SCOTT WOODBURY DEPUTY ATTORNEY GENERAL IDAHO PUBLIC UTILITIES COMMISSION PO BOX 83720 BOISE, IDAHO 83720-0074 (208) 334-0320 BAR NO. 1895 RECEIVED STILED SOUTH STILED SOUTH STILED SOUTH SOUTH

Street Address for Express Mail: 472 W. WASHINGTON BOISE, IDAHO 83702-5983

Attorney for the Commission Staff

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)	
BAR CIRCLE "S" RANCH, INC. FOR)	CASE NO. BCS-W-04-1
AUTHORITY TO AMEND ITS CERTIFICATE)	
OF PUBLIC CONVENIENCE AND NECESSITY)	
NO. 296 AND EXPAND ITS CERTIFICATED)	COMMENTS OF THE
AREA OF SERVICE.)	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 December 28, 2004 Notice of Application, Notice of Modified Procedure and Notice of Comment/Protest Deadline in Case No. BCS-W-04-1, submits the following comments.

BACKGROUND

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 service to approximately 13 five-acre lots. *Idaho Code* § 61-526; IDAPA 31.01.01.112.

STAFF REVIEW

Staff has reviewed the Company's Application, and response to production requests and recommends that the request for service area expansion be granted. Staff further recommends that all extension costs be recorded on Bar Circle's books as Contribution in Aid of Construction (CIAC).

The Company wishes to extend service to the Country Estates Subdivision, an adjacent 65-acre parcel to be developed into five (5) acre lots. The legal description for the service area expansion is the following:

The South half of the Northeast Quarter of Section 22, Township 52 North, Range 4 West, Boise Meridian, Kootenai County Idaho.

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. The construction is anticipated to include a bore of 80-feet under Ramsey Road with 8" C-900 water line in a sleeve. It will include 2200 lineal feet of main, 13 two (2") inch service laterals and service connections, 3 fire hydrants, pressure testing and compaction. Construction is anticipated to begin as soon as possible following the approval of the service area expansion.

Staff has reviewed the adjacent water utility information provided by the Company and no other public water utilities regulated by the PUC are in the immediate vicinity. There are several homeowner associations or water district systems within 3 miles of the proposed development with the closest being the Panhandle Water Home Owners Association. Staff has contacted via phone Panhandle Water and confirmed that the association is not interested in providing service to the proposed Country Estates Subdivision.

The Company has indicated that it has adequate capacity to serve the system and that the service extension will be at the expense of the developer. No change in rates are proposed with this request.

RECOMMENDATIONS

Staff recommends that the Commission approve the requested service area expansion. Staff further recommends that all extension costs be recorded on Bar Circle's books as Contribution in Aid of Construction (CIAC).

Respectfully submitted this

18 day of January 2005.

Scott Woodbury

Deputy Attorney General

Technical Staff: Michael Fuss

i:umisc:comments/bcsw04.1swmf

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 18TH DAY OF JANUARY 2005, SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF,** IN CASE NO. BCS-W-04-1, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

ROBERT TURNIPSEED PRESIDENT BAR CIRCLE 'S' RANCH INC PO BOX 1870 HAYDEN ID 83835

SECRETARY