

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)	
EAGLE WATER COMPANY, INC. TO AMEND)	CASE NO. EAG-W-03-1
CERTIFICATE OF PUBLIC CONVENIENCE)	
AND NECESSITY NO. 278.)	ORDER NO. 29344
)	

On August 22, 2003, Eagle Water Company, Inc. (Eagle Water; Company) filed an Application with the Idaho Public Utilities Commission (Commission) requesting authorization to amend and revise its Certificate of Public Convenience and Necessity No. 278 (as amended) by enlarging and extending its certification service area boundaries to include the Ada County Commercial Subdivision of Petticoat Junction. Reference *Idaho Code* § 61-526; Commission Rules of Procedure, IDAPA 31.01.01.112. Eagle Water submits that the extension of its facilities to serve Petticoat Junction is consistent with the public convenience and necessity.

Petticoat Junction is located on the northeast corner of the intersection of State Highway 44 and Horseshoe Bend Road, just east of the City of Eagle in Ada County. The Petticoat Junction Subdivision is more particularly described as a re-subdivision of a parcel of land all located in Lot 21 of Brose Second Subdivision, also in the Northwest ¼ of the Southwest ¼ of Section 14, Township 4 North, Range 1 East, Boise-Meridian, Ada County, Idaho. Reference Application, Exhibit B vicinity map, and Exhibit C Plat Map.

Eagle Water represents that the developer of Petticoat Junction, Mr. Peter Cintorino, has requested that Eagle Water provide water service. A copy of the developer’s request is attached to the Company’s Application. Petticoat Junction currently consists of a combination gas station and convenience store located on the corner of State Street/State Highway 44 and Horseshoe Bend Road. Until now, water service at Petticoat Junction has been provided by means of a private well. Persistent water quality problems have purportedly prompted the request for service from Eagle Water Company. Future development is expected to entail the addition of a car wash and approximately three small offices. Eagle Water represents that it has an adequate source of supply to serve the area.

Service to Petticoat Junction will be provided through Eagle Water’s “Lakeland Subdivision main” which runs east to west on State Street/State Highway 44. Extension of

service to Petticoat Junction by Eagle Water will require excavation; installation of mains, fire hydrants and service meter boxes; bedding; backfill, compaction; inspection; and testing. The estimated construction cost for this project is \$31,000 to \$33,000, all of which will be paid by the developer pursuant to Eagle Water's standard "Main Extension Contract" as provided for in its tariff on file with the Commission. Eagle Water proposes to begin construction in September 2003 and complete construction in October 2003. The proposed expansion will add four commercial customers to Eagle Water's customer base. The estimated average monthly gross revenue per such customer is \$150. The Company contends that the construction and expansion will have no effect on its revenue requirements.

On September 5, 2003, the Commission issued Notices of Application and Modified Procedure in Case No. EAG-W-03-1. The deadline for filing comments was Thursday, September 25, 2003. The Commission Staff was the only party to file comments. Staff recommends approval of Eagle Water's Application.

In its comments, Staff notes that Petticoat Junction is adjacent to and contiguous with the existing eastern boundary of Eagle Water's certificated area. The nearest certificated area boundary of United Water Idaho Inc. is located approximately 0.4 miles to the east. Staff notes that immediately west of Petticoat Junction, and within Eagle Water's certificated area, a very large commercial area is currently being developed. Although the adjacent commercial development is very large, its normal water requirements, Staff contends, will actually be much less than if the same area was developed as a residential subdivision. Staff notes, however, that the fire flow requirements of the adjacent commercial development are much higher than required for a residential area. Eagle Water, Staff states, conducted fire flow tests at several locations in its system in the vicinity of the proposed and adjacent developments. The results of those fire flow tests show that Eagle Water is easily capable of meeting minimum fire flow requirements.

Based on the fire flow test results, the close proximity of Petticoat Junction to the Company's existing service territory, the absence of any low pressure complaints during the past two years and the few customers expected in Petticoat Junction, Staff believes that the Company has the capability to satisfactorily serve Petticoat Junction.

Staff points out that Eagle Water has been planning for several years to drill a new well near the southeast corner of its service territory and to construct a storage reservoir near the

northeast corner, but has yet to make progress on either one. Staff believes both may be necessary in order to maintain continuing capability to provide adequate service as additional development occurs on the east side of the Company's system.

COMMISSION FINDINGS

The Commission has reviewed the filings of record in Case No. EAG-W-03-1 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.

Eagle Water Company has requested authorization to amend and revise its Certificate of Public Convenience and Necessity No. 278 to include the Ada County Commercial Subdivision of Petticoat Junction. 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 Petticoat Junction. We further find that the present and future public interest will be served by issuance of an amended Certificate of Public Convenience and Necessity to Eagle Water for the requested area. We therefore find it reasonable to approve Eagle Water's requested expansion of its certificated area.

CONCLUSIONS OF LAW

The Commission has jurisdiction over Eagle Water Company, Inc., a water utility, and its Application in Case No. EAG-W-03-1 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.*

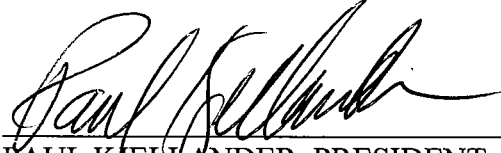
ORDER

In consideration of the foregoing and as more particularly described above, IT IS HEREBY ORDERED that the Certificate of Public Convenience and Necessity No. 278 of Eagle Water Company, Inc. be amended to reflect the addition of Petticoat Junction Subdivision located on the northeast corner of the intersection of State Highway 44 and Horseshoe Bend Road, just east of the City of Eagle in Ada County. Eagle Water Company is directed to prepare and file an amended Certificate for Commission approval.

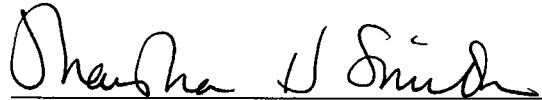
THIS IS A FINAL ORDER. Any person interested in this Order (or in issues finally decided by this Order) may petition for reconsideration within twenty-one (21) days of the

service date of this Order with regard to any matter decided in 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 7th day of October 2003.



PAUL KJELLANDER, PRESIDENT

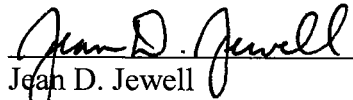


MARSHA H. SMITH, COMMISSIONER



DENNIS S. HANSEN, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

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