

WELDON B. STUTZMAN
DONOVAN E. WALKER
DEPUTY ATTORNEYS GENERAL
IDAHO PUBLIC UTILITIES COMMISSION
PO BOX 83720
BOISE, IDAHO 83720-0074
(208) 334-0357
IDAHO BAR NO. 3283 and 5921

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IDAHO PUBLIC
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Attorneys for the Respondent on Appeal
Idaho Public Utilities Commission

Sup-w-05-01

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

UNITED WATER IDAHO INC.,)
) **SUPREME COURT**
) **DOCKET NO. 32431**
)
) **IPUC CASE NO. UWI-W-04-4**
)
) **OBJECTION TO PROPOSED**
) **AGENCY'S RECORD AND**
) **REQUEST FOR ADDITIONAL**
) **DOCUMENTS**
)
) **REQUEST FOR HEARING**
)

Appellant,)
vs.)
IDAHO PUBLIC UTILITIES COMMISSION,)
Respondent.)

The Commission Staff, by and through its attorneys of record, Weldon B. Stutzman and Donovan E. Walker, Deputy Attorneys General, pursuant to Idaho Appellate Rules 29(a) and 13(e), respectfully objects to the proposed agency's record on appeal served on December 1, 2005, and requests the inclusion of certain documents in addition to those already in the proposed record on appeal.

BACKGROUND

On November 30, 2004, United Water Idaho Inc. filed an Application requesting new rates and charges for the water service it provides to approximately 75,400 customers in Boise, Idaho and adjacent areas. The Commission convened a technical hearing on May 24-26, 2005. The Commission issued its final Order No. 29838 on August 3, 2005, establishing a new revenue

requirement for United Water. On August 23, 2005, United Water filed a Petition for Reconsideration of Commission Order No. 29838. The Commission issued its final Order on Reconsideration, Order No. 29871, on September 20, 2005, denying reconsideration except to (1) adjust the revenue amount from the lease of certain water rights and (2) correct the calculation of the Company's revenue requirement to include a 1% carrying charge on deferred power costs approved in Order No. 29838. On October 24, 2005, United Water filed a Notice of Appeal from Order No. 29871.

OBJECTION AND REQUEST FOR INCLUSION OF DOCUMENTS

Staff objects to the proposed agency's record on appeal served on December 1, 2005, and respectfully requests the inclusion of the following documents in addition to those included in the proposed record on appeal:

1. Commission Order No. 25062, Case No. BOI-W-93-1, August 4, 1993.

This Order is specifically referred to by witnesses in the hearing testimony contained in the case transcript as well as in the Commission's Orders. This Order contains the clearly stated preference of the Commission for United Water to file rate cases using the thirteen-month rate base calculation, refuting the notion that the Company was surprised when Staff recommended the same methodology in this case. This Order is relevant and necessary for a full understanding and adjudication of this matter on appeal. A copy of this Order is attached as Exhibit A.

2. Commission Order No. 29505, Case No. IPC-E-03-13, May 25, 2004.

This Order is specifically referred to by witnesses in the hearing testimony contained in the case transcript as well as in the Commission's Orders. For example, the general manager testified in direct testimony that the Company had reviewed this Order prior to filing its Application in this case to obtain guidance from the Commission on preparing rate cases. The Commission used a thirteen-month average rate base methodology in Case No. IPC-E-03-13. This Order is relevant and necessary for a full understanding and adjudication of this matter on appeal. A copy of this Order is attached as Exhibit B.

3. Commission Order No. 29602, Case No. AVU-E-04-1, October 8, 2004.

This Order is specifically referred to by witnesses in the hearing testimony contained in the transcript and was discussed by the Commission in its Orders. For example, the general manager testified in direct testimony that the Company reviewed this Order prior to filing its

Application in this case to obtain guidance from the Commission on preparing rate cases. The Commission used a thirteen-month average rate base methodology in Case No. AVU-E-04-1. This Order is relevant and necessary for a full understanding and adjudication of this matter on appeal. A copy of this Order is attached as Exhibit C.

4. United Water Idaho's Notice of Intent to File Rate Case, November 30, 2005.

This Notice by United Water is relevant and necessary for a full adjudication of this matter on appeal, specifically regarding Appellant's statement of issues in the Notice of Appeal concerning a Constitutional taking of private property. A copy of this Notice is attached as Exhibit D.

REQUEST FOR HEARING

When an objection is made to the requested record on appeal, the Commission must determine, after hearing, what is to be included in the Agency's Record that is sent to the Supreme Court. I.A.R. 29(a-b). "In administrative appeals from the Public Utilities Commission, . . . the administrative agency shall have continued jurisdiction of the matter and the parties . . . including the power to settle the transcript and record on appeal." I.A.R. 13(e). Once settled by the Commission, the Agency's Record is then filed with the Supreme Court. I.A.R. 29(b).

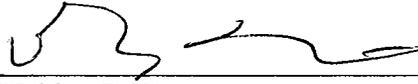
The relevant Idaho Appellate Rule requires the party requesting additional record material to also provide a notice of hearing. "Any objection made to . . . the agency's record must be accompanied by a notice setting the objection for hearing and shall be heard and determined by the . . . administrative agency from which the appeal is taken." I.A.R. 29(a). Staff requests that the Commission schedule a hearing for oral argument on its motion to convene on Friday, January 13, 2006, at 11:00 a.m. in the Commission's Hearing Room. IDAPA 31.01.01.241.

CONCLUSION

Staff requests that the Commission schedule a hearing for oral argument to consider Staff's objection and request to include additional documents in the agency's record on appeal. After hearing, Staff requests the Commission to authorize the inclusion of the requested documents and issue an Order settling the record on appeal.

I certify that a copy of this objection and request was served upon the Commission Secretary and upon all parties required to be served pursuant to Rule 20.

Respectfully submitted this 27th day of December 2005.



Weldon B. Stutzman
Donovan E. Walker
Deputy Attorneys General
Attorneys for Respondent
Idaho Public Utilities Commission

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 27th DAY OF DECEMBER 2005, SERVED THE FOREGOING **OBJECTION TO PROPOSED AGENCY'S RECORD AND REQUEST FOR ADDITIONAL DOCUMENTS, REQUEST FOR HEARING**, IN CASE NO. UWI-W-04-4, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

MARK GENNARI
UNITED WATER
200 OLD HOOK RD
HARRINGTON PARK NJ 07640

DEAN J MILLER ESQ
McDEVITT & MILLER LLP
PO BOX 2564
BOISE ID 83701

CLERK OF THE COURTS
IDAHO SUPREME COURT
PO BOX 83720
BOISE ID 83720-0101



SECRETARY