying revising the allotment of water.

Additionally, I would like to recommend for consideration that in the future, Company Billing references be based on Cubic Feet and not Gallons. The appropriation is in Acre Feet, most units involved are in Cubic Feet and as an Engineer, I have it found it difficult in working with the General Public to accommodate the concept of the Gallon as a Unit of Measurement. On the other hand, most seem comfortable with the concept of a Cubic Foot.

I am looking forward to a Public Meeting in August.

Respectfully,

Robert A. Costigan



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