

ORIGINAL

Dean J. Miller
McDEVITT & MILLER LLP
420 West Bannock Street
P.O. Box 2564-83701
Boise, Idaho 83702
208.343.7500
208.336.6912 (Fax)

RECEIVED
FILED
2004 JUL 14 PM 2:54
IDAHO PUBLIC
UTILITIES COMMISSION

Attorneys for United Water Idaho Inc.

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION
OF EAGLE WATER COMPANY, INC. TO
AMEND ITS CERTIFICATE OF PUBLIC
CONVENIENCE AND NECESSITY NO. 278

EAG
Case No. ~~UWI~~-W-04-2

**REPLY COMMENTS OF
UNITED WATER IDAHO INC.**

COMES NOW United Water Idaho Inc., (United) and submits the following Reply
Comments to the Staff Comments dated June 29, 2004.

United concurs in Staff's observation that:

...Staff believes that further apportionment of uncertified areas surrounding Eagle is ripe for a decision. Areas around Eagle are rapidly growing and it is just a matter of time before the Commission will be required to make decisions about which company will provide service. Presumably, both utilities would benefit by knowing in advance the reasonable extent of their service areas so that nearby facilities could be planned and sized accordingly. A piecemeal approach to awarding certificated areas may not be in the best interests of the customers of either utility. (Staff Comments at pgs 3—4).

United, however, is not optimistic about the likely success of Staff's suggestion that United and Eagle Water "try to negotiate apportionment of uncertificated areas in the vicinity of Eagle." At a recent informal conference between United, Eagle Water and the Commission Staff, United presented such a suggestion. Eagle Water, however, declined the invitation at that time. Moreover, as the Commission is aware, the working relationship between United and Eagle Water is, regrettably, less than harmonious.

Rather, United recommends that the scope of this proceeding be expanded to include assignment of the remaining uncertified areas, including the customers requesting service in this case, to the utility best able to serve.

To that end, United suggests that an intervention deadline be set, thus giving other interested parties, including the City of Eagle, the opportunity to participate. Thereafter, the Commission should quickly convene a pre-hearing conference to more precisely identify the matters at issue and develop a procedure for resolving them.

In that regard, United is investigating its ability to serve the specific customers requesting service in this case. United's preliminary investigation reveals the following: United has an existing 16 inch water main in place fronting the entire area in question along the east side of Old Highway 55/Horseshoe Bend Road. This mainline fronts the two Troutner parcels in addition to the Dry Creek Cemetery Maintenance District off Old Highway 55/Horseshoe Bend Road. Service lines up to 2 inch diameter can be installed at no charge to the customer under United's Rules and Regulations. Along Hill Road, the McKay property, as well as the property currently being developed as the Northwest Bible Church, are also fronted. There is an existing 12 inch stub line located at the entrance to McKay Construction at 10512 Hill Road. Since this property is "landlocked", United presumes McKay Construction has an ingress/egress agreement for access. Service for these two properties can be provided from the 12 inch stub line or at any other point along Hill Road where the mainline fronts the property.

By the time of a pre-hearing conference United will be able to provide definitive information regarding its ability to serve these potential customers. If there is some urgency of expeditiously getting service to these customers, the Commission could direct United to provide service at that time.

Respectfully submitted this 14 day of July, 2004.

United Water Idaho Inc.

A handwritten signature in black ink, appearing to read "Dean J. Miller", written over a horizontal line.

Dean J. Miller

Attorneys for United Water Idaho Inc.

CERTIFICATE OF SERVICE

I hereby certify that on the 11th day of July, 2004, a true and correct copy of the foregoing document was served, by the method(s) indicated below, upon the following:

Molly O'Leary, Esq.
RICHARDSON & O'LEARY
99 East State Street
P.O. Box 1849
Eagle, Idaho 83616
Fax: 208-938-7904

Hand Delivered
U.S. Mail
Fax
Fed. Express

Robert Deshazo
Eagle Water
P.O. Box 455
Eagle, Idaho 83616-0455

Hand Delivered
U.S. Mail
Fax
Fed. Express

Stephen J. Heald