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Attorney for the Commission Staff

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPPLICATION OF )  
UNITED WATER IDAHO INC., TO AMEND ) CASE NO. UWI-W-05-4  
AND REVISE ITS CERTIFICATE OF PUBLIC )  
CONVENIENCE AND NECESSITY NO. 143. )  
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The Staff of the Idaho Public Utilities Commission, by and through its Attorney of record, Cecelia A. Gassner, Deputy Attorney General, in response to the Notice of Amended Application, Notice of Settlement and Notice of Modified Procedure in Order No. 30045 issued on May 17, 2006, submits the following comments.

**BACKGROUND**

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.

On December 1, 2005, the City of Meridian filed a Protest and Request for Hearing. Thereafter followed certain discussions between the Company and the City of Meridian regarding the Application. On December 30, 2005, the Commission issued Order No. 29941 approving the addition of two of the seven parcels set forth in the Application to United Water's Certificate of Public Convenience and

Necessity. The Company and the City of Meridian continued discussions following the issuance of Order No. 29941 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 in whose service territory each of the five remaining 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.

## **THE AMENDED APPLICATION**

According to the Amended Application, United Water seeks to expand the provision of its water services to certain discrete parcels of land. As already noted, the Commission approved amending and revising Certificate No. 143 to include two of the parcels set forth in the Application. A map depicting United Water's current certificated boundary and United Water's proposed certificated boundary was attached to the Company's Application. The other parcels of land that are unresolved from the original 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) The LDS Church at Eagle Road and Lake Hazel Road, Ada County (as described in further detail in Exhibit K to the Application);
- (4) 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; and
- (5) 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.

United Water is also seeking the expansion of its Certificate of Public Convenience and Necessity No. 143 to add the parcel of land in an area denominated as "Lake Hazel/Columbia" as described in Exhibit D attached to the Stipulation (described in more detail below).

United Water states that the areas it is proposing to serve are not within the authorized territory of any other water utility corporation under the jurisdiction of the Commission and are covered by United Water's rules and regulations. The Amended Application states that there are no known public entities, 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.

### **SETTLEMENT BETWEEN COMPANY AND CITY OF MERIDIAN**

United Water and the City of Meridian have entered into a Stipulation agreement, settling unresolved issues regarding the areas to be served by United Water that are in or near the City of Meridian's area of impact. United Water filed the Stipulation agreement and a Motion to Approve the Stipulation.

In the Stipulation agreement, the parties agreed that the areas denominated in the Application as Iron Horse, LDS Church at Linder, and the Cloverdale Road parcel may be included in United Water's service territory. The parties further agreed that with respect to the area denominated as Eagle and McMillan, the boundary of this area should be re-drawn so that it does not overlap with the boundary of Meridian's area of city impact. The revised description of the Eagle and McMillan expansion is set forth in Exhibit B attached to the Stipulation.

Pursuant to the Stipulation agreement, United Water has agreed to the City of Meridian's providing service to the area denominated as LDS Church at Eagle Road, thus its request for expansion into this area is withdrawn.

Finally, United Water requests that a portion of the area previously added to its service territory in Order No. 29785, known as the Black Rock 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, attached to the Stipulation. The area is further described in Exhibit C to the Stipulation. The parties agree that an area denominated as "Lake Hazel/Columbia," which represents the remaining portion of the Black Rock addition shall continue to be included in United Water's Certificate No. 143. This area is described in Exhibit D as attached to the Stipulation agreement.

## ANALYSIS

In its comments of December 6, 2005, Staff identified several areas it believed were contested between United Water and the City of Meridian. Staff recommended approval of the uncontested areas, and further recommended that United Water be directed to negotiate with the City of Meridian to resolve contested areas. The filed Stipulation represents the fruits of those negotiations. It appears to Staff that all contested areas previously identified have been satisfactorily resolved.

Attached as Attachments A and B are two maps depicting those areas that United Water will serve under the Stipulation, those areas that will be withdrawn from United Water's Application, and one area whose boundaries will be re-drawn.

## RECOMMENDATION

Staff believes that the Stipulation represents a reasonable compromise between United Water and the City of Meridian; therefore, Staff recommends that the Stipulation be approved. The Stipulation resolves all of the contested areas identified by Staff in its earlier comments in this case and resolves any concerns Staff had held regarding the requested areas. Staff further recommends that United Water be directed to prepare and file an Amended Certificate No. 143 to reflect the terms of the Stipulation.

Respectfully submitted this <sup>30<sup>th</sup></sup> day of May 2006.

CAG

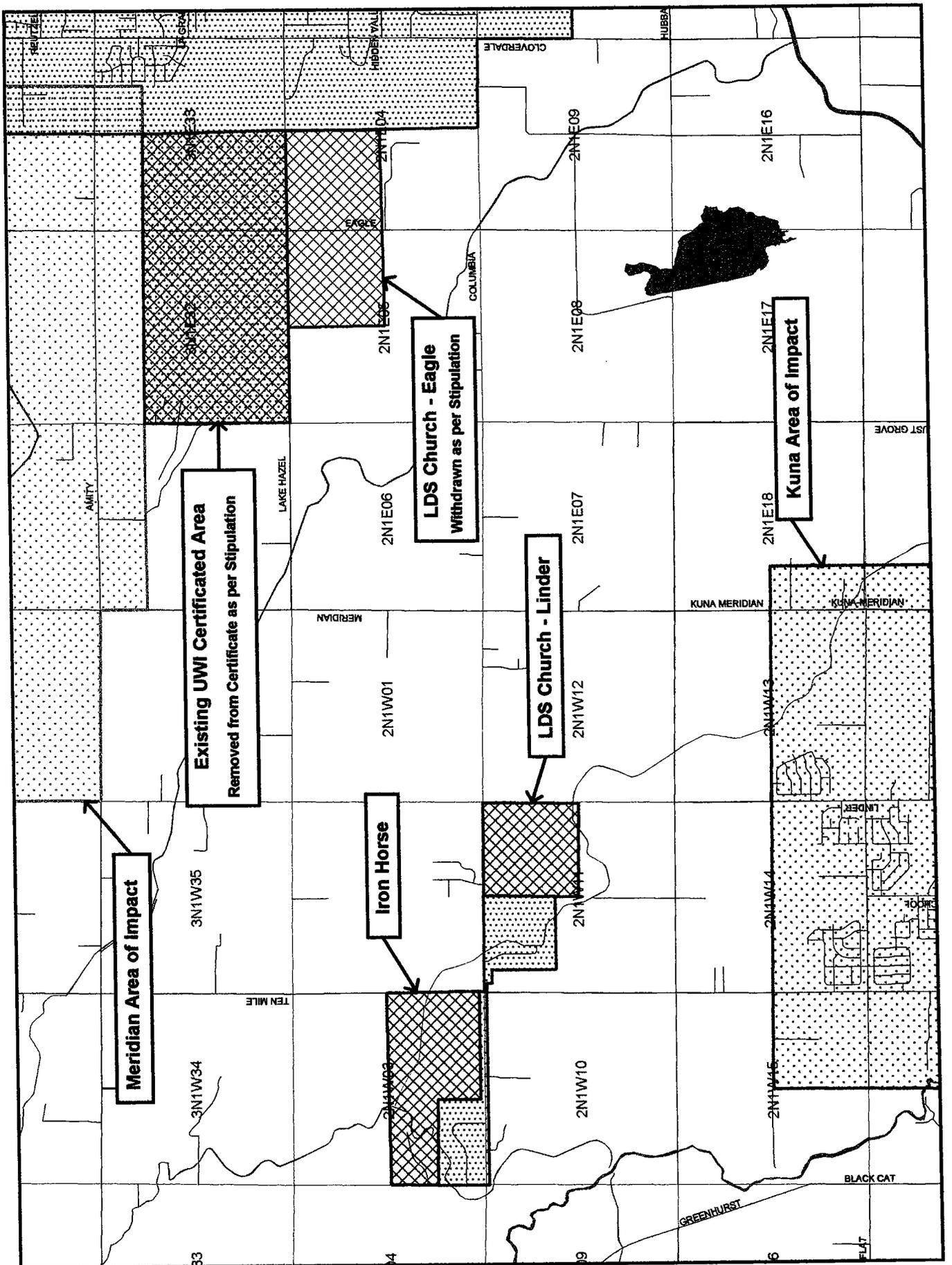


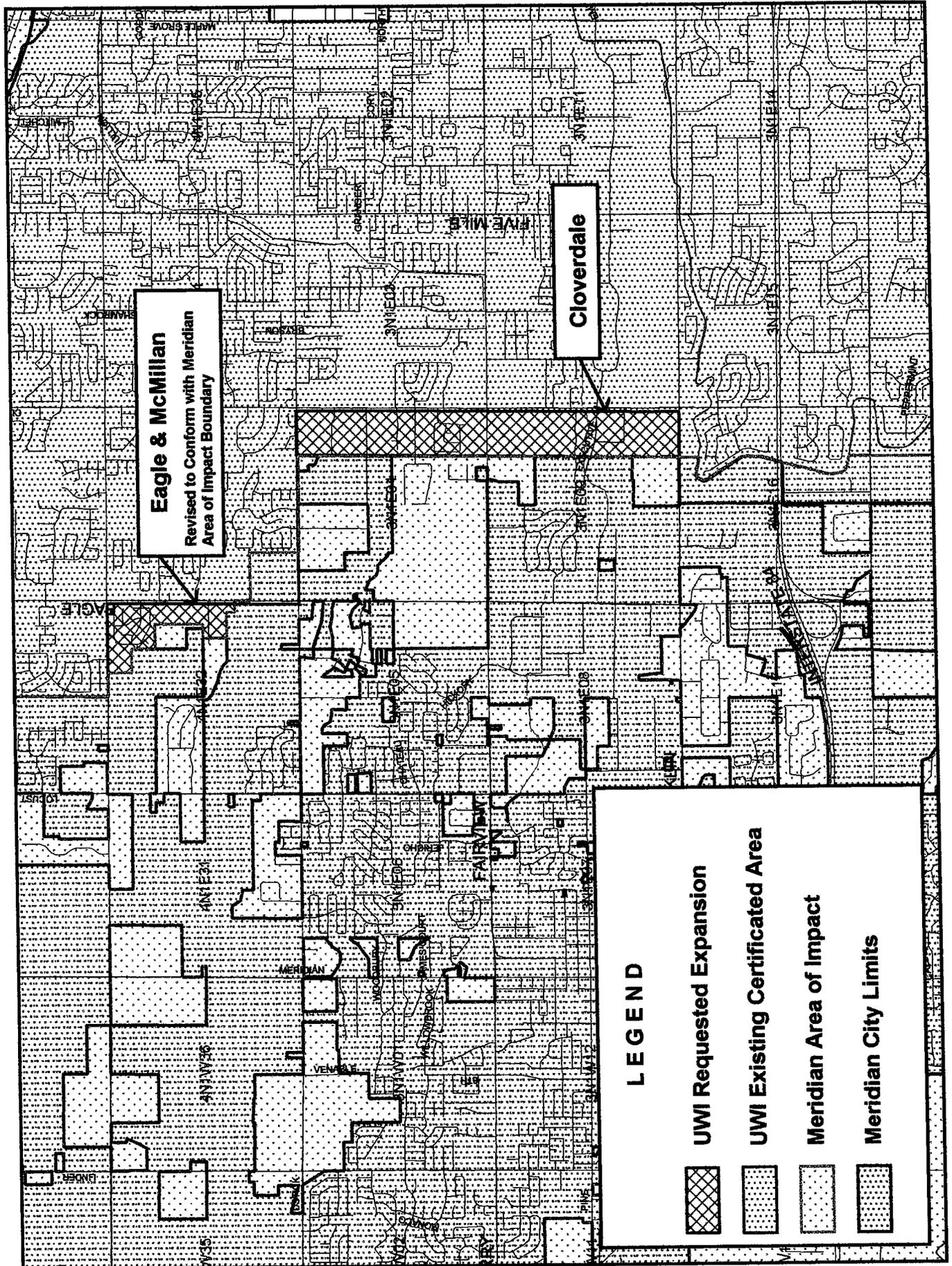
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Cecelia A. Gassner  
Deputy Attorney General

Technical Staff: Rick Sterling

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**Eagle & McMillan**  
 Revised to Conform with Meridian  
 Area of Impact Boundary

**Cloverdale**

**LEGEND**

-  UWI Requested Expansion
-  UWI Existing Certificated Area
-  Meridian Area of Impact
-  Meridian City Limits

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 31ST DAY OF MAY 2006,  
SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN CASE  
NO. UWI-W-05-4, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE  
FOLLOWING:

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