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IDAHO PUBLIC
UTILITIES COMMISSION

Attorneys for Teton Springs Water & Sewer Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)	Case No. TTS-W-08-01
TETON SPRINGS WATER AND SEWER)	
COMPANY LLC, INC, FOR THE ISSUANCE)	AFFIDAVIT OF LARRY A.
OF A CERTIFICATE OF PUBLIC)	CROWLEY
CONVENIENCE AND NECESSITY, FOR)	
APPROVAL OF RATES AND CHARGES FOR)	
WATER SERVICE, FOR APPROVAL OF)	
RULES AND REGULATIONS GOVERNING)	
THE RENDERING OF WATER SERVICE.)	

STATE OF IDAHO)
:
County of Ada)

Larry A. Crowley, being first duly sworn upon an oath, deposes and says:

1. I have been retained by Teton Springs Water and Sewer Company LLC ("Teton Springs") as its consultant in the preparation of this general rate case. My training and experience in the area of public utility rate setting is set forth in Exhibit 4 attached to my Direct Testimony, filed herein. I am over the age of 21 years and make this affidavit based on my own knowledge.

2. I prepared Exhibit No. 10 which is attached to the Company's Reply Comments. Exhibit No. 10 presents Teton Springs' rebuttal position on the financial issues in this case. Exhibit No. 10 is true and correct to the best of my knowledge.

3. The Staff Comments recommend disallowance of engineering fees incurred by Teton Springs. Based on my review of Company records, it appears that Teton Springs contracted with CH2MHill in 2007 to conduct a comprehensive plant inventory and valuation of the Teton Springs' water and sewer systems. The work performed by CH2MHILL was prudent and useful in the preparation of the obligatory certificate of convenience and necessity and rate filings to the Idaho Public Utilities Commission, as are required to establish a regulated water utility. The total engineering expenses incurred by Teton Springs in 2007 amounted to \$8,672. These expenses were included in the Company's initial rate filing in Case No TTS-W-08-1. The Commission staff eliminated all the engineering fees paid by Teton Springs (See Staff Comments Attachment A, adjustment No 5). The fees covered the work required to classify the operating water and sewer assets of the Company by account number and function. Without the work product produced by CH2MHill, the Company could not have adequately prepared its application for a certificate of convenience and necessity, which included a complete system map and listing of all operating assets required for such an application.

On rebuttal, the Company realized that it had inadvertently allocated all the engineering fees to the water utility rather than splitting the fees between the water and sewer operations. On rebuttal the Company is proposing that only one-half of these expenses be allocated to the regulated water utility (\$4,336) and that these fees be included as part of the Company's rate case application expenses and amortized together with the other expenses incurred by the

Company in preparing its rate case. The information provided by the engineering study has been used and referenced in preparing the case filed before the Commission.

4. Based on my knowledge of on-going regulatory requirements imposed on companies subject to the jurisdiction of the Commission, including preparation of an annual report, auditing expenses and responding to Commission reporting requirements, I believe an allowance of \$2,500 per year is a reasonable allowance for recurring regulatory expense. I have included this expense on line 27, page 1 of Exhibit No 10.

5. Further your affiant sayeth not.

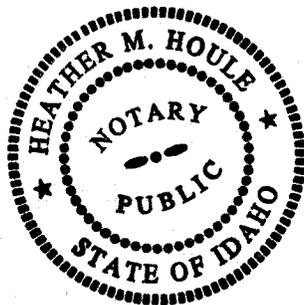
Dated this 10th day of October, 2008.

Larry A. Crowley
Larry A. Crowley

State of Idaho)
 :SS
County of Ada)

On this 10th day of October, 2008, before me, the undersigned, a Notary Public in and said State, personally appeared Larry A. Crowley, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same, and that the statements therein contained are true to the best of his knowledge and belief.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official Seal the day and year in this certificate first above written.



Heather Houle
Notary Public for IDAHO
Residing at: Boise
Commission Exp.: 6/20/12

CERTIFICATE OF SERVICE

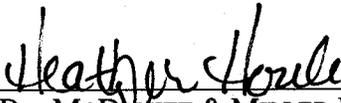
I hereby certify that on the 10th day of October, 2008, I caused to be served, via the method(s) indicated below, true and correct copies of the foregoing document, upon:

Jean Jewell, Secretary
Idaho Public Utilities Commission
472 West Washington Street
P.O. Box 83720
Boise, ID 83720-0074
jjewell@puc.state.id.us

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Hand Delivered
U.S. Mail
Fax
Fed. Express
Email


By: MCDEVITT & MILLER LLP