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May 2, 2006

Via Hand Delivery

Jean Jewell, Secretary Idaho Public Utilities Commission 472 W. Washington St. Boise, Idaho 83720

Re: Case No. UWI-W-05-04

Dear Ms. Jewell:

Enclosed for filing in the above matter please find the original and seven (7) copies of a Stipulation Between United Water and the City of Meridian.

An additional copy of the document and this letter is included for return to me with your file stamp thereon.

Very Truly Yours, McDevitt & Miller LLP Dean J. Miller

DJM/hh

Chas. F. McDevitt Dean J. (Joe) Miller

ORIGINAL

Dean J. Miller (ISB No. 1968) MCDEVITT & MILLER LLP 420 West Bannock Street P.O. Box 2564-83701 Boise, Idaho 83702 Tel: 208-343-7500 Fax: 208-336-6912 joe@mcdevitt-miller.com 1.11177-2. 63 9:**19** 1.11177-2. 63 9:**19**

UTILITIES COMMISSION

Attorneys for United Water Idaho, Inc.

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF UNITED WATER IDAHO INC., TO AMEND AND REVISE CERTIFICATE OF CONVENIENCE AND NECESSITY NO. 143 CASE NO. UWI-W-05-04

STIPULATION BETWEEN UNITED WATER IDAHO AND THE CITY OF MERIDIAN

This Stipulation is made by and between United Water Idaho Inc., ("United Water") and

the City of Meridian Idaho ("Meridian") an Idaho municipal corporation, (collectively, the

"Parties").

RECITALS

1. On or about October 21, 2005 United Water filed an Application with the

Commission seeking to add seven (7) separate areas to its certificated service

territory. In the Application, the areas were denominated as:

- 1.) Cloverdale Road;
- 2.) Eagle & McMillan;
- 3.) Hidden Springs/Cartwright Ranch;
- 4.) LDS Church at Eagle Road;
- 5.) LDS Church at Linder Road;
- 6.) Lexington Meadows Subdivision; and
- 7.) Iron Horse.

The seven areas were depicted on Exhibit A to the Application. A revised copy of Exhibit A is attached hereto.

- 2. On or about December 1, 2005 Meridian filed with the Commission a Protest.
- 3. On or about December 30, 2005 the Commission issued Order No. 29941 authorizing United Water to amend its certificate to include the areas denominated as Hidden Springs/Cartwright Ranch and Lexington Meadows, as these areas were not contested.
- 4. Since that time representatives of United Water and Meridian have met on several occasions to negotiate a mutually acceptable resolution with respect to the remaining areas. As a result of those negotiations United Water and Meridian have reached an agreement, set forth below, with respect to the amendment of United Water's certificate of convenience and necessity.

STIPULATION



The areas denominated in the Application as Iron Horse, LDS Church at Linder Cocumerate and Cloverdale Road may be included in United Water's service territory as requested in the Application.

- 2. With respect to the area denominated as Eagle & McMillan, the boundary of this expansion shall be re-drawn so that it does not overlap with the boundary of Meridian's area of city impact. A revised description of the Eagle & McMillan expansion is attached as Exhibit B.
- United Water's request for expansion into the area denominated as LDS Church at Eagle is hereby withdrawn.

- 4. United Water further requests that a portion of the area previously added to its service territory in Order No. 29785, known as the Blackrock Area, be deleted from certificate No. 143 such that the western boundary of United Water's certificated area is upon a North—South line as depicted on Revised Exhibit A. The area being withdrawn is described in Exhibit C attached hereto. United Water is not presently providing service to any customers within this area.
- 5. The area depicted on Revised Exhibit A as "Lake Hazel/Columbia" may be added to United Water's certificate No. 143. This area a described in Exhibit D attached hereto.
- 6. The Parties submit this Stipulation to the Commission and recommend approval in its entirety pursuant to RP 274. Parties shall support this Stipulation before the Commission, and no Party shall appeal a Commission Order approving the Stipulation or an issue resolved by the Stipulation. If this Stipulation is challenged by any person not a party to the Stipulation, the Parties to this Stipulation reserve the right to file testimony, cross-examine witnesses and put on such case as they deem appropriate to respond fully to the issues presented, including the right to raise issues that are incorporated in the settlements embodied in this Stipulation. Notwithstanding this reservation of rights, the Parties to this Stipulation agree that they will continue to support the Commission's adoption of the terms of this Stipulation.
- 7. If the Commission rejects any part or all of this Stipulation, or imposes any additional material conditions on approval of this Stipulation, each Party reserves the right, upon written notice to the Commission and the other Parties to this

proceeding, within 14 days of the date of such action by the Commission, to withdraw from this Stipulation. In such case, no Party shall be bound or prejudiced by the terms of this Stipulation, and each Party shall be entitled to seek reconsideration of the Commission's order, file testimony as it chooses, crossexamine witnesses, and do all other things necessary to put on such case as it deems appropriate. In such case, the Parties immediately will request the prompt convening of a prehearing conference for purposes of establishing a procedural schedule for the completion of the case. The Parties agree to cooperate in development of a schedule that concludes the proceeding on the earliest possible date, taking into account the needs of the Parties in participating in hearings and preparing briefs.

 The Parties agree that this Stipulation is in the public interest and that all of its terms and conditions are fair, just and reasonable.

DATED this <u>28</u> day of April, 2006.

Difference Contraction of the second Mayor. /leridian United att, Vige-President Meridian Approved by City Council? ********

STIPULATION BETWEEN UNITED WATER IDAHO AND THE CITY OF MERIDIAN - 4

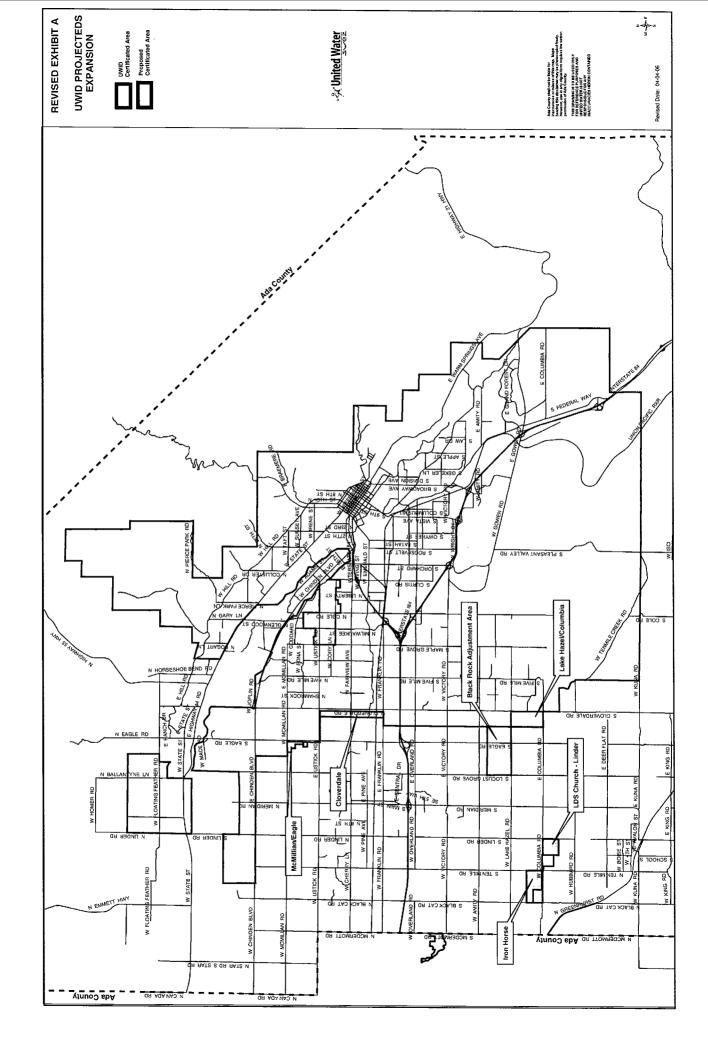


EXHIBIT B

Description for Eagle Road and McMillan.

Parcels of land being:

all of the Northeast 1/4 of the Northeast 1/4;

all of the Northeast 1/4 of the Northwest 1/4 of the Northeast 1/4;

all of the East 1/2 of the Southeast 1/4 of the Northeast 1/4;

all of the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4;

(continued on following page)

and all of the East 1/2 of the Northwest 1/4 of the Northeast 1/4 of the Southeast 1/4; all in Section 32, Township 4 North, Range 1 East, Boise Meridian; Ada County, Idaho.

EXHIBIT C

Description for Black Rock Adjustment Area.

A parcel of land being all of the East 1/2 of Section 33; Township 3 North; Range 1 East, Boise Meridian; Ada County, Idaho.

EXHIBIT D

Description for Lake Hazel/Columbia

A parcel of land being all of the East 1/2 of Section 4, Township 2 North, Range 1 East, Boise Meridian; Ada County, Idaho.