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IDAHO PUBLIC
UTILITIES COMMISSION

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Attorney for the Commission Staff

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)	
UNITED WATER IDAHO INC. FOR AN)	CASE NO. UWI-W-08-2
AMENDMENT TO ITS CERTIFICATE OF)	
PUBLIC CONVENIENCE AND NECESSITY NO.)	
143 AND FOR AN ACCOUNTING ORDER)	COMMENTS OF THE
)	COMMISSION STAFF

COMES NOW the Staff of the Idaho Public Utilities Commission, by and through its Attorney of record, Scott Woodbury, Deputy Attorney General, and in response to the Notice of Application, Notice of Modified Procedure and Notice of Comment/Protest Deadline issued on July 18, 2008, submits the following comments.

BACKGROUND

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-00-3,

Order No. 28418 (M&M Mountain View Acres); and Case No. UWI-W-01-3, 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 Heights (Belmont) system (Order Nos. 29941 and 30352) and the Nampa Charter School which was added to the Coventry Place (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 (Belmont) 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-07-5, Order No. 30481.

United Water requests a Commission Order

- Approving 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.

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. 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.

STAFF ANALYSIS

In its Application, United Water requests approval of a sale price of \$245,000 and related journal entries, resulting in a gain of \$50,911. See Company Exhibit C and Staff Attachment A. The \$245,000 purchase price for the water systems was a culmination of an arm's length negotiation between United Water and the City of Nampa. The Application requests that this sale be given the same treatment as the Commission approved for the sale of the non-contiguous Danskin-Saddle Ridge Water system to the City of Kuna. Case No. UWI-W-07-5, Order No. 30481.

ACCOUNTING ISSUES

On July 28, 29 and 30, 2008, Staff performed an analysis and audit of the property records of United Water, the submitted schedules, and related supporting data. The purpose of the audit was to examine the Uranium Mitigation Study for Belmont Heights, the plant investment and other expenditures recorded to date, the calculation of the gain, proposed journal entries and treatment of the gain.

United Water in the Application identified total expenditures of \$54,847.36 for the Uranium Mitigation Study for Belmont Heights. Staff audit revealed that this total consisted of three categories of expenditures: payroll, overheads and contracted equipment. Of these three, the largest category was for contracted equipment totaling \$43,450.82, or 79.2% of the Study expenditures. This category consists of payments to outside vendors and suppliers for services and material, plus an allocation of expenses for Company vehicles used in the Study. Staff notes that the single largest expenditure in this Study is the cost of drilling a test well at Belmont Heights. The test well totaled \$31,684 or 57.8% of all expenditures incurred to explore alternatives to the contaminated well.

Staff also examined allocations and tested other expenditures for payroll, vehicle use and overhead. Staff believes these costs are appropriate and reasonable.

Timeliness is a principle of accounting. Applying this principle ensures that all costs are recorded, revenues are recognized and capital expenditures are treated appropriately. United Water's schedules are as of July 31, 2008, reflecting booked entries as of June 30, 2008. Consequently, depreciation and amortization expenses would be understated as of the approved sale date. Due to the time required to process this Application and close the transaction, the dollar amounts will not coincide. For this reason, Staff recommends that the Company be required to file with the Commission the final closing documents and actual journal entry amounts.

During the audit, Staff found that in July 2008, United Water capitalized certain expenditures and recorded additional amortization and depreciation on the related plant in service. This timing difference was discussed with the Company's accounting staff. Another set of journal entries was submitted to the Staff auditors to show August 31, 2008 figures. This reduced the gain by \$655. Attachment A reflects the original filing in Columns A and B, the August 31, 2008 projected entries are in shown Columns C and D and the difference is shown in Column E.

In Case No. UWI-W-07-5, Order No. 30481, the accounting treatment used in the settlement for the sale to the City of Kuna was found to be fair, just and reasonable considering the amount of estimated net proceeds, the present accounting treatment of the non-contiguous systems and the proposed alternative accounting treatments. The Commission made no finding on the appropriateness of accounting treatment for future sales of other non-contiguous water systems. The Order noted in future sale cases, the accounting treatment would be based on the developed record and facts.

When evaluating the same methodologies and treatment as in UWI-W-07-5 the following is noted: First, the net proceeds are smaller, being \$212,255 for the sale to the City of Kuna, and approximately \$50,256 for the August sale to the City of Nampa. In the prior sale, water rights were a major component of the assets to be sold. In the proposed sale, the City of Nampa will provide water from City wells to Belmont Heights. Consequently, a larger portion of the purchase value exists in plant in service such as supply mains and service lines, plus the added revenue from additional customers.

Second, the system sold to the City of Kuna was a mix of contributed plant and plant advanced by the developer. In that case, reimbursements became depreciable plant in service or rate base for United Water. A similar mix exists in this case.

Third, the same three gain treatments were considered for this sale.

1. The first treated the gain as a regulated revenue passed through to customers in the next general rate case. This treatment allocates the entire gain to customers of United Water. Thus, the entire gain of \$50,256 would be spread among some 83,000 customers. Each customer would realize a total benefit of about sixty cents (\$.60).

2. The second method treated the gain as a reduction to United Water's regulated plant in service. The Stipulated Settlement in Order No. 30481 required the entire gain to be recorded as a deferred regulatory liability (account 253.09) and amortized over a period of 36 months. This is the treatment requested by United Water for the proposed sale. This treatment splits benefits between customers and shareholders. Shareholders would receive a below-the-line income of \$1396 per month for 36 months through amortization of the deferred regulatory liability. Customers could benefit through a reduction in rate base. Staff notes that an obvious benefit to customers is removing the additional liability of providing safe water to Belmont Heights. Benefits to customers from sharing the gain on this sale would result if United Water files a general rate case with a test year, which includes a portion of the 36-month deferral period. Then, plant in service would be reduced by the amount of the unamortized regulatory liability. This would reduce the total revenue requirement. Customers would see this lower revenue requirement in the form of lower rates.

3. The third treatment allocates the gain between customers and shareholders using the percent of net book value of depreciable assets to accumulated depreciation. In this case, this treatment would primarily benefit shareholders with 88.2% or \$44,326 assigned to shareholders

and \$5930 or 11.8% spread among 83,000 customers. Total customer benefit is about seven cents (\$.07) for each customer.

Staff recommends the second treatment option, the same as approved in Order No. 30481, as the most equitable treatment between shareholders and customers given the circumstances of this transaction.

ENGINEERING ISSUES

Staff believes both the City of Nampa and United Water have adequate water, management and financial capability to serve customers, and that each employs full-time well-qualified and experienced water system personnel. The City of Nampa is the second largest municipality in the state, and United Water is the largest water utility in the state regulated by the Commission. Staff supports this sale and recognizes the City of Nampa's ability to provide dependable, safe and adequate water service.

According to United Water General Manager's direct testimony, the Company has detected slightly elevated readings of uranium in excess of the maximum contaminant level based on EPA standards in its Belmont water system. To bring the water system back to compliance, United Water investigated several options: (1) drilling a new well, (2) installing uranium removal treatment equipment, and (3) connecting to another system. The first two options were found by the Company to be effective at uranium removal but the capital costs of these alternatives were significant. In addition, the cost of disposing the spent treatment media was both expensive and complicated to ship. Furthermore, homeowners in the Belmont Heights were not eager to have a system that was concentrating uranium in their neighborhood. The third option which was identified as the least-cost approach was connecting the Belmont water system to the Nampa water distribution system.

Staff concurs with the Company that connecting the Belmont water system to the City of Nampa's distribution system will provide a new source of water supply that is free of uranium and would also improve fire protection flows.

The other two non-contiguous water systems, Coventry and M&M, are currently in compliance with EPA's water quality standards and do not have uranium problem like the one currently being experienced at the Belmont water system. Coventry and M&M water systems are currently served by individual wells. It is Staff's understanding that the motivating force behind

the City of Nampa's desire to acquire the Coventry systems was the benefit of having an additional source of water supply offered by the Coventry well. On the other hand, the Coventry Place subdivision is limited in its ability to grow because of the Idaho Department of Environmental Quality (IDEQ) requirement for redundant supply for a public water system with 25 or more customers. It appears that the City is interested in interconnecting the Coventry systems with its distribution system but it is not clear when the timetable for accomplishing this will occur. Staff believes that if the purchase does proceed and the system is subsequently interconnected to the City of Nampa, the interconnection will provide an additional water source to Nampa and at the same time satisfy the redundancy requirement for the Coventry system. The M&M water system has its own well. It is Staff understanding that this system will be operated independently.

Neither the Company nor the City provided preliminary information concerning the potential impact on operating pressure on the Belmont water system when it is interconnected with the City of Nampa's distribution system. However, it is reasonable to assume that when the interconnection is in place both systems will meet the Idaho Rules for Public Water Systems promulgated by IDEQ, including minimum pressure requirements at customers' premises. Staff assumes that the City of Nampa would continue to operate the existing wells supplying water to the Coventry and M&M water systems. When interconnections occur in the future, Staff assumes that all systems will meet IDEQ's rules for minimum operating pressures.

RATE ISSUES

Staff is concerned about the potential rate impact to current customers in various United Water systems being sold to the City of Nampa. Staff reviewed the comparison of rates for customers in Belmont and Coventry water systems using average monthly consumption for residential customers in these systems. See Attachments B, C, D and E. The water tariff for areas served by the City of Nampa outside the City limits is twice (2x) the water rate within the City. See Attachment F. All the water systems being sold to the City of Nampa are outside the City limits. As shown in Attachment B, the increase in the average annual bill due to sale of the Belmont water system to the City is \$50.25 or an increase of 12.57%. Attachment C shows an increase in the average annual bill for Coventry water customers of \$28.62 or an increase of 12.50%.

Although customers of the Belmont system will experience a rate increase, Staff believes it is justified and reasonable considering the water quality problems to be resolved and the higher capital costs of alternative solutions. The customers will also see benefits from improved fire protection flows and improved access to the City of Nampa and its water service administrative offices as compared to the offices of United Water located in Boise. Once the system is annexed into the City limits, customer rates will be reduced accordingly.

M&M customers will not experience any change in rates initially as a result of the sale. According to the Company, M&M customers are currently served under United Water's flat rate tariff, and since the City of Nampa has no unmetered customers, it has agreed to continue charging M&M customers at their present flat rate. The Application does not address this issue or state how long the rates will be continued and whether the City plans to install meters within the system. For the protection of the M&M customers, this rate agreement for M&M customers should be formalized so that customers understand at what point their rates could change.

Customers of the Coventry system will also experience the 12.5 % rate increase as a result of the sale. However, these customers do not currently have a water quality problem nor are there immediate plans to interconnect the system with that of the City to improve reliability of water supply and fire flows. Therefore, Staff believes that the rate increase proposed for Coventry customers is unreasonable in that the affected ratepayers will see little tangible benefit from the sale. Consequently, Staff recommends that these customers be allowed to remain at existing UWI rates for a fixed period of three to five years or until the system is interconnected with or annexed into the City.

Staff believes that maintaining existing rates for Coventry customers and as the City has proposed for M&M customers is further justified given the benefits the City will experience as it supplements its existing system by expanding into these noncontiguous areas.

Staff notes that the preservation of regulated utility rates was done previously in electric Case No. PAC-E-07-12 (Order No. 30381), in which PacifiCorp and Fall River Rural Electric Coop agreed to a five-year rate transition period for the customers within the service territory transferred from PacifiCorp to Fall River. The sale of electric properties is subject to the restrictions of *Idaho Code* 61-328(3)(b) that requires a Commission finding "that the cost of and rates for supplying service will not be increased by reason of such transaction." No similar finding is required for the sale of property by water utilities.

RECOMMENDATIONS

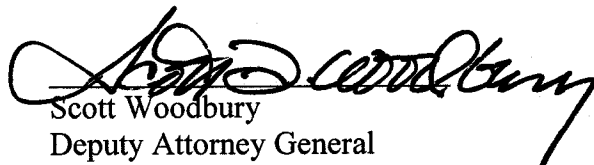
Staff recommends that the Commission approve the sale of United Water's non-contiguous water systems presently serving Coventry Place (also includes Nampa Charter School), M&M Mountain View Acres, and Belmont Heights (also includes Lexington Meadows and Britannia Heights) subdivisions to the City of Nampa. Staff also recommends that the Commission approve the proposed accounting treatment of sale proceeds.

Staff recommends that UWI be required to file with the Commission the final closing documents and actual journal entry amounts.

Staff further recommends that the Commission approve the transfer acknowledging and accepting the proposed rates for the customers of the Belmont and M&M systems. Staff believes these rates are justified by existing circumstances. Finally, Staff recommends that the City maintain existing United Water rates for customers of the Coventry system in much the same way existing rates are maintained for M&M customers. The agreement should specify current rates as well as general time frames and conditions that could change rates in the future. While Staff stops short of opposing the sale of the Coventry system without this rate concession, Staff recommends that the Commission direct the parties to consider and implement the concession as part of the overall agreement.

Respectfully submitted this

8th day of August 2008.


Scott Woodbury
Deputy Attorney General

Technical Staff: Gerry D. Galinato
John Nobbs
Chris Hecht

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United Water Idaho
UWI-W-08-02
Analysis of Journal Entries

	Acct #	Original Proposed Journal Entries as of July 31, 2008		Audited & Projected Journal Entries as of August 31, 2008		Difference
		A Debit	B Credit	C Debit	D Credit	
Accounting of Proceeds						
Cash	131-00	\$245,000		\$245,000		\$0
Net UWID Investment	101-00		\$186,289		\$186,944	\$655
IPUC Filing and Legal Expenses	912-00		\$7,800		\$7,800	\$0
Gain on Sale	712-00		\$50,911		\$50,256	(\$655)
Totals		\$245,000	\$245,000	\$245,000	\$245,000	\$0

Attachment A
Case No. UWI-W-08-2
J. Nobbs, Staff
8/08/08

Average Bill Comparison for a Belmont Residential Customer with a 3/4-inch Meter

<u>United Water Idaho</u>		<u>City of Nampa</u>					
Winter rate per CCF = \$1.2112							
Summer rate per CCF = \$1.5141							
<u>Assumed</u>	<u>Tariff</u>	<u>Usage</u>	<u>Bi-monthly</u>	<u>Usage</u>	<u>Tariff</u>	<u>Usage</u>	<u>2x Tariff</u>
		<u>CCF</u>	<u>Cust. Chg</u>	<u>3/4" meter</u>	<u>Usage</u>	<u>(In City) Total</u>	<u>(o/s City) Total</u>
					<u>Charge</u>	<u>Bill</u>	<u>Bill</u>
Feb	winter	18.66	\$16.21	\$22.61	\$23.72	\$23.72	\$47.44
Apr	winter	22.64	\$16.21	\$27.42	\$27.30	\$27.30	\$54.60
Jun	1/2 summer	50.63	\$16.21	\$68.54	\$48.94	\$48.94	\$97.88
Aug	summer	35.79	\$16.21	\$54.19	\$39.45	\$39.45	\$78.90
Oct	summer	67.18	\$16.21	\$101.72	\$57.72	\$57.72	\$115.44
Dec	winter	23.26	\$16.21	\$28.17	\$27.95	\$27.95	\$55.90
Total		218.17	\$97.26	\$302.65	\$225.08	\$225.08	\$450.16

Difference in annual payment due to sale of water system to City of Nampa = **\$50.25**

Percent increase in annual payment due to sale of water system to City of Nampa = **12.57%**

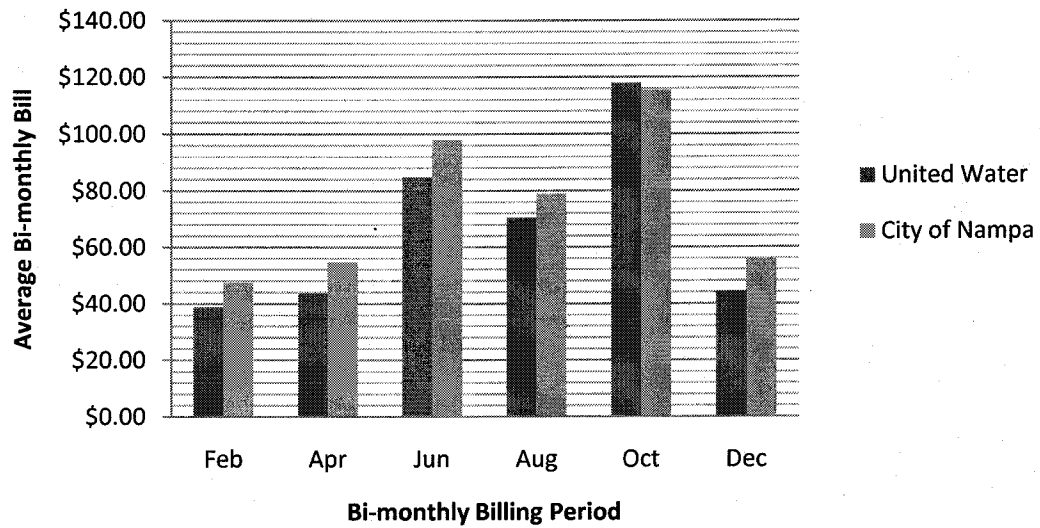
Average Bill Comparison for a Coventry Residential Customer with a 3/4-inch Meter

<u>United Water Idaho</u>					<u>City of Nampa</u>						
Winter rate per CCF = \$1.2112											
Summer rate per CCF = \$1.5141											
Assumed Tariff	Usage CCF	Bi-monthly Cust. Chg 3/4" meter	Usage		Total Bill	Usage CCF	Bi-monthly Cust. Chg 3/4" meter	Tariff		(In City) Total Bill	2x Tariff (o/s City) Total Bill
			CCF	Charge				Usage	Charge		
Feb	13.94	\$16.21		\$16.89	\$33.10	13.94	\$0.00	\$19.31	\$19.31	\$19.31	\$38.62
Apr	14.42	\$16.21		\$17.46	\$33.67	14.42	\$0.00	\$19.77	\$19.77	\$19.77	\$39.54
Jun	17.48	\$16.21		\$23.36	\$39.57	17.48	\$0.00	\$22.62	\$22.62	\$22.62	\$45.24
Aug	19.39	\$16.21		\$29.35	\$45.56	19.39	\$0.00	\$24.37	\$24.37	\$24.37	\$48.74
Oct	18.24	\$16.21		\$27.62	\$43.83	18.24	\$0.00	\$23.26	\$23.26	\$23.26	\$46.52
Dec	14.08	\$16.21		\$17.06	\$33.27	14.08	\$0.00	\$19.48	\$19.48	\$19.48	\$38.96
Total	97.54	\$97.26		\$131.74	\$229.00	97.54	\$0.00	\$128.81	\$128.81	\$128.81	\$257.62

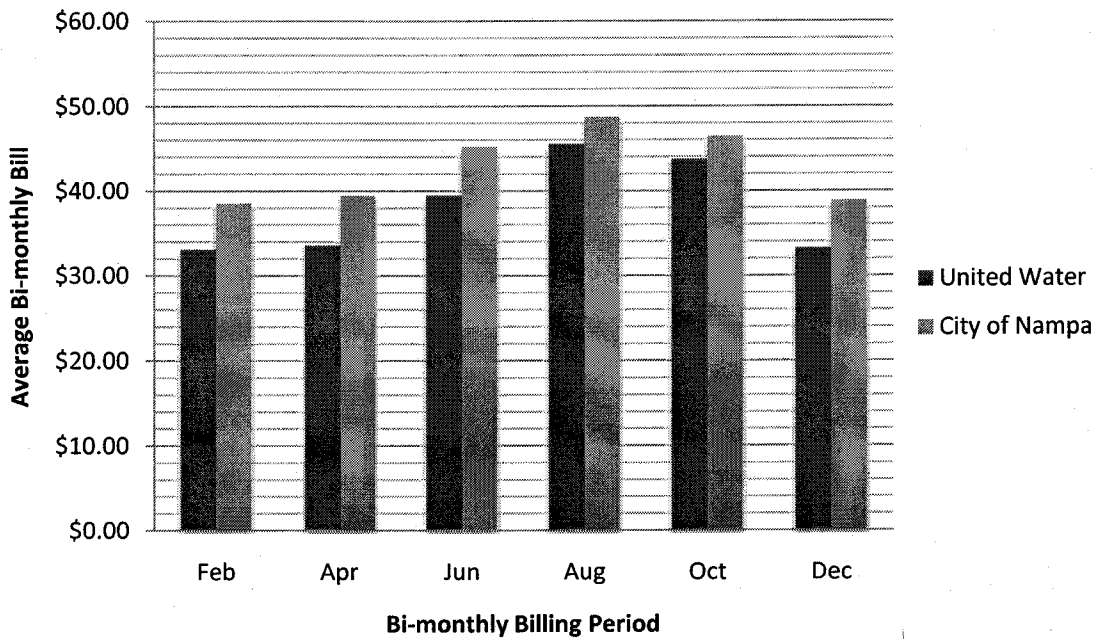
Difference in annual payment due to sale of water system to City of Nampa = **\$28.62**

Percent increase in annual payment due to sale of water system to City of Nampa = **12.50%**

Bill Comparison - Belmont Residential Customers



Bill Comparison - Coventry Residential Customers



Belmont Water System**Residential Customer Consumption for 2007**

	<u>Residential Customers</u>	<u>Total Cons. (1,000 gal)</u>	<u>Average Cons. (1,000 gal)</u>	<u>CCF</u>
Feb	77	1,075	14.0	18.66
Apr	79	1,338	16.9	22.64
Jun	79	2,992	37.9	50.63
Aug	79	2,115	26.8	35.79
Oct	83	4,171	50.3	67.18
Dec	83	1,444	17.4	23.26
Total		163.2		218.17

Coventry Water System**Residential Customer Consumption for 2007**

	<u>Residential Customers</u>	<u>Total Cons. (1,000 gal)</u>	<u>Average Cons. (1,000 gal)</u>	<u>CCF</u>
Feb	14	146	10.4	13.94
Apr	14	151	10.8	14.42
Jun	14	183	13.1	17.48
Aug	14	203	14.5	19.39
Oct	14	191	13.6	18.24
Dec	15	158	10.5	14.08
Total		73.0		97.54

City of Nampa

c/c x2

Water & Sewer Rates

Effective January 1, 2007 (implemented March 1, 2007)

cons	water	sewer	cons	water	sewer	cons	water	sewer	cons	water	sewer
10	13.35	12.35	510	13.35	17.19	1010	15.80	22.04	1510	20.40	26.88
20	13.35	12.45	520	13.35	17.29	1020	15.90	22.14	1520	20.50	26.98
30	13.35	12.54	530	13.35	17.39	1030	15.99	22.24	1530	20.59	27.08
40	13.35	12.64	540	13.35	17.49	1040	16.09	22.33	1540	20.69	27.18
50	13.35	12.74	550	13.35	17.59	1050	16.18	22.43	1550	20.78	27.28
60	13.35	12.83	560	13.35	17.67	1060	16.26	22.52	1560	20.86	27.36
70	13.35	12.93	570	13.35	17.77	1070	16.36	22.62	1570	20.96	27.46
80	13.35	13.02	580	13.35	17.87	1080	16.45	22.71	1580	21.05	27.56
90	13.35	13.12	590	13.35	17.97	1090	16.55	22.81	1590	21.15	27.66
100	13.35	13.22	600	13.35	18.06	1100	16.64	22.91	1600	21.24	27.76
110	13.35	13.32	610	13.35	18.16	1110	16.72	23.01	1610	21.32	27.85
120	13.35	13.42	620	13.35	18.26	1120	16.82	23.11	1620	21.42	27.95
130	13.35	13.51	630	13.35	18.36	1130	16.91	23.20	1630	21.51	28.05
140	13.35	13.61	640	13.35	18.46	1140	17.01	23.30	1640	21.61	28.15
150	13.35	13.71	650	13.35	18.55	1150	17.10	23.40	1650	21.70	28.25
160	13.35	13.80	660	13.35	18.64	1160	17.18	23.49	1660	21.78	28.33
170	13.35	13.89	670	13.35	18.74	1170	17.28	23.59	1670	21.88	28.43
180	13.35	13.99	680	13.35	18.84	1180	17.37	23.68	1680	21.97	28.53
190	13.35	14.09	690	13.35	18.94	1190	17.47	23.78	1690	22.07	28.63
200	13.35	14.19	700	13.35	19.03	1200	17.56	23.88	1700	22.21	28.72
210	13.35	14.29	710	13.35	19.13	1210	17.64	23.98	1710	22.24	28.82
220	13.35	14.38	720	13.35	19.23	1220	17.74	24.08	1720	22.34	28.92
230	13.35	14.48	730	13.35	19.33	1230	17.83	24.17	1730	22.43	29.02
240	13.35	14.58	740	13.35	19.43	1240	17.93	24.27	1740	22.53	29.12
250	13.35	14.68	750	13.35	19.52	1250	18.02	24.37	1750	22.62	29.21
260	13.35	14.77	760	13.50	19.61	1260	18.10	24.46	1760	22.70	29.30
270	13.35	14.86	770	13.61	19.71	1270	18.20	24.55	1770	22.80	29.40
280	13.35	14.96	780	13.69	19.81	1280	18.29	24.65	1780	22.89	29.50
290	13.35	15.06	790	13.78	19.90	1290	18.39	24.75	1790	22.99	29.60
300	13.35	15.16	800	13.89	20.00	1300	18.48	24.85	1800	23.08	29.69
310	13.35	15.26	810	13.97	20.10	1310	18.56	24.95	1810	23.16	29.79
320	13.35	15.35	820	14.06	20.20	1320	18.66	25.04	1820	23.26	29.89
330	13.35	15.45	830	14.16	20.30	1330	18.75	25.14	1830	23.35	29.99
340	13.35	15.55	840	14.25	20.39	1340	18.85	25.24	1840	23.45	30.09
350	13.35	15.65	850	14.34	20.49	1350	18.94	25.34	1850	23.53	30.18
360	13.35	15.73	860	14.42	20.58	1360	19.02	25.43	1860	23.62	30.27
370	13.35	15.83	870	14.52	20.68	1370	19.12	25.52	1870	23.72	30.37
380	13.35	15.93	880	14.61	20.78	1380	19.21	25.62	1880	23.81	30.47
390	13.35	16.03	890	14.71	20.87	1390	19.31	25.72	1890	23.91	30.57
400	13.35	16.13	900	14.80	20.97	1400	19.40	25.82	1900	23.99	30.66
410	13.35	16.22	910	14.88	21.07	1410	19.48	25.92	1910	24.08	30.76
420	13.35	16.32	920	14.98	21.17	1420	19.58	26.01	1920	24.18	30.86
430	13.35	16.42	930	15.07	21.27	1430	19.67	26.11	1930	24.27	30.96
440	13.35	16.52	940	15.17	21.36	1440	19.77	26.21	1940	24.37	31.06
450	13.35	16.62	950	15.26	21.46	1450	19.86	26.31	1950	24.45	31.15
460	13.35	16.70	960	15.34	21.55	1460	19.94	26.39	1960	24.54	31.24
470	13.35	16.80	970	15.44	21.65	1470	20.11	26.49	1970	24.64	31.34
480	13.35	16.90	980	15.53	21.75	1480	20.13	26.59	1980	24.73	31.44
490	13.35	17.00	990	15.63	21.84	1490	20.23	26.69	1990	24.83	31.53
500	13.35	17.10	1000	15.72	21.94	1500	20.32	26.79	2000	24.91	31.63

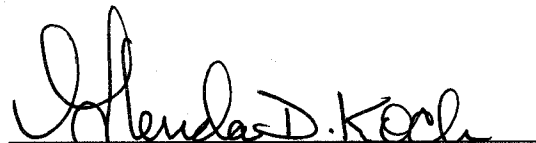
cons	water	sewer	cons	water	sewer	cons	water	sewer	cons	water	sewer
2010	25.00	31.73	2510	29.60	36.58	3010	34.20	41.42	3510	38.80	46.27
2020	25.10	31.83	2520	29.70	36.67	3020	34.30	41.52	3520	38.90	46.37
2030	25.19	31.93	2530	29.79	36.77	3030	34.39	41.62	3530	38.99	46.46
2040	25.29	32.02	2540	29.89	36.87	3040	34.49	41.72	3540	39.09	46.56
2050	25.37	32.12	2550	29.97	36.97	3050	34.57	41.81	3550	39.17	46.66
2060	25.46	32.21	2560	30.06	37.06	3060	34.66	41.90	3560	39.26	46.75
2070	25.56	32.31	2570	30.16	37.15	3070	34.76	42.00	3570	39.36	46.84
2080	25.65	32.41	2580	30.25	37.25	3080	34.85	42.10	3580	39.45	46.94
2090	25.75	32.50	2590	30.35	37.35	3090	34.95	42.19	3590	39.55	47.04
2100	25.83	32.60	2600	30.43	37.45	3100	35.03	42.29	3600	39.63	47.14
2110	25.92	32.70	2610	30.52	37.54	3110	35.12	42.39	3610	39.72	47.24
2120	26.02	32.80	2620	30.62	37.64	3120	35.22	42.49	3620	39.82	47.33
2130	26.11	32.90	2630	30.71	37.74	3130	35.31	42.59	3630	39.91	47.43
2140	26.21	32.99	2640	30.81	37.84	3140	35.41	42.68	3640	40.01	47.53
2150	26.29	33.09	2650	30.89	37.94	3150	35.49	42.78	3650	40.09	47.63
2160	26.38	33.18	2660	31.08	38.02	3160	35.58	42.87	3660	40.18	47.72
2170	26.48	33.28	2670	31.17	38.12	3170	35.68	42.97	3670	40.28	47.81
2180	26.57	33.37	2680	31.27	38.22	3180	35.77	43.07	3680	40.37	47.91
2190	26.67	33.47	2690	31.35	38.32	3190	35.87	43.16	3690	40.47	48.01
2200	26.76	33.57	2700	31.44	38.42	3200	35.95	43.26	3700	40.55	48.11
2210	26.84	33.67	2710	31.54	38.51	3210	36.04	43.36	3710	40.64	48.21
2220	26.94	33.77	2720	31.63	38.61	3220	36.14	43.46	3720	40.74	48.30
2230	27.03	33.86	2730	31.73	38.71	3230	36.23	43.56	3730	40.83	48.40
2240	27.13	33.96	2740	31.81	38.81	3240	36.33	43.65	3740	40.93	48.50
2250	27.21	34.06	2750	31.91	38.91	3250	36.41	43.75	3750	41.01	48.60
2260	27.30	34.15	2760	32.00	38.99	3260	36.50	43.84	3760	41.10	48.68
2270	27.40	34.25	2770	32.09	39.09	3270	36.60	43.94	3770	41.20	48.78
2280	27.49	34.34	2780	32.19	39.19	3280	36.69	44.03	3780	41.29	48.88
2290	27.59	34.44	2790	32.27	39.29	3290	36.73	44.13	3790	41.39	48.98
2300	27.67	34.54	2800	32.36	39.39	3300	36.87	44.23	3800	41.47	49.08
2310	27.77	34.64	2810	32.46	39.48	3310	36.96	44.33	3810	41.56	49.17
2320	27.86	34.74	2820	32.55	39.58	3320	37.06	44.43	3820	41.66	49.27
2330	27.95	34.83	2830	32.65	39.68	3330	37.15	44.52	3830	41.75	49.37
2340	28.05	34.93	2840	32.73	39.78	3340	37.25	44.62	3840	41.85	49.47
2350	28.13	35.03	2850	32.82	39.88	3350	37.33	44.72	3850	41.93	49.57
2360	28.22	35.12	2860	32.92	39.96	3360	37.42	44.81	3860	42.02	49.65
2370	28.32	35.21	2870	33.01	40.06	3370	37.52	44.91	3870	42.12	49.75
2380	28.41	35.31	2880	33.11	40.16	3380	37.61	45.00	3880	42.21	49.85
2390	28.51	35.41	2890	33.19	40.26	3390	37.71	45.10	3890	42.31	49.95
2400	28.59	35.51	2900	33.24	40.35	3400	37.79	45.20	3900	42.39	50.05
2410	28.68	35.61	2910	33.28	40.45	3410	37.88	45.30	3910	42.48	50.14
2420	28.78	35.70	2920	33.38	40.55	3420	37.98	45.40	3920	42.58	50.24
2430	28.87	35.80	2930	33.47	40.65	3430	38.07	45.49	3930	42.67	50.34
2440	28.97	35.90	2940	33.57	40.75	3440	38.17	45.59	3940	42.77	50.44
2450	29.05	36.00	2950	33.65	40.84	3450	38.25	45.69	3950	42.85	50.54
2460	29.14	36.09	2960	33.74	40.93	3460	38.34	45.78	3960	42.94	50.62
2470	29.24	36.18	2970	33.84	41.03	3470	38.44	45.88	3970	43.04	50.72
2480	29.33	36.28	2980	33.93	41.13	3480	38.53	45.97	3980	43.13	50.82
2490	29.43	36.38	2990	34.03	41.23	3490	38.63	46.07	3990	43.23	50.92
2500	29.51	36.48	3000	34.11	41.32	3500	38.71	46.17	4000	43.31	51.01
Over 4000 cubic feet											
Water - cons - 4000 X .53 PER 100 Cubic FT											
Sewer - cons.X 1% X .97 + 12.22 (residential rate)											

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 8TH DAY OF AUGUST 2008,
SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN CASE
NO. UWI-W-08-2 BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE
FOLLOWING:

GREGORY P WYATT
UNITED WATER IDAHO INC
PO BOX 190420
BOISE ID 83719-0420
E-MAIL: greg.wyatt@unitedwater.com

DEAN J MILLER
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PO BOX 2564
BOISE ID 83701
E-MAIL: joe@mcdevitt-miller.com



SECRETARY

CERTIFICATE OF SERVICE