BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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IN THE MATTER OF THE APPLICATION OF BAR CIRCLE "S" RANCH, INC. FOR AUTHORITY TO AMEND ITS CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY NO. 296 AND EXPAND ITS CERTIFICATED AREA OF SERVICE

CASE NO. BCS-W-04-1

ORDER NO. 29696

On December 6, 2004, Bar Circle "S" Water Co, Inc. (Bar Circle; Company) filed an Application with the Idaho Public Utilities Commission (Commission) for authority to expand its certificated service territory in Kootenai County, Idaho to include a portion of the South Half of the Northeast Quarter of Section 22, Township 52 North, Range 4 West, Boise-Meridian, Kootenai County, Idaho (65 acres) to provide domestic water to approximately 13 five-acre lots (Country Estates Subdivision). *Idaho Code* § 61-526; IDAPA 31.01.01.112.

As per engineer estimates, the installation of utility services to Country Estates will cost approximately \$73,860. The developer, Raymond Vaudreuil (Hope Realty), has agreed to pay all line extension costs. Included in the Application are copies of the request for service and a copy of the executed Water Main Extension Agreement. The Company indicates that it has adequate capacity to serve the proposed service area extension. No change in rates is proposed with this request.

On December 28, 2004, the Commission issued Notices of Application and Modified Procedure in Case No. BCS-W-04-1. The deadline for filing written comments was January 18, 2005. The Commission Staff was the only party to file comments. Staff recommends that the Commission approve the requested service area extension. Staff recommends further that all extension costs be recorded on Bar Circle's books as a Contribution in Aid of Construction (CIAC).

As reflected in Staff comments, the proposed subdivision is directly adjacent to the current Bar Circle service area and requires only a line extension across Ramsey Road to tie into the existing Bar Circle system. The Company and the developer, Ray Vaudreuil, have submitted a signed Line Extension Agreement wherein the developer agrees to pay for the construction of the line extension and provide the necessary easements to the Company.

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Staff has reviewed the adjacent water utility information provided by the Company and confirms that there are no other water providers or utilities interested in providing service to the proposed Country Estates Subdivision.

COMMISSION FINDINGS

The Commission has reviewed the filings of record in Case No. BCS-W-04-1, including the comments and recommendations of the Commission Staff. We continue to find it reasonable to process the Company's Application pursuant to Modified Procedure, i.e., by written submission rather than by hearing. Reference IDAPA 31.01.01.204.

Bar Circle "S" Water Company, Inc. requests Commission authority to amend its Certificate of Public Convenience and Necessity No. 296 and expand its certificated service territory in Kootenai County to provide service to the proposed Country Estates Subdivision. We find that the Company's filing satisfies the Commission's Certificate requirements as set forth in IDAPA 31.01.01.112. Based on the filings of record, the Company's representations and Staff's investigation, the Commission finds that the Company has the capability to provide adequate water service to Country Estates Subdivision. We further find that the future public interest will be served by issuance of an amended Certificate of Public Convenience and Necessity to Bar Circle for the requested area. We therefore find it reasonable to approve Bar Circle's requested expansion of its certificated area.

Pursuant to terms of the Water Main Extension Agreement, the developer of Country Estates Subdivision agrees to pay Bar Circle for the costs of construction of the water main extension and related water system improvements to provide service to Country Estates Subdivision. The estimated cost of extending service to Country Estates Subdivision is \$73,860. The contribution by the developer of Country Estates Subdivision of main line and service improvements is to be recorded on the Company's books as a Contribution in Aid of Construction.

CONCLUSIONS OF LAW

The Commission has jurisdiction over Bar Circle S Water Company, Inc., a water utility, and its Application in Case No. BCS-W-04-1, pursuant to the authority and power granted under Title 61 of the Idaho Code and the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq*.

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ORDER

In consideration of the foregoing and as more particularly described above, IT IS HEREBY ORDERED that the Certificate of Public Convenience and Necessity No. 296 of Bar Circle "S" Water Company, Inc. be amended to reflect the addition of Country Estates Subdivision located in the South Half of the Northeast Quarter of Section 22, Township 52 North, Range 4 West, Boise-Meridian, Kootenai County, Idaho. Bar Circle is directed to prepare and file an amended Certificate for Commission approval.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this $3/5^7$ day of January 2005.

PAUL KJELLANDER, PRESIDENT

MARSHA H. SMITH, COMMISSIONER

DEINNIS S. HANSEN, COMMISSIONER

ATTEST:

evell n D. Jewell

Commission Secretary

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