DECISION MEMORANDUM

TO:COMMISSIONER NELSON

COMMISSIONER SMITH

COMMISSIONER HANSEN

MYRNA WALTERS

TONYA CLARK

DON HOWELL

STEPHANIE MILLER

DAVE SCHUNKE

RANDY LOBB

MADONNA FAUNCE

JUDY STOKES

GARY RICHARDSON

WORKING FILE

FROM:SCOTT WOODBURY

DATE:APRIL 16, 1996

RE:CASE NO.  UWI-W-95-2, FINAL ORDER NO.  26367

UNITED WATER PETITION FOR RECONSIDERATION

GARDEN CITY PETITION FOR RECONSIDERATION

HOMEOWNER ASSOCIATIONS’ RESPONSE TO PETITIONS FOR RECONSIDERATION

On March 14, 1996, the Commission issued final Order No. 26367 (attached) in Case No. UWI-W-96-3 denying the Application of United Water.  United Water had requested approval of a Service Area Exchange Agreement with the City of Garden City.

On April 4, 1996, both United Water and Garden City filed Petitions for Reconsideration (attached).  United Water requests the opportunity to present additional and more detailed evidence regarding water quality and water pressure, the actual number of customers in the North State Area, benefit/cost analysis, and accounting treatment of the purchase price.  Garden City also requests the opportunity to supplement the record.  If reconsideration is granted, Garden City intends to present evidence regarding customer numbers (actual and projected), water quality and water pressure, operational and service problems, duplication of infrastructure, opportunities for public input and cost/benefit analysis.

On April 11, 1996, the participating Homeowner Associations filed a letter response to the Petitions for Reconsideration (attached).  In their letter, the North State Area customers point out that neither United Water nor Garden City propose any more than additional studies to address water quality and water pressure concerns.  No immediate fix of water quality is proposed.  Additionally, the Associations note that neither petitioner chooses to address ways to mitigate the “rate shock” associated with the proposed exchange.  Finally, the Associations note that still no direct effort has been made by Garden City, United Water or Boise City to communicate with affected customers.  The Associations express a desire to remain involved in the process but indicate the short seven day window of response did not permit the Associations the opportunity to notice and poll their members and submit a more formal response.

Commission Decision

The deadline for Commission action or decision as to whether to grant or deny the Petitions for Reconsideration is May 2, 1996.  The petitioning parties do not suggest that the Commission’s Order is unreasonable, unlawful or erroneous or unsupported by the record.  Further evidentiary hearing is requested.  Should reconsideration in the manner requested be granted?

Scott Woodbury

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