

McDevitt & Miller LLP
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Boise, Idaho 83702

RECEIVED

2008 JAN 18 PM 1:09

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

January 18, 2008

IDAHO PUBLIC
UTILITIES COMMISSION

Via Hand Delivery

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

RE: Case No. UWI-W-07-05, Order No. 30481

Dear Ms. Jewell:

This is to advise the Commission that the sale of the Danskin—Saddle Ridge noncontiguous water system to the City of Kuna was closed on January 11, 2008 and that the transaction is fully completed.

As required by Order No. 30481, I am attaching a closing confirmation letter between the parties acknowledging completion of the closing.

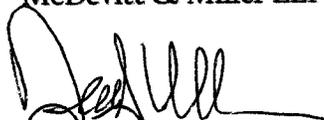
As also required by Order No. 30481, I am attaching the Forty Third Amendment to United Water's Certificate of Public Convenience and Necessity which removes the system from United Water's certificated area.

Finally, as required by Order No. 30481, I am attaching a schedule of United Water's proposed accounting entries to account for the sale proceeds and to remove all effects of the sale from United Water's regulated expenses and rate base.

Please advise if there are questions or if more information is required.

Very Truly Yours,

McDevitt & Miller LLP



Dean J. Miller

DJM/hh
Enclosures
C: United Water Idaho
Randall Grove, Attorney, City of Kuna

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January 11, 2008

VIA HAND DELIVERY

J. Scott Doudy
Mayor, City of Kuna
City Hall, 763 W. Avalon
Kuna, ID

**RE: Closing Confirmation;
United Water Idaho Sale of Danskin/Saddle Ridge to City of Kuna**

Dear Mayor Doudy:

This letter is intended to confirm matters occurring today at the closing of the sale by United Water Idaho Inc., (United Water) to the City of Kuna (City):

United Water delivered to the City, and the City hereby acknowledges receipt of:

- Executed Bill of Sale;
- Corporate Resolution of United Water approving the sale;
- Commitment for Title Insurance;
- Executed Warranty Deed (the Deed will be delivered by our office to Stewart Title for recording and issuance of final Title Insurance Policy both of which will thereafter be delivered to you);
- Assignment and Assumption Agreements;
- Executed withdrawal of United Water's protest to City's pending water permit application;
- Assignment of IDWR Permit and;
- Other documents relating to the system, including
 - IDWR Permit and Extension,
 - Warranty Deed with United Water as grantee,
 - Main Line Extension Refund files,
 - DEQ system approval.

The City delivered to United Water, and United Water hereby acknowledges receipt of:

- Wire transfer to Mellon Bank in the amount of \$375,000;
- Executed Withdrawal of City's protest to United Water's pending IMAP Application at IDWR.

On today's date, United Water will read customer's meters for the purpose preparing final bills and will provide meter reading information along with the customer information list to the City within a few days of closing.

On today's date, representatives of United Water and the City will meet to arrange removal of locks and IT equipment from well lot facilities.

The City and United Water have notified the Idaho Department of Environmental Quality of the transfer and will cooperate to provide such further information as may be required by DEQ.

If the foregoing is a correct summary of matters occurring today, kindly initial in the space provided below.

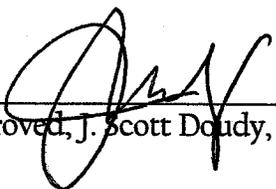
Very truly yours,

McDevitt & Miller LLP



Dean J. Miller

DJM/hh



Approved, J. Scott Douady, Mayor City of Kuna

EXCLUSION FROM
CERTIFICATE OF CONVENIENCE AND NECESSITY NO. 143
FORTY-THIRD AMENDED

Case No. UWI-W-07-5
Order No. 30481
Dated December 27, 2007

COLUMBIA ROAD AND BLACK CAT INCLUDING IRON HORSE SUBDIVISION

A parcel of land being all of the Southeast 1/4; the North 1/2 of the Southwest 1/4; and the East 1/2 of the Southeast 1/4 of the Southwest 1/4; all in Section 3; Township 2 North, Range 1 West, Boise Meridian; Ada County, Idaho.

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IDAHO PUBLIC
UTILITIES COMMISSION

United Water Idaho
Proposed Journal Entry to Record Danskin-Saddle Ridge Sale
Closing as of January 11, 2008

UNITED WATER IDAHO	<u>Account Number</u>	<u>Debit</u>	<u>Credit</u>
Advanced Plant- Reverse original cost plant; book amount of advance liability; and accum depr on refunds			
Plant in Service	101-00		\$390,832
Advances for Construction	252-00	\$310,687	
Accumulated Depreciation of refunds	108-10	\$8,507	
Accumulated Depreciation of Company betterment	108-10	\$566	
Net Company Investment- Clearing	CLR	\$71,072	
Sub-Total Advanced Plant		\$390,832	\$390,832
Contributed Plant- Reverse original cost plant; CIAC; and amortization of CIAC			
Plant in Service	101-00		\$800,305
Contributions in Aid of Construction	271-00	\$800,305	
Accumulated Depreciation	108-10	\$60,395	
Accumulated Amortization of CIAC	272-00		\$60,395
Sub-Total Contributed Plant		\$860,700	\$860,700
Miscellaneous Plant & Other:			
PIS Meters & Auxiliary Power	101-00		\$42,705
Accumulated Depreciation	108-10	\$5,301	
Uranium Mitagation Study	107-00		\$39,160
Net Company Investment- Clearing	CLR	\$76,564	
Sub-Total Miscellaneous Plant & Other		\$81,865	\$81,865
Accounting of Proceeds:			
Cash	131-00	\$375,000	
Total UWID Investment as of December 31, 2007	CLR		\$147,636
Reimbursement of Legal & IPUC Filing Expenses	912-00		\$17,808
Deferred Gain on Sale (Amortize over three years)	253XX		\$209,556
Sub-Total Accounting of Proceeds		\$375,000	\$375,000
Grand Total Debits and Credits		<u>\$1,708,397</u>	<u>\$1,708,397</u>

Summary:		Debits	Credits
Plant in Service	101-00		\$1,273,002
Contributions in Aid of Construction	271-00	\$800,305	
Advances for Construction	252-00	\$310,687	
Accumulated Depreciation	108-10	\$74,769	
Accumulated Amortization of CIAC	272-00		\$60,395
Net Company Investment- Clearing	CLR	\$147,636	\$147,636
Cash	131-00	\$375,000	
Reimbursement of Legal & IPUC Filing Expenses	912-00		\$17,808
Deferred Gain on Sale (Amortize over three years)	253XX		\$209,556
		<u>\$ 1,708,397</u>	<u>\$ 1,708,397</u>