

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	
OF UNITED WATER IDAHO INC. FOR AN)	CASE NO. UWI-W-08-02
AMENDMENT TO ITS CERTIFICATE OF)	
PUBLIC CONVENIENCE AND NECESSITY)	NOTICE OF APPLICATION
NO. 143 AND FOR AN ACCOUNTING)	
ORDER)	NOTICE OF
)	MODIFIED PROCEDURE
)	
)	NOTICE OF
)	COMMENT/PROTEST DEADLINE

YOU ARE HEREBY NOTIFIED that on June 19, 2008, United Water Idaho Inc. (United Water; Company) filed a Certificate Amendment Application and a May 27, 2008 Agreement for Purchase and Sale (Agreement) between the Company and the City of Nampa (City) with the Idaho Public Utilities Commission (Commission). The subject matter of the Agreement is the sale by United Water to the City of the non-contiguous water systems presently serving Coventry Place, M&M Mountain View Acres, and Belmont Heights subdivisions (collectively the Subdivisions) in Canyon County, Idaho. Reference Case No. UWI-W-99-1, Order No. 27976 (Coventry Place); Case No. UWI-W-00-03, Order No. 28418 (M&M Mountain View Acres); and Case No. UWI-W-01-03, Order No. 28885 (Belmont Heights). Also subject to the sale are two additional subdivisions, Lexington Meadows and Britannia Heights which were added to the Belmont system (Order Nos. 29941 and 30352) and the Nampa Charter School which was added to the Coventry system (Order No. 29141).

Pursuant to Agreement, the purchase price is \$245,000. The City of Nampa has agreed to assume the Company's outstanding obligations under the Non-Contiguous Agreements and Mainline Extension Agreements with other third parties and to hold United Water harmless from further obligations thereunder.

United Water contends that the acquisition of the non-contiguous systems by the City of Nampa is consistent with the public convenience and necessity because the customers will obtain water service from a dependable municipal supplier (Nampa) and interconnection of the

Belmont water system with the City of Nampa's water system will solve an existing water quality issue in Belmont Heights involving elevated levels of uranium in the water.

United Water recommends proposed general entries to account for the sale proceeds. The Company recommends that the proceeds be distributed and accounted for in the same manner as sale proceeds were recently treated in the sale of the Danskin-Saddle Ridge subdivisions to the City of Kuna. Case No. UWI-W-07-05, Order No. 30481.

United Water requests a Commission Order

- Improving the modification of United Water's Certificate of Public Convenience and Necessity No. 143 by eliminating the Subdivisions therefrom;
- Confirming that after the date of closing of the purchase and sale transaction, United Water will have no further obligation to provide domestic water service to the Subdivisions;
- Confirming that following the assumption by Nampa of the Non-Contiguous Agreements and the Mainline Extension Agreements, United Water will have no further obligations thereunder;
- Approving the Company's accounting proposal.

The Company's Application in this case includes a map of the non-contiguous water systems, a copy of the Agreement for Purchase and Sale between the Company and the City of Nampa, and the supporting direct testimony of Gregory P. Wyatt, Vice-President and General Manager of United Water Idaho.

YOU ARE FURTHER NOTIFIED that the proposed sale and transfer of facilities from United Water to the City of Nampa and termination of United Water's service obligation to affected subdivisions and customers, will end Commission jurisdiction over the affected water systems and all service related matters including rates and dispute resolution. *Idaho Code* § 61-104.

The Commission is informed that customers of the Coventry and Belmont water systems under the City's rate plan for "special domestic water users" and properties located outside the corporate limits (municipal boundaries) of the City, will pay more to the City than they do to United Water for water service and will pay a rate greater than that of a similar user who is entirely within the City limits. Reference Nampa City Code, Title 8-1-8. The Commission is also informed that the City does not have a rate for unmetered service.

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Customers of the M&M water system, who are all unmetered and billed by United Water at a flat rate, will by informal agreement between the City and United Water continue to be billed by the City at a rate equivalent to the present United Water flat rate.

YOU ARE FURTHER NOTIFIED that the Commission has reviewed the filings of record in Case No. UWI-W-08-02. The Commission has preliminarily determined that the public interest regarding the sale and transfer of the Coventry Place, M&M Mountain View Acres and Belmont Heights non-contiguous water systems to the City of Nampa may not require a hearing to consider the issues presented and that issues raised by the Company's filing may be processed under **Modified Procedure**, i.e., by written submission rather than by hearing. Reference Commission Rules of Procedure, IDAPA 31.01.01.201-204.

YOU ARE FURTHER NOTIFIED that the Commission may not hold a hearing in this proceeding unless it receives written protests or comments opposing the use of Modified Procedure and stating why Modified Procedure should not be used. Reference IDAPA 31.01.01.203.

YOU ARE FURTHER NOTIFIED that the **deadline for filing written comments or protests** with respect to United Water's Application and the use of Modified Procedure in Case No. UWI-W-08-02 is **Friday, August 8, 2008**. Persons desiring a hearing must specifically request a hearing in their written protest or comments.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the deadline, the Commission may consider the matter on its merits and may enter its Order without a formal hearing. If comments or protests are filed within the deadline, the Commission will consider them and in its discretion may set the matter for hearing or may decide the matter and issue its Order based on the written positions before it. Reference IDAPA 31.01.01.204.

YOU ARE FURTHER NOTIFIED that written comments concerning Case No. UWI-W-08-02 should be mailed to the Commission and United Water at the addresses reflected below.

Commission Secretary
Idaho Public Utilities Commission
PO Box 83720
Boise, ID 83720-0074

Street Address for Express Mail:

472 W. Washington Street
Boise, ID 83702-5918

Gregory P. Wyatt
United Water Idaho Inc.
PO Box 190420
Boise, ID 83719-0420
E-mail: greg.wyatt@unitedwater.com

Dean J. Miller, Esq.
McDevitt & Miller, LLP
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E-mail: joe@mcdevitt-miller.com

All comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Comments and Questions" icon, and complete the comment form, using the case number as it appears on the front of this document. These comments must also be sent to United Water at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that the Application in Case No. UWI-W-08-02 may be viewed at www.puc.idaho.gov by clicking on "File Room" and "Water Cases," or can be viewed during regular business hours at the Idaho Public Utilities Commission, 472 W. Washington Street, Boise, Idaho and at the principal office of United Water Idaho Inc., 8248 West Victory Road, Boise, Idaho.

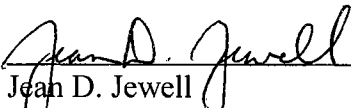
DATED at Boise, Idaho this 18th day of July 2008.


MACK A. REDFORD, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


JIM D. KEMPTON, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

bls/N:UWI-W-08-02_sw