

McDevitt & Miller LLP

Lawyers

420 W. Bannock Street

P.O. Box 2564-83701

Boise, Idaho 83702

RECEIVED

2007 MAR 25 PM 12:58

IDAHO PUBLIC UTILITIES COMMISSION

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

(208) 343-7500
(208) 336-6912 (Fax)

March 26, 2007

Via Hand Delivery

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

Re: UWI-W-07-02

Dear Ms. Jewell:

At the Pre-Hearing Conference held in this matter on March 22, 2007 it was agreed that the previously filed Affidavits of Gregory P. Wyatt, Scott Rhead and Yamon Jorgeson could be considered as Pre-filed Direct Testimony and would constitute United Water's case in chief.

I am therefore re-submitting nine (9) copies of the Affidavits with appropriate cover sheets and am providing to the court reporter a computer disc containing the text of the Affidavits.

Mssrs Wyatt, Rhead and Yorgason will be available at hearing to sponsor the Affidavits and to respond to questions on cross-examination.

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

Thank you for your assistance.

Very truly yours,

McDEVITT & MILLER LLP



Dean J. Miller

DJM/hh
Enclosures
Greg Wyatt—United Water
Bruce M. Smith, Esq.

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

RECEIVED
2007 MAR 26 PM 12:58
IDAHO PUBLIC
UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)
OF UNITED WATER IDAHO INC., TO) **CASE NO. UWI-W-07-02**
AMEND AND REVISE CERTIFICATE OF)
CONVENIENCE AND NECESSITY NO 143)

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

DIRECT TESTIMONY OF GREGORY P. WYATT

March 26, 2007

“discussions” regarding Lanewood. It is true that United Water and Mr. Bruce Smith, of the law firm Moore Smith Buxton & Turcke, acting as representative for the City of Eagle, held several meetings during 2006 to discuss issues relating to water rights, service territory, the City’s desire to further develop a water system, United Water’s Integrated Municipal Application Package (IMAP) filing with the Idaho Department of Water Resources, and other topics of interest to the parties. Specifically, meetings were held on June 8, June 16, July 19, and September 26 of 2006.

4. I have completely reviewed my notes from those meetings, and I have no documentation or recollection of any discussions with the City of Eagle about the Lanewood project during those meetings, as Eagle now contends in its Letter Comments. In fact, the first record I have indicating that the developer of the Lanewood project was interested in receiving service from United Water is November 11, 2006, and it was not until December 21, 2006, that the developer submitted a letter to United Water requesting the project be included in United Water’s service territory. *See Exhibit A attached hereto.*

5. Contrary to the assertions made in Eagle’s Letter Comments, Eagle and United Water did not hold meetings to discuss the Lanewood development specifically, nor did Eagle advise United Water of the “various reasons” for which Eagle wished to serve Lanewood. United Water did not mention these discussions regarding Lanewood in its filing with the Commission simply because they did not occur.

6. The following is the extent of my knowledge of discussions with the City of Eagle specifically regarding Lanewood. In early January of 2007, I contacted City of Eagle Mayor, Nancy Merrill, to schedule further discussions with her on the various issues of concern between Eagle and United Water. It was at that time that I informed the Mayor that United Water was preparing to file an application with the Commission requesting permission to expand its service

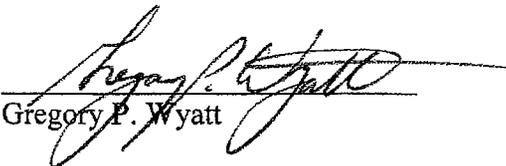
territory to include Lanewood. The Mayor told me that Lanewood was within Eagle's planned water service area and she thought that the City should serve it. I responded that the developer indicated an interest in United Water service and that the project was going to be submitted to Ada County for review and approval; and that we were going to pursue our application through the Commission. United Water filed the Lanewood Case No. UWI-W-07-2 with the Commission on January 31, 2007.

7. Thereafter, United Water met with the Mayor and the City's Public Works Director on February 7, 2007 to continue discussions on various issues. The only discussion on Lanewood consisted of my asking the Mayor if Eagle intended to protest United Water's Lanewood filing, and the Mayor responded affirmatively. United Water again met with Eagle's Public Works Director on March 2, 2007, and again I asked if Eagle was going to protest the Lanewood filing. The Public Works Director responded affirmatively and that a letter was being prepared by the City's attorney and we should see it soon.

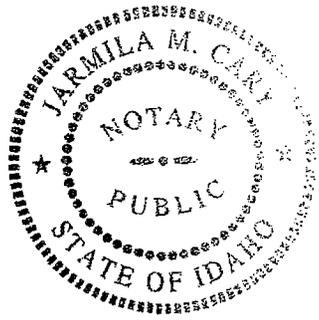
8. Based on the foregoing, I can state with certainty there was no agreement between United Water and Eagle to the effect that United Water would not serve the Lanewood development. United Water's Application is not in violation of any agreement between United Water and Eagle.

9. I am over the age of 21 years and make this Affidavit of my own knowledge.

Dated this 15th day of March, 2007.


Gregory P. Wyatt

SUBSCRIBED AND SWORN to before me this 15th day of March, 2007.



Jarmila M. Cary
Notary Public for IDAHO
Residing at Boise, ID
Commission Exp.: 07/22/2011



RECEIVED
DEC 27 2006
UNITED WATER

December 21, 2006

John Lee
United Water
8248 W. Victory Road
Boise, ID 83709

Re: Letter of serviceability for Lanewood Estates in West Ada County

Dear Mr. Lee:

We are in the process of developing 190 acres in West Ada County. The property is located at the northwest corner of Floating Feather and Linder Road and is bounded by Lanewood Road on the west and Beacon Light on the north.

We have decided to submit a subdivision application to Ada County and anticipate that the application will be submitted early next year, possibly the first week of January.

Consequently, we are requesting that United Water annex our property into its certificated area and issue a letter of serviceability for our project.

Please let us know if there is any additional information that you need in order to process this request.

Sincerely,

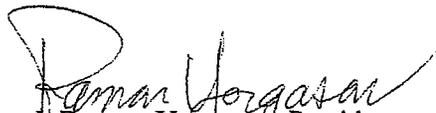

J. Ramon Yorgason, President
Capital Development, Inc.

EXHIBIT A

6200 North Meeker Place Boise, Idaho 83713
Office: (208) 377-3939 Fax: (208) 375-3271

CERTIFICATE OF SERVICE

I hereby certify that on the 11th day of March, 2007, 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

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

Bruce M. Smith
MOORE SMITH BUXTON & TURCKE
225 N. 9th Street, Suite 420
Boise, ID 83702

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

Heather Anne Miller, Legal Asst.
MCDEVITT & MILLER, LLP