

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	
OF COUNTRY CLUB HILLS UTILITIES,)	CASE NO. CCH-W-05-1
INC. FOR AUTHORITY TO INCREASE ITS)	
RATES AND CHARGES FOR WATER)	NOTICE OF APPLICATION
SERVICE)	
)	NOTICE OF
)	MODIFIED PROCEDURE
)	
)	NOTICE OF
)	COMMENT DEADLINE

YOU ARE HEREBY NOTIFIED that on March 21, 2005, Country Club Hills Utilities, Inc. (Country Club; Company) filed an Application with the Idaho Public Utilities Commission (Commission) requesting authority to increase rates and charges for water service. Country Club provides metered water service in the Idaho Falls area to 118 residential customers and 1 commercial customer and flat rate water service to 10 residential customers. The Company's present rates were established in 1990. Country Club contends that a 30% rate increase is required in order to meet system demands and to continue providing uninterrupted water service of the highest quality. The Company's filed Annual Report for the year ending December 31, 2004 reflects annual revenue of \$32,356 and annual operating and interest expenses of \$41,220, a net loss of \$8,664. Accompanying the Application is a recent invoice from Denning Well Drilling, Inc. dated February 7, 2005 in the amount of \$7,370 for replacement of a 30 H.P. pump in the #2 well.

Country Club requests that the Commission authorize general increase in water rates as follows:

Residential

Increase flat rate residential rates from \$14 per month to \$20 per month.

Increase metered residential rates from \$.35 per 1,000 gallons to \$.45 per 1,000 gallons for all consumption in excess of 15,000 gallons per month.

Commercial

Increase flat rate commercial rate from \$14 per month to \$22 per month.

Increase metered commercial rates from \$.35 per 1,000 gallons to \$.45 per 1,000 gallons for all consumption in excess of 15,000 gallons per month.

Hook-up Fee

Increase hook-up fee from \$300 to \$500 per hook-up.

YOU ARE FURTHER NOTIFIED that County Club's revenue requirement and every component of it, both rate base and expense, are at issue. The Commission may grant, deny or modify the revenue requirement requested and may find that a revenue requirement different from that proposed from any party is just, fair and reasonable. IDAPA 31.01.01.124.01.

YOU ARE FURTHER NOTIFIED that the rates and charges for all of Country Club's customers, both residential and commercial, are at issue, and every component of every existing and proposed rate and charges are at issue. The Commission may approve, reject or modify the rates and charges proposed and may find that rates and charges different from those proposed by any party are just, fair and reasonable. IDAPA 31.01.01.124.02.

YOU ARE FURTHER NOTIFIED that the Commission may approve, reject or modify existing or proposed relationships between and among rates and charges within, between or among customer classes or rate groupings and may approve, reject or modify existing or proposed relationships among and between customer classes or rate groupings. IDAPA 31.01.01.124.02.

YOU ARE FURTHER NOTIFIED that the Commission may abolish, reduce or create rate blocks or categories of rates and charges, abolish, create or reduce components of rates and charges, abolish, reduce or create customer classes or rate groupings, and abolish, reduce or create absolute or relative differences among and between existing classes or rate groupings of customers. IDAPA 31.01.01.124.02.

YOU ARE FURTHER NOTIFIED that the tariffs, practices, rules and regulations, service, instrumentalities, equipment, facilities, classifications, and customer relations of the utility are at issue, and the Commission may address any of them in its Order. IDAPA 31.01.01.124.02.

YOU ARE FURTHER NOTIFIED that the Commission has reviewed the filings of record in Case No. CCH-W-05-1. The Commission has preliminarily found that the public

interest in this matter may not require a technical 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's Rules of Procedure, IDAPA 31.01.01.201-204.

YOU ARE FURTHER NOTIFIED that the **deadline for filing written comments or protests** with respect to Country Club's Application and the use of Modified Procedure in Case No. CCH-W-05-1 is **Wednesday, May 11, 2005**.

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. CCH-W-05-1 should be mailed to the Commission and the Company at the addresses reflected below.

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

Mike Groth
Country Club Hills Utilities, Inc.
570 S. Yellowstone Avenue
Idaho Falls, ID 83402

Street Address for Express Mail:

472 W. Washington Street
Boise, ID 83702-5983

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 the Applicant at the address listed above

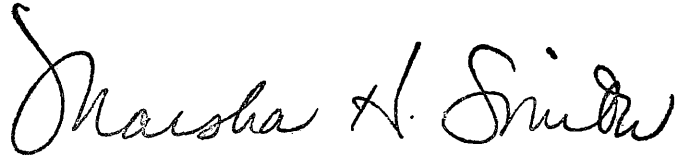
YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider the matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit

set, the Commission will consider them and, in its discretion, may the set the same for formal hearing.

YOU ARE FURTHER NOTIFIED that the Application in Case No. CCH-W-05-1 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 general business office of Country Club Hills Utilities, Inc., 570 S. Yellowstone Avenue, Idaho Falls, Idaho ((208) 529-5000).

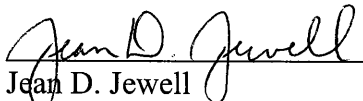
DATED at Boise, Idaho this 8th day of April 2005.


PAUL KJELLANDER, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


DENNIS S. HANSEN, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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