

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE PURCHASE AND)	
SALE OF TROY HOFFMAN WATER)	CASE NO. TRH-W-09-01
CORPORATION (CERTIFICATE OF)	
CONVENIENCE AND NECESSITY NO. 280))	NOTICE OF APPLICATION
)	
)	NOTICE OF
)	MODIFIED PROCEDURE
)	
)	NOTICE OF
)	COMMENT/PROTEST DEADLINE

YOU ARE HEREBY NOTIFIED that on November 12, 2009, an Application was filed with the Idaho Public Utilities Commission (Commission) requesting approval of the sale of Troy Hoffman Water Corporation (THWC) by Bentwood Park LLC to Dalton Square LLC. Dalton Square will operate the THWC as a corporation and continue to operate under the THWC name. The Application is solely for approval of the change of ownership.

Dalton Square is familiar with the Commission's regulatory authority and rules and is prepared to abide by existing directives. They are aware of the Commission's website and have made themselves familiar with the Utility Customer Relations Rules (IDAPA 31.21.01) and Utility Customer Information Rules (IDAPA 31.21.02.). Dalton Square is familiar with the water system testing requirements of the Idaho Department of Environmental Quality and is prepared to fulfill those ongoing requirements.

Dalton Square represents that it has the business experience, financial ability and water system expertise to operate and maintain the system. Dalton Square is owned by Ron Stadley and Ken Murren and was formed in 2006. Dalton Square owns light industrial buildings for rent in Coeur d'Alene as well as apartments for rent in Plummer. Mr. Stadley has been the water master for THWC since 1995 and is qualified to operate a pressurized potable water system, both through his hands-on experience of handling the day-to-day operations, maintenance and emergencies as well as through being licensed as a drinking water operator which requires ongoing continuing education classes. Mr. Stadley holds a current Drinking Water Operator License. Mr. Stadley has also been an electrician since 1988 and owns his own electrical company. He holds a master electrician license in four states. Mr. Murren has 25

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years of experience in commercial and residential construction. He owns a general contracting and landscaping business and specializes in custom homes. He is currently in the process of preparing to take his tests to receive both his Drinking Water Operator License and Backflow Assembly Tester License.

There is no deed transferring title to the water system because THWC is the corporation that owns the real estate and Dalton Square is purchasing the corporation. Included with the Application are copies of the Purchase and Sale Agreement between Bentwood Park and Dalton Square. The transfer of ownership took place April 1, 2009. Also included is a copy of the Drinking Water Operator License held by Ron Stadley, a copy of Dalton Square's Certificate of Existence from the Idaho Secretary of State, and a copy of the Idaho Tax Commission's 2009 Valuation of THWC for \$16,081.

The Purchase and Sale Agreement, Attachment A to the Application, shows the purchase price of \$65,000 as the value the seller and buyer agreed upon for sale/purchase of THWC. Dalton Square acknowledges that it is aware that the valuation of the system by the Commission will be the basis established by the Commission at the time the present rates were established and adjusted for additional depreciation and improvements. Dalton Square understands it is its responsibility to justify any additions to the valuation.

Included with the filing also is a brief business plan which explains how Dalton Square intends to incorporate the THWC into its other business interests and a copy of notice sent to customers on November 10, 2009, informing them of the sale.

Dalton Square acknowledges that it understands that accounting for the water system must be in accordance with the Commission's Uniform System of Accounts and must be maintained on a stand-alone basis separate and apart from any other business activities of the buyer. It is the intent of the buyer to continue to use the services of All Service Electric to do the billing for the water system and to complete and meet the Commission's accounting requirements. All Service Electric has been doing the billing for THWC for the last three years.

YOU ARE FURTHER NOTIFIED that the Commission has reviewed the filings of record in Case No. TRH-W-09-01. The Commission has preliminarily found that the public interest in this matter may not require a hearing to consider the issues presented and that issues raised by the Company's filing may be processed under **Modified Procedure**, i.e., by written

submission rather than by hearing. Reference Commission Rules of Procedure, IDAPA 31.01.01.201-204.

YOU ARE FURTHER NOTIFIED that the **deadline for filing written comments or protests** with respect to THWC's Application and the use of Modified Procedure in Case No. TRH-W-09-01 is **Friday, January 15, 2010**.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the deadline, the Commission may consider the matter on its merits and may enter its Order without a formal hearing. If comments or protests are filed within the deadline, the Commission will consider them and in its discretion may set the matter for hearing or may decide the matter and issue its Order based on the written positions before it. Reference IDAPA 31.01.01.204.

YOU ARE FURTHER NOTIFIED that written comments concerning Case No. TRH-W-09-01 should be mailed to the Commission and the Company at the addresses reflected below.

Commission Secretary
Idaho Public Utilities Commission
PO Box 83720
Boise, ID 83720-0074

Street Address for Express Mail:

472 W. Washington Street
Boise, ID 83702-5918

Seller:
Bentwood Park LLC
c/o H. James Magnuson
PO Box 2288
Coeur d'Alene, ID 83816

Purchaser:
Dalton Square LLC
Attn: Ron Stadley
710 W. Dalton Avenue, Suite B
Coeur d'Alene, ID 83815

All comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Comments and Questions" icon and complete the comment form using the case number as it appears on the front of this document.

YOU ARE FURTHER NOTIFIED that the Application in Case No. TRH-W-09-01 and Purchase and Sale Agreement may be viewed at www.puc.idaho.gov by clicking on "File Room" and "Water Cases," or can be viewed during regular business hours at the Idaho Public Utilities Commission, 472 W. Washington Street, Boise, Idaho.

NOTICE OF APPLICATION

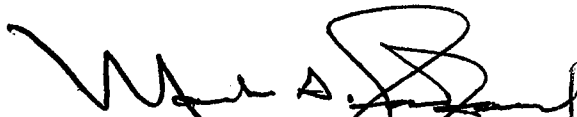
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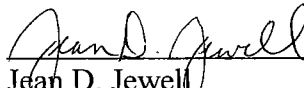
DATED at Boise, Idaho this 17th day of December 2009.


JIM D. KEMPTON, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


MACK A. REDFORD, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

bls/O:TRH-W-09-01_sw