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UTILITIES COMMISSION



CDS StoneRidge Utilities, LLC--SWS  
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**Sent by Email:**

April 23, 2021

Ms. Terri Carlock  
Idaho Public Utilities Commission  
P.O. Box 83720  
Boise, ID 83720-0074

SWS-W-20-02

RE: (CPCN No. 395) CDS Stoneridge Utilities, LLC, Case No. SWS-W-20-01 Order No. 3469

In response to the following question regarding the roles of Esprit Enterprises, LLC an Idaho Corporation, and JD's Resort, Inc, also an Idaho Corporation, in regards to the ownership and operation of CDS Stoneridge Utilities, LLC. And Stoneridge Golf & Recreation Community.

1. "Stoneridge must explain to the Commission the apparent ownership discrepancy wherein J. D's. Resort bought the water system while Esprit Enterprises LLC is the member or manager of Stoneridge."

Esprit Enterprises, LLC, and JD's Resort, Inc. are both wholly owned by Chan & Teressa Karupiah.

Esprit Enterprises, LLC acquired all of the assets of Stoneridge Golf Community from CDS Partners, LLC and several related entities in the fall of 2018.

In June 2018 JD's Resort, Inc., applied with IPUC for approval to acquire/operate the CDS Stoneridge Utilities, LLC. At the time of this application, it was expected that a new separate operating entity (100% controlled by Mr. & Mrs. Karupiah) would be formed to acquire the CDS Stoneridge Utilities, LLC from Esprit Enterprises, LLC.

During the review process by IPUC of the application process to transfer the water system from the current owner there was a discussion regarding JD's Resort, Inc. being the applicant and Esprit Enterprises, LLC being the buyer on the Purchase and Sale Agreement. Esprit Enterprises, LLC, also bought all of the other assets in the transaction;

JD's Resort did not acquire any of the Stoneridge Golf & Recreation Community assets but did assume the DEQ loan for the Happy Valley improvements and along with Mr. Karupiah's personal financial guarantee to pledge to support CDS's Stoneridge Utilities, LLC.

Given the financial strength of JD's Resort, Inc. and its long operating history, the Karupiah's came to believe that it would be best to have JD's Resort, Inc., operate and provide the necessary financial resources to CDS Stoneridge Utilities, LLC (purchased and currently owned by Esprit Enterprises, LLC.) rather than create a new "startup" entity that would lack the financial strength of JD's Resorts, Inc. They are also aware that a subsequent transfer of interest would require IPUC review.

At this time, CDS Stoneridge Utilities, LLC is wholly owned by Esprit Enterprises, LLC and is operated by JD's Resort, Inc.

Please let us know if you have any further questions and comments on this matter.

Sincerely,

Becca Loughnan, Administrator

Cc: Chan Karuphi, Steve Durbin