

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF THE APPLICATION OF)
CDS STONERIDGE UTILITIES, LLC FOR) CASE NO. SWS-W-03-1
APPROVAL OF AN AMENDMENT TO ITS)
CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY TO INTERCONNECT WITH)
AND ACQUIRE THE SERVICE TERRITORY)
OF HAPPY VALLEY RANCHOS, INC. AND TO) SECOND AMENDED
IMPLEMENT A SURCHARGE.) CERTIFICATE NO. 395
)**

On August 26, 2003, Order No. 29320 granted an amendment to Certificate of Public Convenience and Necessity No. 395 to reflect a name change from CDS Stoneridge Associates-Land, LLC (CDS) dba Stoneridge Water Company to CDS Stoneridge, LLC to include both the current Happy Valley Ranchos (HVR) customers and the HVR water system and territory within its service area.

IT IS HEREBY CERTIFIED that the public convenience and necessity requires CDS Stoneridge Utilities LLC, its successors and assigns, to hold, construct or otherwise acquire, to maintain and to operate a water system and water supply to that certain territory known as the Stoneridge Golf Resort community and the Happy Valley Ranchos development near the town of Blanchard in Bonner County, State of Idaho, said territory being more particularly described as:

Section 19, Township 54 North, Range 5 West Boise Meridian

- 1) That portion of [sic] lying south of Blanchard Road
- 2) Stoneridge Addition, Book 4 Page 140, Inst #409722, filed 7/30/92
 - a. Lots 1, 2, 3, 24-30 Block 1
 - b. Lots 1-9, Block 3, Stoneridge Addition

Section 20, Township 54 North, Range 5 West Boise Meridian

- 1) South ½ of the SE ¼
- 2) SW ¼ of Section 20
- 3) South ½ of the NE ¼, lying south of the Blanchard Road

Section 24, Township 54 North, Range 6 West Boise Meridian

- 1) NE ¼
- 2) SE ¼

Section 25, Township 54 North, Range 6 West Boise Meridian

- 1) NE ¼

Section 29 and 30, Township 54 North, Range 5 West Boise Meridian

- 1) Blanchard Creek Acres, Book 4, Page 41, Instrument #315904, filed 3/11/86
 - a. Lots 1-4

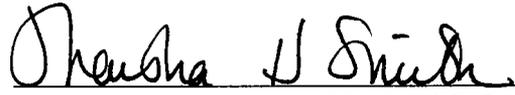
This Certificate is for such purpose to own, hold, construct or otherwise acquire and to maintain and operate within said territories water wells, reservoirs, tanks, towers, stand pipes, collectors, settling basins, galleries and other works and structures, and also to lay, take up, repair, remove, extend, alter, maintain and operate water mains, pipes, conduits, aqueducts, hydrants and other appliances, equipment and facilities in, upon, over, under, along, through and across all streets, avenues, alleys, streams, highways, roads, and other public places in said territory as the same now exists or may hereafter be extended, laid out or established, and to exercise the rights and privileges granted, or to which may hereafter be granted CDS Stoneridge Utilities LLC, its successors or assigns, by any franchise conferred by the state of Idaho or any political subdivisions thereof.

This Certificate is predicated upon and issued pursuant to the findings and conclusions of Order No. 29320 in Case No. SWS-W-03-1 to which reference is hereby made.

DATED at Boise, Idaho this 2nd day of January 2004.



PAUL KJELLANDER, PRESIDENT



MARSHA H. SMITH, COMMISSIONER



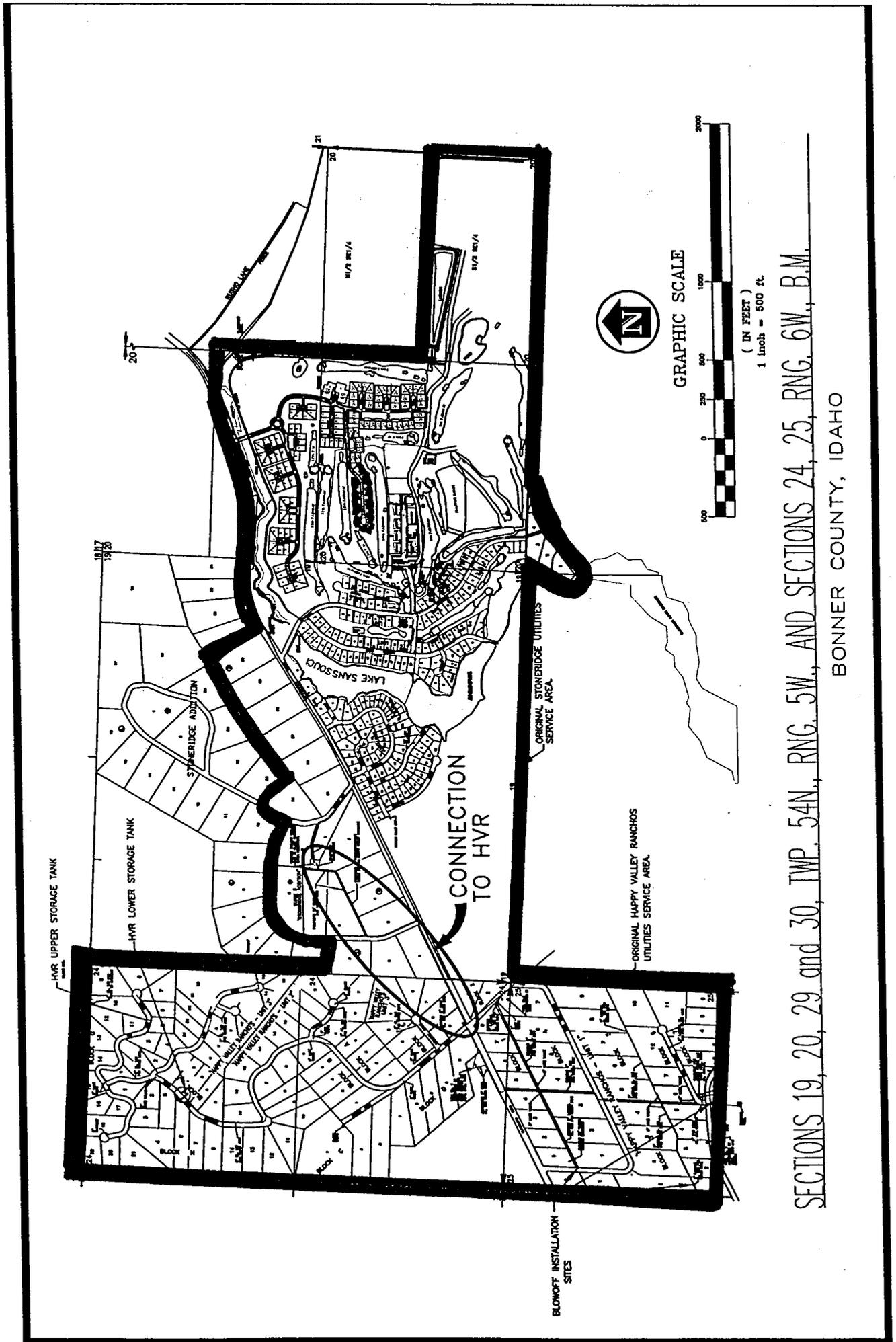
DENNIS S. HANSEN, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

O:SWSW0301_Amend Cert 395



SECTIONS 19, 20, 29 and 30, TWP. 54N., RNG. 5W., AND SECTIONS 24, 25, RNG. 6W., B.M.

BONNER COUNTY, IDAHO