DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER COMMISSIONER SMITH COMMISSIONER HANSEN COMMISSION SECRETARY COMMISSION STAFF LEGAL

FROM: SCOTT WOODBURY

DATE: JUNE 18, 2004

RE: CASE NO. DIA-W-04-1 (Diamond Bar Water) APPLICATION FOR AMENDED CERTIFICATE BOEKEL ESTATES SUBDIVISION

On June 7, 2004, Diamond Bar Water Company, a water utility in Kootenai County, Idaho, filed an Application with the Idaho Public Utilities Commission (Commission) to extend its certificated service territory to provide water service to Boekel Estates Subdivision (Boekel Estates). Boekel Estates consists of approximately 70 acres of land that will be platted as 14 fiveacre lots. As part of the Application, Diamond Bar has submitted a Water Main Extension Agreement (Agreement) between Diamond Bar and Walter and Grace Singer, the developers of Boekel Estates. Diamond Bar intends to provide domestic and irrigation water under the terms of the Agreement and an attached exhibit setting forth General Rules and Regulations governing the Agreement. The Company has requested expeditious treatment of its service request, as construction is due to start July 15, 2004.

COMMISSION DECISION

The Commission Staff has reviewed Diamond Bar's Application and finds that the submitted Agreement contains a number of terms and conditions that Staff cannot support. Further discussions with the Company are necessary. Further information is required. Staff recommends that the Company's Application be initially processed pursuant to Modified Procedure, i.e., by written submission rather than by hearing. Reference Commission Rules of Procedure, IDAPA 31.01.01.201-204. Staff recommends a comment deadline of July 23, 2004. Does the Commission agree with the procedure recommended by Staff?

Scott Woodbury