

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER SMITH
COMMISSIONER HANSEN
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL

FROM: CECELIA A. GASSNER

DATE: MAY 11, 2006

SUBJECT: UNITED WATER'S APPLICATION TO AMEND CERTIFICATE,
CASE NO. UWI-W-05-4

On October 21, 2005, United Water Idaho Inc. ("United Water") filed an Application seeking to amend and revise its Certificate of Public Convenience and Necessity in order to expand its service territory. On November 8, 2005, the Commission issued Order No. 29908 to proceed with the matter by Modified Procedure and requested comments.

THE APPLICATION

According to the Application, United Water seeks to expand the provision of its water services to seven discrete parcels of land. A map depicting United Water's current certificated boundary and United Water's proposed certificated boundary is attached to the Company's Application as Exhibit A. The seven parcels originally included in the Application are located at:

- 1) Cloverdale Road, between Franklin Road and Ustick Road, Ada County (as described in further detail in Exhibit C to the Application);
- 2) Eagle Road and McMillan Road, Ada County (as described in further detail in Exhibit E to the Application);
- 3) Hidden Springs/Cartwright Ranch, Ada County (as described in further detail in Exhibit H to the Application);
- 4) The LDS Church at Eagle Road and Lake Hazel Road, Ada County (as described in further detail in Exhibit K to the Application);

- 5) The LDS Church at Linder Road and Columbia Road, Ada County (as described in further detail in Exhibit L to the Application), adjacent to United Water's existing non-contiguous Danskin service area;
- 6) The Lexington Meadows subdivision at McDermott Road and Overland Road, Canyon County (as described in further detail in Exhibit N to the Application); and
- 7) The Iron Horse subdivision at West Columbia Road and South Black Cat Road, Ada County (as described in further detail in Exhibit R to the Application), which subdivision extends the boundaries of United Water's non-contiguous Danskin service area.

The Company states that none of the areas they are proposing to serve are within the authorized territory of any other public utility water corporation under the jurisdiction of the Commission. The Application states that there are no known public utilities, persons, or corporations with whom the expansion is likely to compete, and the requested expansion would not interfere with the operation of any other water utility. United Water proposes to provide service pursuant to its Tariff No. 1, General Metered Service, and in all respects will provide service pursuant to its Rules and Regulations as approved by the Commission.

ADDITIONAL FILINGS

On December 1, 2005, the City of Meridian filed a Protest and Request for Hearing. Thereafter followed certain discussions between the Company and Meridian regarding the Application. On December 7, 2005, the Company filed a Motion to Approve Uncontested Expansions, requesting the Commission's approval of the Application as to five of the parcels set forth therein. On December 14, 2005, Meridian filed a Response to Motion to Approve, stating that only the Hidden Springs/Cartwright Ranch and the Lexington Meadows subdivision areas are not contested and that it believes that the Application should be approved as to these two areas. The response further stated that the parties were negotiating as to the other parcels. On December 12, 2005, the Commission issued Order No. 29945, approving the Company's Application as to the Hidden Springs/Cartwright Ranch parcel and the Lexington Meadows Subdivision parcel.

The Company and the City of Meridian continued discussions regarding the other parcels of land set forth in the Application. On May 2, 2006, the Company filed a Stipulation, pursuant to RP 274, between the Company and the City of Meridian to resolve whose service

territory each of the above parcels will reside. The Company also filed an Amended Application and a request for Modified Procedure. On May 11, 2006, the Company filed a Motion to Approve the Stipulation, as well as a letter to clarify the Stipulation.

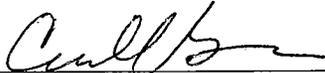
STAFF RECOMMENDATION

Staff recommends that the Company's Amended Application, Stipulation (as clarified) and Motion to Approve the Stipulation be processed by Modified Procedure with a 14-day comment period.

COMMISSION DECISION

Does the Commission preliminarily find that the public interest may not require a hearing to consider the issues presented in this case, and that this case is appropriate for Modified Procedure pursuant to Commission Rules of Procedure 201 through 204?

Does the Commission approve of a comment period of 14 days?



Cecelia A. Gassner

M:UWI-W-05-04_cg3