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ATTORNEYS AT LAW

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2005 NOV 25 AM 11:00
IDAHO PUBLIC
UTILITIES COMMISSION

25 November 2005

Ms. Jean Jewell
Commission Secretary
Idaho Public Utilities Commission
P O Box 83720
Boise ID 83720-0074

Hand Delivered

RE: Case No. EAG-W-05-03

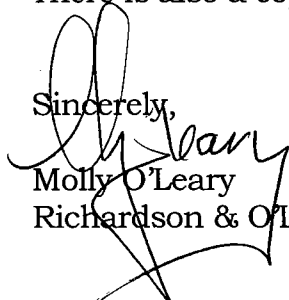
UWI-w-05-03

Dear Ms. Jewell:

I am enclosing an original and seven (7) copies of a SUMMARY of COMMENTS OF EAGLE WATER COMPANY, INC. in response to the Idaho Public Utilities Commission's Proposed Order in the above case.

There is also a copy enclosed to be date-stamped for our office.

Sincerely,



Molly O'Leary
Richardson & O'Leary, PLLC

Molly O'Leary (ISB No. 4996)
Richardson & O'Leary PLLC
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IDAHO PUBLIC
UTILITIES COMMISSION

Attorneys for Eagle Water Company, Inc.

BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF THE PETITION OF)
HILLVIEW DEVELOPMENT)
CORPORATION TO OBTAIN WATER)
SERVICE TO COVENANT HILL)
SUBDIVISION, AN AREA WITHIN THE)
CERTIFICATE BOUNDARIES OF BOTH)
EAGLE WATER COMPANY, INC. AND)
UNITED WATER IDAHO, INC.)**

CASE NO. **EAG-W-05-03**
UWI-W-05-03

SUMMARY OF COMMENTS OF
EAGLE WATER COMPANY, INC.

COMES NOW, EAGLE WATER COMPANY (“Eagle Water”), and files the following SUMMARY of its previous Comments regarding the Idaho Public Utilities Commission’s Proposed Order granting service of Covenant Hill Subdivision to United Water of Idaho, Inc.

SUMMARY OF COMMENTS

First of all, Eagle Water would like to begin by thanking the Commission for granting Eagle Water’s request that the Commission delay its decision regarding this matter until its Decision Meeting on November 28, 2005.

Given the criticalness of the decision that is before the Commission to Eagle Water’s overall master plan for providing service within its existing service area, Eagle Water believes the following summary of its Comments and position regarding this

matter may assist the Commission in reaching a fair and equitable resolution of this matter that will, ultimately benefit all of Eagle Waters customers.

1. Ninety percent of the proposed Covenant Hill Subdivision is located in Eagle Water's service area.
2. Eagle Water is ready, willing and able to serve the proposed Covenant Hill Subdivision. *See Exhibit 5*, Letter from James M. Rees, P.E., MTC, Inc. to R. Tomlinson, P.E. (Hillview Development Corporation engineering consultant) , attached.
3. This service will be provided from Eagle Water's existing 12-inch mainline located on Floating Feather Road.
4. No additional easements are necessary to implement this service connection to the proposed subdivision.
5. Eagle Water currently has sufficient fire flow pressure and potable water supply to serve the proposed Covenant Hill Subdivision.
6. DEQ has lifted its blanket moratorium on new service connections to Eagle Water's system, as it pertained to the proposed Covenant Hill Subdivision. *See Exhibit 6*, attached.
7. The only condition to DEQ's acceptance of Eagle Water's "Will Serve" letter for Covenant Hill is the Commission's approval of the timeline Eagle Water has committed to for constructing a 12-inch mainline loop from its Well No. 6 to the mainline serving the Covenant Hill. *See Exhibit 6* (Letter from R. DeShazo to M. Marchus, Idaho Department of Environmental Quality, dated November 18, 2005).
8. Eagle Water has committed to having the 12-inch mainline loop in service on or before April 1, 2006. *Id.*
9. In the unlikely event that Eagle Water does not meet this deadline, it will relinquish the Covenant Hill portion of its service area to United Water.

10. United Water has already stated that it can serve Covenant Hill in the event that Eagle Water cannot. Thus, there is no risk to Hillview Development.

11. The potential harm to Eagle Water, however, and its customers, of not being able to serve Covenant Hill Subdivision is profound. As Eagle Water has previously explained, the property upon which the subdivision is proposed (the former Calhoun Property) has been in Eagle Water's service area for many years and has long been identified as the most cost-effective route for the 12-inch mainline loop. It would be prohibitively expensive to force Eagle Water to route its loop through the Downing Downs subdivision as suggested by Mr. Merkle, of Hillview Development – a cost that would ultimately be borne by Eagle Water's customers. Such an investment would not be prudent.

CONCLUSION

Eagle Water respectfully requests that the Commission allow it to serve the Covenant Hill Subdivision and, consequently complete the proposed 12-inch mainline loop from its Well No. 6 to its 12-inch mainline on Floating Feather Road. This loop will benefit all Eagle Water customers.

DATED this 25th day of November, 2005.

Richardson & O'Leary P.L.L.C.

By 
Molly O'Leary

Attorneys for Eagle Water
Company, Inc.

**MTC, INC.****CONSULTING ENGINEERS, SURVEYORS, AND PLANNERS**

707 N. 27TH ST. BOISE, IDAHO 83702-3113 (208) 345-0780 FAX (208) 343-8967

**CONSULTING ENGINEER FOR EAGLE WATER COMPANY**

November 23, 2005

Richard Tomlinson P.E.
Tomlinson Consulting, Inc.
205 N. 10th St. Suite B100
Boise, Idaho 83702

Dear Mr. Tomlinson,

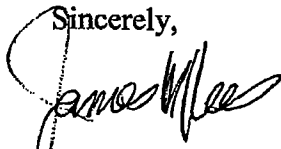
The Covenant Hill Subdivision water system is serviceable by Eagle Water Company under its present tariffs, rules and regulations as filed with the Idaho Public Utilities Commission.

The AutoCad plans have been reviewed and are approved by MTC Engineers, Eagle Water Company and appear to comply with the standards for construction on file with the Idaho Department Of Environmental Quality.

MTC Engineers and Eagle Water Company will have to inspect and approve all construction and testing. You will be required to provide an AutoCAD copy of the DEQ approved water system to MTC Engineers prior to construction so the Eagle Water Company distribution system records may be updated and maintained.

If you need further information, please contact me at your convenience.

Sincerely,



James M. Rees, PE
MTC, INC.

Cc: Eagle Water Company

SUMMARY OF COMMENTS
OF EAGLE WATER COMPANY

EXHIBIT 5



STATE OF IDAHO
DEPARTMENT OF
ENVIRONMENTAL QUALITY

1445 N. Orchard • Boise, Idaho 83706 • (208) 373-0550

Dirk Kempthorne, Governor
Toni Hardesty, Director

November 21, 2005

Mr. Robert DeShazo
Eagle Water Company
P.O. Box 455
Eagle, ID 83616

1 - mg

RE: Revision to DEQ's September 7, 2005 letter regarding system capacity

Dear Mr. DeShazo:

Department of Environmental Quality (DEQ) staff has reviewed your November 18, 2005 letter regarding service to Covenant Hills Subdivision. We are revising the conditions in our letter to you dated November 9, 2005 as follows:

DEQ will accept a Will Serve Letter for this project under the following conditions:

1. We accept the schedule and conditions in Eagle Water Company's November 18, 2005 letter.
2. The schedule must also be acceptable to the Idaho Public Utilities Commission.
3. DEQ must conduct its standard review and approval of the subject project.
4. DEQ cannot accept additional Will Serve Letters until the issues mentioned in the September 7, 2005 are resolved.

Please call Monty Marchus with any questions at 373-0560 or via e-mail at monty.marchus@deg.idaho.gov. You may also contact me at 373-0550.

Sincerely,

Michael R. McGown

Michael R. McGown
Administrator
Boise Regional Office

MGM:ve: H:\Eagle Water Company\Production capacity 9-7-05 - update2.doc

Enclosure: November 18, 2005 letter from Eagle Water Company

SUMMARY OF COMMENTS
OF EAGLE WATER COMPANY

EXHIBIT 6

EAGLE WATER

C O M P A N Y I N C.

(208) 838-0242

FAX (208) 838-0267

P.O. BOX 455

EAGLE, IDAHO 83616

November 18, 2005

Dear Monty:

As we have discussed, Eagle Water Company, Inc. ("Eagle Water") is currently able to deliver sufficient water supply and pressure to meet fire flow requirements for the proposed Covenant Hills Subdivision ("Covenant Hills"); however, Eagle Water desires to route a 12-inch mainline from its Well No. 6 through Covenant Hills to tie that well into this portion of its system, thereby improving pressure elsewhere in its system.

Although Hillview Development maintains that Eagle Water can route its 12-inch mainline loop through the adjacent Downing Downs subdivision, that is not a viable, cost-effective alternative. Unlike the essentially unimproved ground that Eagle Water has identified for routing its mainline loop, the Downing Downs subdivision is fully developed with streets, existing structures, and mature landscaping. It would be cost-prohibitive for Eagle Water to utilize this route and that excessive cost would ultimately have to be passed on to consumers.

Consequently Eagle Water requests that the Idaho Department of Environmental Quality ("DEQ") provide Eagle Water with a letter allowing it to proceed to service the subdivision known as Covenant Hills Subdivision ("Covenant Hills"). Your letter would allow the developer to begin construction of the subdivision immediately.

Eagle Water understands that DEQ's letter authorizing it to provide service to Covenant Hills would be conditioned on the following:

1. That Eagle Water continue working with the two landowners (Greg Holmes and Jim Choat) south of Covenant Hills and the Hereford Subdivision Homeowners Association to obtain a permanent easement to connect Eagle Water's existing 12-inch water main stub on the Holmes property to the new Covenant Hills mainline on or before February 16, 2006.
2. That MTC Engineering, Inc. provide DEQ working drawings, plans and specifications for the extension of the 12-inch mainline to Covenant Hills by January 10th, 2006.
3. That Eagle Water construct and connect the 12-inch mainline from its Well No. 6 to Covenant Hills on or before April 1, 2006.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 25th day of November, 2005, the SUMMARY of COMMENTS OF EAGLE WATER COMPANY, INC. was sent to the following parties as shown:

Jean Jewell
Commission Secretary
Idaho Public Utilities Commission
472 West Washington
Boise, Idaho 83702

- U.S. Mail, Postage Prepaid
- Hand Delivered
- Overnight Mail
- Facsimile
- Electronic Mail

City of Eagle
City Hall
310 East State Street
P.O. Box 1520
Eagle, Idaho 83616

- U.S. Mail, Postage Prepaid
- Hand Delivered
- Overnight Mail
- Facsimile
- Electronic Mail

Hillview Development Corporation
150 E. Aikens, Suite A
Eagle, Idaho 83616

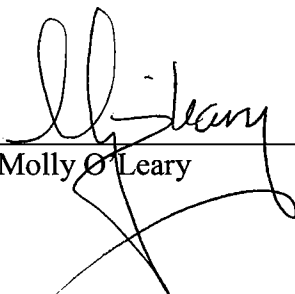
- U.S. Mail, Postage Prepaid
- Hand Delivered
- Overnight Mail
- Facsimile
- Electronic Mail

Idaho Department of Environmental Quality
1445 North Orchard
Boise, Idaho 83706

- U.S. Mail, Postage Prepaid
- Hand Delivered
- Overnight Mail
- Facsimile
- Electronic Mail

Dean J. Miller
McDevitt & Miller LLP
420 West Bannock
Boise, Idaho 83702

- U.S. Mail, Postage Prepaid
- Hand Delivered
- Overnight Mail
- Facsimile
- Electronic Mail

Signed 
Molly O'Leary