

The following comments were submitted via PUCWeb:

Name: Ken Rauschenbach  
Submission Time: Mar 13 2024 5:19PM  
Email: [rauschenbach@sbcglobal.net](mailto:rauschenbach@sbcglobal.net)  
Telephone: 713-775-9987  
Address: 45 Forest Ridge Rd  
Blanchard, ID 83804

Name of Utility Company: CDS StoneRidge Utilities

Case ID: SWS-W-24-01

Comment: "I am writing regarding a water rate increase proposed by CDS StoneRidge Utilities (PO Box 298, Blanchard, Idaho 83804). This is regarding Case number SWS-W-24-01. This utility has proposed water rate increases of 261% to 543%. After reviewing the justification for these increases, the reasons given are baseless. As a new member of the StoneRidge community I find the rate increase outrageous, not only for the excessiveness but it also feels like a monopoly situation. The application for a rate increase should not be considered or approved until an accurate, honest, complete and evidence-based application is submitted. A complete forensic audit by IPUC would be appropriate in this instance to verify all financial documents and claims. Please deny this application. "

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Name: Jim Graham  
Submission Time: Mar 13 2024 6:38PM  
Email: [rearen2go@yahoo.com](mailto:rearen2go@yahoo.com)  
Telephone: 425-530-2980  
Address: 70 Links Dr.  
Blanchard, ID 83804

Name of Utility Company: StoneRidge Utilities LLC

Case ID: SWS-W-24-01

Comment: "I am in receipt of the public notice for CDS Stoneridge Utilities rate increase and I adamantly oppose said increase. In review of 19 other approved water tariffs found on the IPUC Website, this tariff increase would put CDS Stoneridge Utilities at 395% over the average monthly base rate for a 1" service . Even when adjusted for summer/winter rates and a normalized water usage of 20,000 Gallons they are still 333% over the average monthly rate of the other 19 utilities. In addition it appears that they have put excessive burden on the single family residence's by increasing the 1" Min monthly rate by 543% in lieu of the 261% increase for all other users (as the 1" service is the standard for all new construction). Furthermore It is understood that we are all seeing increases however in review of other current cases there is only one other request for a rate increase and it is a request for an increase of 24.61%. I am a member of the Stoneridge community and many of the people affected by this rate increase are on fixed incomes (My self included) This rate increase is absurd at best and I would request that the commission insist that CDS Stoneridge Utilities put forth a reasonable request.

Thank you for your consideration"

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Name: Cindy Bell  
Submission Time: Mar 13 2024 6:43PM  
Email: [cebell14515@hotmail.com](mailto:cebell14515@hotmail.com)  
Telephone: 651-302-5767  
Address: 596 StoneRidge Road  
Blanchard , ID 83804

Name of Utility Company: StoneRidge Utilities

Case ID: SWS-W-24-01

Comment: "I also oppose the outrageous water rate increase StoneRidge Utility is requesting. I agree with the comments that other customers have submitted. I ask that the IPUC first verify that expenses submitted by the utility company truly are solely the water company's alone. And secondly only approve a more reasonable and just increase that's in line with other water rates in Northern Idaho."

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Name: Kaycee Gray  
Submission Time: Mar 13 2024 6:54PM  
Email: [kayotica2011@gmail.com](mailto:kayotica2011@gmail.com)  
Telephone: 509-421-2436  
Address: 3151 Poirier Rd  
Blanchard , ID 83804

Name of Utility Company: Stone Ridge

Case ID: SWS-W-24-01

Comment: "I'm opposed to the current rate hike, due to the fact that it will tremendously impact our financial situation."

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Name: Judy Henderson  
Submission Time: Mar 13 2024 7:28PM  
Email: [gotjojo55@gmail.com](mailto:gotjojo55@gmail.com)  
Telephone: 414-861-0311  
Address: 616 Stoneridge Rd.  
Blanchard , ID 83804

Name of Utility Company: Stoneridge Utilities

Case ID: SWS-W-24-01

Comment: "I strongly oppose to the outrageous proposal to increase the water bill for Stoneridge and surrounding residents. I understand periodic increases are inevitable, however an increase of over

261% is absurd. How is this justified? Perhaps an audit should be mandatory to show just cause. I question the quality of the water as it is now. In the summer, I am forced to use bottled water due to the pungent odor expelling from my tap water, and now this? This is a retirement community with many of us being on a fixed income. This could drive many of us to find other living options."

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Name: Judy Henderson  
Submission Time: Mar 13 2024 7:28PM  
Email: [gotjojo55@gmail.com](mailto:gotjojo55@gmail.com)  
Telephone: 414-861-0311  
Address: 616 Stoneridge Rd.  
Blanchard , ID 83804

Name of Utility Company: Stoneridge Utilities

Case ID: SWS-W-24-01

Comment: "I strongly oppose to the outrageous proposal to increase the water bill for Stoneridge and surrounding residents. I understand periodic increases are inevitable, however an increase of over 261% is absurd. How is this justified? Perhaps an audit should be mandatory to show just cause. I question the quality of the water as it is now. In the summer, I am forced to use bottled water due to the pungent odor expelling from my tap water, and now this? This is a retirement community with many of us being on a fixed income. This could drive many of us to find other living options."

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Name: Kathi Malakowsky  
Submission Time: Mar 13 2024 8:43PM  
Email: [kathimalakowsky@gmail.com](mailto:kathimalakowsky@gmail.com)  
Telephone: 208-304-8441  
Address: PO Box 2  
Blanchard, ID 83804

Name of Utility Company: CDS StoneRidge Utilities, LLC

Case ID: SWS-W-24-01

Comment: "I have lived in Happy Valley for 43 years. I was involved with H.V.R. Water Co. as their treasurer. In 2004 H.V.R. Water Co. annex into Stoneridge Utilities. Happy Valley Rancho residents were to accrue an additional charge of \$14.03 per month to pay back the 20yr. loan for the hook-up costs. The loan will be paid off in Sept. 2024 (SWS-W-04-01). We will see if that amount will come off our bill. CDS StoneRidge Utilities is now requesting a 261% increase in our water rates. This increase is unjustified and full out robbery. Since StoneRidge Utilities has been under new ownership they have demonstrated questionable business practices. It is hit and miss to be notify of a water outages. I have never received water testing results following a de-pressurization of the system. There has been in-correct billings, not receiving a bill and so on.

I haven't witness any up-grades, maintaince to the lines, cleaning of the 30,000 gal. tank that all of Happy Valley Rancho residents get their water after it is pumped there. A financial audit with proper evidence needs to be done before any increase in our water rates are allowed. Since, StoneRidge Utilities and StoneRidge Golf Course is owned by the same person, is that the reason the golf course would pay 0 for water?

Lastly , if this increase is granted it would make water un-affordable to my family and I know it would be a hardship for many others that live here. The Public Utilities Commission is our only hope to stop this utility from unfair pricing.

Thank you for your time and consideration regarding this matter, Kathi Malakowsky "

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Name: Stephen Truss  
Submission Time: Mar 13 2024 10:19PM  
Email: [Siberianhusky143@gmail.com](mailto:Siberianhusky143@gmail.com)  
Telephone: 619-517-7097  
Address: 396 Mountain View Road  
Blanchard , ID 83804

Name of Utility Company: Stoneridge Utilities

Case ID: SWS-W-24-01

Comment: "I object to the proposed 261% rate increase for water in my neighborhood. My wife and I are on a fixed income and need to keep our property watered to mitigate fire risk. Any increase in water rates cuts into our limited disposal income. The owner of the Stoneridge water utility owns several LLCs in real estate and business ventures in North Idaho. These are capitalistic ventures that customers have a say in with their wallets whether they choose to patronize his establishments or not and contribute to his already mighty wealth. Clean water, on the other hand, is a world wide human right and should not be the subject of a money grab by a greedy utility owner. In my opinion, an altruistic utility owner would use the massive wealth at his disposal from his other LLC venrures to offset this basic human need and keep our rates reasonable. Thank you for your time and consideration. "

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-----Original Message-----

From: ken corning <[kwcorning@hotmail.com](mailto:kwcorning@hotmail.com)>  
Sent: Thursday, March 14, 2024 8:28 AM  
To: secretary  
Subject: Rate hike case #sws-w-24-01 cds Stoneridge's utilities llc

CAUTION: This email originated outside the State of Idaho network. Verify links and attachments BEFORE you click or open, even if you recognize and/or trust the sender. Contact your agency service desk with any concerns.

I believe these rates are crazy high and request a legitimate audit be done and accountability also be involved with this decision I've been using this water since hvr hooked up to stoneridge years ago my name is Ken Corning 208-699-8463 Sent from my iPhone

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**From:** Jacob Polito <jlpolitito@yahoo.com>  
**Sent:** Thursday, March 14, 2024 10:02 AM  
**To:** secretary  
**Subject:** Re: sws-w-24-01

my name is Jacob Polito and i reside at 277 lakeview drive Blanchard, Id and i agree with all concerns in this letter.

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The following comment was submitted via PUCWeb:

Name: Douglas and Cassandra Nale  
Submission Time: Mar 14 2024 10:54AM  
Email: [5nalefam@gmail.com](mailto:5nalefam@gmail.com)  
Telephone: 986-205-7148  
Address: 1459 Blanchard Elk Rd.  
Blanchard, ID 83804

Name of Utility Company: Stoneridge Utilities LLC

Case ID: SWS-W-24-01

Comment: "Dear Idaho Public Utilities Commission, We are homeowners who rely on Stoneridge water daily. We are strongly against the enormous proposed water usage increase. We purchased our home in 2022 taking into consideration all of the monthly expenditures and a 250+% increase is excessive for a single-year hike. If the owner needs to raise the rate to improve and maintain equipment for their customers that is understandable however we ask that an audit be performed to ascertain what a reasonable increase would be.

We also researched the annual reports contained on your website and found that the current owner only filed one report in 2018 when he purchased it. We did not find any reports for 2019-2023. If this is true, the owner has not filed an Annual Report on the utility in the last 5 years. Why is that and what is the current condition of our water system and our water? What has he done over the past 6 years to maintain and/or improve the system that would justify this ridiculous application for increase?

We are relying on your expertise in this area and request that you determine a fair and reasonable response to the owner's application.

Douglas and Cassandra Nale"

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The following comment was submitted via PUCWeb:

Name: Stephan Rezac  
Submission Time: Mar 14 2024 1:51PM  
Email: [stephanrezac@gmail.com](mailto:stephanrezac@gmail.com)  
Telephone: 208-255-8243  
Address: 28 Sans Souci Drive  
Blanchard, ID 83804

Name of Utility Company: CDS StoneRidge

Case ID: SWS-W-24-01

Comment: "Please do not blindly accept any numbers submitted by the utility making this request...especially any statements including assets, depreciation, expenses, investments, claimed losses or equity. Numbers are just numbers, and this utility's numbers require a detailed FORENSIC audit conducted by IPUC."

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The following comment was submitted via PUCWeb:

Name: Stephan Rezac  
Submission Time: Mar 14 2024 3:39PM  
Email: [stephanrezac@gmail.com](mailto:stephanrezac@gmail.com)  
Telephone: 208-255-8243  
Address: 28 Sans Souci Drive  
Blanchard, ID 83804

Name of Utility Company: CDS StoneRidge

Case ID: SWS-W-24-01

Comment: "The utility customers should have the right to examine the monthly financial statements of the utility, and of any organizations owned by Chan Karupiah that the utility does business with, such as Esprit Enterprises or JD Resorts...from date of purchase of the utility to present."

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The following comments were submitted via PUCWeb:

Name: Larry Cravens  
Submission Time: Mar 14 2024 5:07PM  
Email: [joyceandlarry@hotmail.com](mailto:joyceandlarry@hotmail.com)  
Telephone: 425-299-1749  
Address: 87 Links Rd

Blanchard, ID 83804

Name of Utility Company: StoneRidge Utilities, LLC

Case ID: SWS-W-24-01

Comment: "We agree with the "Opposition and Comment" form you received on Tuesday, Feb. 6th @ 10:57 am from the Residents of the StoneRidge community opposing the requested increases from StoneRidge Utilities.

Larry and Joyce Cravens"

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Name: Joseph p

Submission Time: Mar 14 2024 5:17PM

Email: [whitebearframing@yahoo.com](mailto:whitebearframing@yahoo.com)

Telephone: 208-408-6341

Address: Happy Valley Ranchos

Blanchard, ID 83804

Name of Utility Company: CDS StoneRidge Utilities, LLC

Case ID: SWS-W-24-01

Comment: "Stone Ridge Water Customer- Happy Valley Ranchos Blanchard, Idaho, 83804

Email: [whitebearframing@yahoo.com](mailto:whitebearframing@yahoo.com) 03/14/24 Joseph P.

Idaho Public Utility Commission P.O. Box 83720 Boise, ID 83720-0074

SE# SWS-W-24-01

Subject: Urgent Opposition to Proposed Water Rate Increase by CDS StoneRidge Utilities, LLC

Dear Members of the Idaho Public Utility Commission,

I am writing to express my strong opposition to the proposed water rate increase by CDS StoneRidge Utilities, LLC. As a concerned resident and loyal customer, I believe this proposal is unjustified, given the company's questionable financial practices, lack of transparency, and deteriorating water quality. I kindly request the Idaho Public Utility Commission to thoroughly investigate the matter and terminate this proposal.

Lack of Transparency:

CDS StoneRidge Utilities, LLC has failed to provide clear and transparent communication regarding the need for a water rate increase. Customers, including myself, are left in the dark about how the additional funds will be utilized, creating a sense of mistrust within the community.

Inappropriate Spending:

There are reports of extra spending by the company on unrelated ventures, such as a golf course, pub and grill, which are not directly related to water services. It is unacceptable to burden water customers, particularly those on fixed incomes, with the financial consequences of poor management and unrelated business ventures.

**Owner's Responsibility:**

Mr. Chan Karupiah, the owner of CDS StoneRidge Utilities, LLC, is also the proprietor of the golf course, pub and grill. It is only fair that he assumes responsibility for all expenses associated with these ventures, and water customers should not be forced to cover the costs of his unrelated business activities.

**Financial Mismanagement:**

Allegations of poor management within CDS StoneRidge Utilities, LLC raise concerns about the responsible handling of customer funds. An audit of the company's financial records from 2007 onwards and definitely 2018 to present, (not just 1 year of 2022/2023 as submitted recently by Thereasa as confidential) is essential to determine if there have been any irregularities or financial mismanagement and should be shown publicly.

**Impact on Fixed-Income & Elderly Families:**

Many of CDS StoneRidge Utilities, LLC's customers are elderly couples and families with children, on fixed incomes. Burdening them with the consequences of poor business management, especially when they are already grappling with the challenges of inflation, is unfair and unacceptable.

**Deteriorating Water Quality:**

In addition to financial concerns, there is a noticeable decline in the quality of the water provided by CDS StoneRidge Utilities, LLC. Customers have reported a chemical taste, raising questions about the safety and quality of the water supply.

**Community Opposition:**

The community strongly opposes this proposed water rate increase and does not want to have to spend time and money exploring all available avenues and resources to shed light on the matter and protect the interests of residents. Chan Karupiah, will be responsible and held accountable for Stone Ridge Utilities water customer's financial harm and emotional distress.

In light of the aforementioned concerns, I urge the Idaho Public Utility Commission to thoroughly investigate CDS StoneRidge Utilities, LLC's financial practices, terminate the proposed water rate increase, and ensure the water supplied to the community meets the necessary quality standards.

Thank you for your prompt attention to this matter, I hope and pray that the Idaho Public Utility Commission will act in the best interests of the community.

Sincerely,

Stone Ridge Utilities Water Customer.

Joseph P."

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Name: Junie Christensen  
Submission Time: Mar 14 2024 5:57PM  
Email: [juniel@frontier.com](mailto:juniel@frontier.com)  
Telephone: 208-437-2610  
Address: 704 Stoneridge Rd.  
Blanchard, ID 83804

Name of Utility Company: Stoneridge Utilities, LLC

Case ID: SWS-W-24-01

Comment: "I bought my house in Stoneridge after my husband passed away in 2016. My water bill has been \$24/month since that time. Now a huge increase has been proposed by Chan (owns water company) of up to 261% increase. This is unbelievable. What do we do? How can you help?"  
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**From:** DupreeJ <DupreeJ@proton.me>  
**Sent:** Friday, March 15, 2024 12:01 PM  
**To:** secretary <disabled@puc.idaho.gov>  
**Subject:** SWS-W-24-01 + +

Name: John Dupree  
Submission Time: Mar 15 2024 10:20 AM  
Email: [DupreeJ@proton.me](mailto:DupreeJ@proton.me)  
Telephone: 209-404-5248  
Address: 181 Stewart Drive  
Blanchard, ID 83804  
Name of Utility Company: CDS StoneRidge Utilities  
Case ID: SWS-W-24-01  
Comment: "To the IPUC:

Greeting IPUC Commissioners,

The tax paying, homeowners of StoneRidge and Happy Valley communities are not HAPPY at all. Since receiving the CDS StoneRidge Utilities notice with the proposals of huge increases in the water fees, EVERYONE is extremely upset. It appears IPUC has not received full and accurate data upon which to make a legal decision. That

includes: SWS-W-23-01, SWS-W-23-02 and SWS-W-23-03

Upon reading the well written and detailed comments sent in thus far on your IPUC website, it is clear a FORENSIC AUDIT needs to be implemented of all the same

owner businesses listed on those community comments. Something is just not right

and we would appreciate your investigations prior a final decision. Thank you for your understanding and thoughtful, honest considerations. "Truth will set us free."

John D. Dupree

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IPUC  
PO Box 83720  
Boise, Idaho 83720

Case No. SWS-W-24-01

March 14, 2024

Hello,

I am writing regarding a water rate increase proposed by CDS StoneRidge Utilities (PO Box 298, Blanchard, Idaho 83804). This is regarding Case number SWS-W-24-01.

This utility has proposed water rate increases of 261% to 543%. After reviewing the rationale for these increases, all of the reasons given are completely unwarranted.

**I ask that you decline the entire rate request by CDS StoneRidge Utilities.**

- 1) CDS StoneRidge claims to have "invested" more than \$900,000 since ownership transfer. This claim was made in the official notice to users. There is no documentation about what types of investment the utility has made. We suspect it is to try to recoup \$980,000 the utility owner transferred from Esprit Enterprises/JD's Resort, as found in Case number SWS-W-23-03 where it was declared this was to be treated as owner's equity. PLEASE verify this claim by the utility. We suspect that the claimed investment has not been in infrastructure or system improvements, such as the water system infrastructure....the wells, pumps, transfer pipe system, etc. are the same as when purchased by the utility operator. I suspect the owner has transferred his OWN money as capitalization, which should be regarded as owner's equity and not an expense to be recouped from utility customers, as noted in SWS-W-23-03. Additionally, this current rate increase request includes infrastructure expenditures, which we note are questionable, and are detailed below.
- 2) I believe that when CDS StoneRidge purchased the utility, Chan Karupiah, the owner, claimed to have enough cash and assets to fund improvements and capitalization. He should live up to this agreement without impacting users of the utility. Please refer to Case number SWS-W-18-01 when Karupiah purchased the utility. That action declared that "JD Resort (applicant) must demonstrate his financial ability to operate on its own accord. The notarized personal guarantee of Chan Karupiah to use his personal finances to support the financial needs of the company is of uncertain value. If Mr. Karupiah were to file bankruptcy or otherwise being unable to meet all of his financial obligations, a signed personal guarantee to financially support a legally separate company is dubious value compared to more standard cash capital or debt instruments likely held by other creditors. Therefore, we require assurances that JD Resort has the financial ability to operate the system in the public service, not JD Resort by and through Chan Karupiah. JD Resort must be able to make and pay for ongoing repairs and have access to capital for major repairs, including pump or well failures....JD Resort must file balance sheets and income statements with the commission quarterly....JD Resort must file its balance sheet and income statement for the quarter ended 30 June, 2019, within 60 days of this Order. Subsequent quarterly financial statements must be filed within 45 days of the quarter end. JD Resort must file monthly bank statements showing at least a \$50,000 balance until JD Resort establishes a bank line of credit of at least \$250,000."

- 3) The operating expenses absolutely do not justify a rate increase. We believe this proposal is about greed. The owner of CDS StoneRidge also owns a golf course....StoneRidge. The golf course used to get its water from the utility, about 50,000,000 gallons annually...we have heard the golf course did NOT pay its water bill at times, if at all. The golf course drilled its own water well recently and has separated from the utility for water supply. The utility is trying to recapture that lost income from current users. This is unconscionable.
- 4) The employee related expenses are minimal. One person to read meters for six months of the year, who also takes chlorine readings every few days...a part time employee at best. Another part time person to administer billings and receive payments. Chan Karupiah reportedly spends one day per week at StoneRidge...where he oversees the utility, the sewer system, the golf course, and the bar/grill. We suspect he has allocated too much overhead for expenses into the rate increase paperwork. **A complete forensic audit by IPUC would be appropriate in this instance to verify all financial documents and claims.**
- 5) We understand that, at times, if not currently, CDS StoneRidge, the utility, has been chronically late with filings and reports due to the IPUC since it was purchased by the current owner.

Now, let's review Attachment W in the current CDS StoneRidge Utilities rate increase application.

- 1) The owner claims to have financial harm from the reduction in water sales to the golf course. The golf course drilled its own well to avoid water charges from the utility. The same individual, Chan Karupiah owns the golf course and the utility. In essence, he was paying himself...the utility he owns was billing the golf course he owns for water. Now...as a result of the new golf course well, the golf course has a significantly lower cost for water, a huge savings to Karupiah. BUT...now he wants utility users to pay for what HE used to pay. That is simply unconscionable. This proposal actually doubles his gain...reduced water fees for the golf course AND replace that lost income at the expense of the utility users... nearly 50,000,000 gallons of water cost annually! This should not be allowed.
- 2) The utility wants to replace 3 pump motors. To my knowledge, there are currently two working wells for the utility. The application document cites attachment W-1, but it is not included in the available download paperwork. This expenditure is a responsibility of the utility, not the users. The owner should fund this and absorb the expense, per the agreements made when Karupiah purchased the utility (noted above).
- 3) The utility wants to install (replace?) "backup electrical generators" at water pump sites. The application document cites attachment W-2, but it is not included in the available download paperwork. This expenditure is the responsibility of the utility, not the users. The owner should fund this and absorb the expense, per the agreements made when Karupiah purchased the utility (noted above).
- 4) The utility wants to purchase a pickup and a 4 wheeler. The application document cites attachment W-3, but it is not included in the available download paperwork. The use of these vehicles would likely be shared by other entities owned by Karupiah, and the expense should be accurately allocated. The owner should fund these purchases and absorb the expense, per the agreements made when Kaupiah purchased the utility (noted above). **HOWEVER**, in the "Related Entity Narrative, Asset ownership and Existing Leases" document in the current request, it states that Esprit leases to the water company the following: vehicles and other light truck equipment. How can you have it both ways?

- 5) The utility wants the users to fund the connection costs for 20 vacant plotted lots. What Karupiah fails to mention in the application is that he owns the 20 lots. The cost for this is detailed in attachment W-4, which is not included in the available document download. This clearly is an expense of the utility and the lot owner(s)...not the utility users.
- 6) The utility wants to install approximately 360 meters to remotely read water usage. The application cites attachment W-5, but is is not included in the available document download. What is not noted or projected is the effective savings to the utility by not manually reading the meters. This should be an expense of the utility and certainly not the users.

Now let's take a look at some other concerns.

In Exhibit 1, schedule B, Accumulated Depreciation, there is a line item for "structures and improvements." Also included are things like supply mains, power pumping equipment, purification systems, meters, hydrants, etc. But the largest line item is "Structures and Improvements" at \$774,820...by far the largest amount on this schedule. What could this utility possibly have at more than 3/4 of a million dollars in this line item? In the documentation, it is reported that the utility leases facilities from other entities owned by Karupiah. In the "Related Narrative, Asset Ownership and Existing Leases" it states "There is no land included nor, water rights, or miscellaneous equipment included in the balance sheet for CDS StoneRidge Utilities" and "Esprit owns all buildings, and miscellaneous equipment not on the StoneRidge Water Company balance sheet as well as the remainder land parcels, and ROW rights." Esprit leases to the water company the following: office and shop space, vehicles and other light truck equipment, office equipment, and water rights and use of ROW. What is included in this "structures and improvements" line item that totals \$774,820? Also in this listing is a line item for "Services" at \$30,101. What services are depreciated?

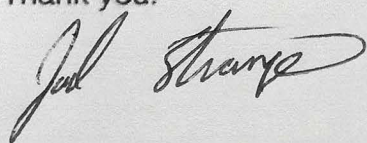
Regarding Attachment L, Exhibit #2 Schedule B Expenses: Labor and Salaries total a whopping \$223,267. I would encourage the IPUC to review, forensically audit and validate this level of expense for a relatively small, simple water utility. Meters aren't read half the year. Chlorine levels are only sampled 2-3 times per week. Billing and payments are processed at a part time level at best. This number is highly suspicious.

Regarding Attachment N Exhibit 3 Cost of Capital: Long term debt is listed at \$104,005. Water utility users should not be repaying a loan for the owners capital/equity.

The application for a rate increase should not be considered or approved until an accurate, honest, complete and evidence based application is submitted.

Please deny this rate increase request in its entirety.

Thank you.



JOEL STRANGE  
296 DEER TRAIL RD  
BLANCHARD, ID 83804  
(509) 671-0194

IPUC  
PO Box 83720  
Boise, Idaho 83720

Case No. SWS-W-24-01

March 14, 2024

Hello,

I am writing regarding a water rate increase proposed by CDS StoneRidge Utilities (PO Box 298, Blanchard, Idaho 83804). This is regarding Case number SWS-W-24-01.

This utility has proposed water rate increases of 261% to 543%. After reviewing the rationale for these increases, all of the reasons given are completely unwarranted.

**I ask that you decline the entire rate request by CDS StoneRidge Utilities.**

- 1) CDS StoneRidge claims to have “invested” more than \$900,000 since ownership transfer. This claim was made in the official notice to users. There is no documentation about what types of investment the utility has made. We suspect it is to try to recoup \$980,000 the utility owner transferred from Esprit Enterprises/JD’s Resort, as found in Case number SWS-W-23-03 where it was declared this was to be treated as owner’s equity. PLEASE verify this claim by the utility. We suspect that the claimed investment has not been in infrastructure or system improvements, such as the water system infrastructure....the wells, pumps, transfer pipe system, etc. are the same as when purchased by the utility operator. I suspect the owner has transferred his OWN money as capitalization, which should be regarded as owner’s equity and not an expense to be recouped from utility customers, as noted in SWS-W-23-03. Additionally, this current rate increase request includes infrastructure expenditures, which we note are questionable, and are detailed below.
- 2) I believe that when CDS StoneRidge purchased the utility, Chan Karupiah, the owner, claimed to have enough cash and assets to fund improvements and capitalization. He should live up to this agreement without impacting users of the utility. Please refer to Case number SWS-W-18-01 when Karupiah purchased the utility. That action declared that “JD Resort (applicant) must demonstrate his financial ability to operate on its own accord. The notarized personal guarantee of Chan Karupiah to use his personal finances to support the financial needs of the company is of uncertain value. If Mr. Karupiah were to file bankruptcy or otherwise being unable to meet all of his financial obligations, a signed personal guarantee to financially support a legally separate company is dubious value compared to more standard cash capital or debt instruments likely held by other creditors. Therefore, we require assurances that JD Resort has the financial ability to operate the system in the public service, not JD Resort by and through Chan Karupiah. JD Resort must be able to make and pay for ongoing repairs and have access to capital for major repairs, including pump or well failures...JD Resort must file balance sheets and income statements with the commission quarterly...JD Resort must file its balance sheet and income statement for the quarter ended 30 June, 2019, within 60 days of this Order. Subsequent quarterly financial statements must be filed within 45 days of the quarter end. JD Resort must file monthly bank statements showing at least a \$50,000 balance until JD Resort establishes a bank line of credit of at least \$250,000.”

- 3) The operating expenses absolutely do not justify a rate increase. We believe this proposal is about greed. The owner of CDS StoneRidge also owns a golf course....StoneRidge. The golf course used to get its water from the utility, about 50,000,000 gallons annually...we have heard the golf course did NOT pay its water bill at times, if at all. The golf course drilled its own water well recently and has separated from the utility for water supply. The utility is trying to recapture that lost income from current users. This is unconscionable.
- 4) The employee related expenses are minimal. One person to read meters for six months of the year, who also takes chlorine readings every few days...a part time employee at best. Another part time person to administer billings and receive payments. Chan Karupiah reportedly spends one day per week at StoneRidge...where he oversees the utility, the sewer system, the golf course, and the bar/grill. We suspect he has allocated too much overhead for expenses into the rate increase paperwork. **A complete forensic audit by IPUC would be appropriate in this instance to verify all financial documents and claims.**
- 5) We understand that, at times, if not currently, CDS StoneRidge, the utility, has been chronically late with filings and reports due to the IPUC since it was purchased by the current owner.

Now, let's review Attachment W in the current CDS StoneRidge Utilities rate increase application.

- 1) The owner claims to have financial harm from the reduction in water sales to the golf course. The golf course drilled its own well to avoid water charges from the utility. The same individual, Chan Karupiah owns the golf course and the utility. In essence, he was paying himself...the utility he owns was billing the golf course he owns for water. Now...as a result of the new golf course well, the golf course has a significantly lower cost for water, a huge savings to Karupiah. BUT...now he wants utility users to pay for what HE used to pay. That is simply unconscionable. This proposal actually doubles his gain...reduced water fees for the golf course AND replace that lost income at the expense of the utility users... nearly 50,000,000 gallons of water cost annually! This should not be allowed.
- 2) The utility wants to replace 3 pump motors. To my knowledge, there are currently two working wells for the utility. The application document cites attachment W-1, but it is not included in the available download paperwork. This expenditure is a responsibility of the utility, not the users. The owner should fund this and absorb the expense, per the agreements made when Karupiah purchased the utility (noted above).
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- 5) The utility wants the users to fund the connection costs for 20 vacant plotted lots. What Karupiah fails to mention in the application is that he owns the 20 lots. The cost for this is detailed in attachment W-4, which is not included in the available document download. This clearly is an expense of the utility and the lot owner(s)...not the utility users.
- 6) The utility wants to install approximately 360 meters to remotely read water usage. The application cites attachment W-5, but it is not included in the available document download. What is not noted or projected is the effective savings to the utility by not manually reading the meters. This should be an expense of the utility and certainly not the users.

Now let's take a look at some other concerns.

In Exhibit 1, schedule B, Accumulated Depreciation, there is a line item for "structures and improvements." Also included are things like supply mains, power pumping equipment, purification systems, meters, hydrants, etc. But the largest line item is "Structures and Improvements" at \$774,820...by far the largest amount on this schedule. What could this utility possibly have at more than 3/4 of a million dollars in this line item? In the documentation, it is reported that the utility leases facilities from other entities owned by Karupiah. In the "Related Narrative, Asset Ownership and Existing Leases" it states "There is no land included nor, water rights, or miscellaneous equipment included in the balance sheet for CDS StoneRidge Utilities" and "Esprit owns all buildings, and miscellaneous equipment not on the StoneRidge Water Company balance sheet as well as the remainder land parcels, and ROW rights." Esprit leases to the water company the following: office and shop space, vehicles and other light truck equipment, office equipment, and water rights and use of ROW. What is included in this "structures and improvements" line item that totals \$774,820? Also in this listing is a line item for "Services" at \$30,101. What services are depreciated?

Regarding Attachment L, Exhibit #2 Schedule B Expenses: Labor and Salaries total a whopping \$223,267. I would encourage the IPUC to review, forensically audit and validate this level of expense for a relatively small, simple water utility. Meters aren't read half the year. Chlorine levels are only sampled 2-3 times per week. Billing and payments are processed at a part time level at best. This number is highly suspicious.

Regarding Attachment N Exhibit 3 Cost of Capital: Long term debt is listed at \$104,005. Water utility users should not be repaying a loan for the owners capital/equity.

The application for a rate increase should not be considered or approved until an accurate, honest, complete and evidence based application is submitted.

Please deny this rate increase request in its entirety.

Thank you.

From: Jacob Polito <jlpolitito@yahoo.com>  
Sent: Thursday, March 14, 2024 10:01 AM  
To: secretary  
Subject: sws-w-24-01



March 11, 2024

RECEIVED

MAR 14 AM 9:57

IDAHO PUBLIC UTILITIES COMMISSION

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

Re: SWS-W-24-01 - Water Rate Minimum Monthly Fee Increase 261%  
Utility Company: CDS Stoneridge Utilities, LLC

I live in the Community of StoneRidge in Blanchard the Forest. 90% of the residents are retired seniors on a fix income and can ill afford the large increase proposed by the utility company.

CDS Stoneridge Utilities, LLC is proposing a minimum monthly increase from \$24 to \$86.65 per month. In checking with other communities in surrounding areas the highest minimum monthly charge was found to be \$27.00. CDS Stoneridge Utilities LLC's proposal will increase our monthly water use per gallon by \$2.15 a gallon. This enormous increase could greatly impact many residents who will be unable to afford the increase, allowing the Utility Company to shut their water supply off for non-payment.

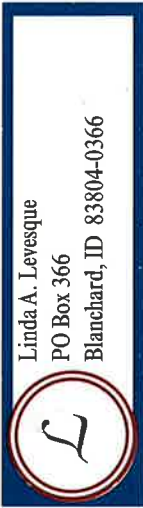
This increase requested by the Utility Company is to be partially used in order to keep the StoneRidge Golf Course (which the Utility Company LLC Owners own) watered at no cost to them, but at the expense of "All Residents" that they service.

Please consider the above when you are reviewing their application.

Sincerely,



Linda Levesque  
38 Stewart Dr.  
Blanchard, ID 83804



Linda A. Levesque  
PO Box 366  
Blanchard, ID 83804-0366



SPOKANE WA 990

11 MAR 2024 PM 1 L

IDAHO PUBLIC UTILITIES COMMISSION  
PO Box 83720  
Boise, ID 83720-0074

83720-0074



March 11, 2024

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IDAHO PUBLIC UTILITIES  
COMMISSION

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Sincerely,



Carla Taylor  
48 Stewart Dr.  
Blanchard, ID 83804

CARLA TAYLOR  
48 STEWART DR.  
BLANCHARD, ID 83804

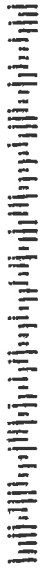


SPOKANE WA 990

11 MAR 2024 PM 1 L

IDAHO PUBLIC UTILITIES COMMISSION  
PO BOX 83720  
BOISE, ID 83720-0074

83720-0074



March 11, 2024

RECEIVED  
MARCH 14 AM 9:56  
PUBLIC  
COMMISSION

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

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Please consider the above when you are reviewing their application.

Sincerely,

  
Charles & Kathleen Cook  
31 Brookway Ct Lot 1  
Blanchard, ID 83804

March 11, 2024

RECEIVED

2024 MAR 11 AM 9:56

IDAHO PUBLIC UTILITIES COMMISSION

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

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Sincerely,

  
Charles & Kathleen Cook  
31 Brookway Ct Lot 2  
Blanchard, ID 83804

CHARLES & KATHLEEN COOK  
31 Brookway Ct.  
BLANCHARD, ID 83804



SPOKANE WA 990  
11 MAR 2024 PM 1 L

Idaho Public Utilities Commission  
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83720-0074

March 11, 2024

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\$154.24 Base  
+ Water  
usage!!



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Sincerely,

Robert & Julie Cochran  
74 Stewart Dr.  
Blanchard, ID 83804



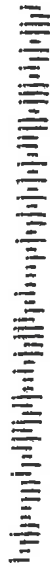
ROBERT & JULIE COCHRAN  
74 STEWART DR.  
BLANCHARD, ID 83804

SPOKANE WA 990  
11 MAR 2024 PM 1 L



IDAHO PUBLIC UTILITIES COMMISSION  
PO Box 83720  
BOISE, ID 83720-0074

83720-0074



March 11, 2024

RECEIVED

MAR 14 AM 9:50

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

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Sincerely,



Rachel Miller  
22 Stewart Drive  
Blanchard, ID 83804

RACHEL MILLER  
2A STEWART DR.  
BLANCHARD, ID 83804



SPOKANE WA 990  
11 MAR 2024 PM 1 L

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

83720-0074



-----Original Message-----

From: Toni Kiel <toniukiel66@gmail.com>  
Sent: Thursday, March 14, 2024 2:13 PM  
To: secretary  
Subject: CDS Stoneridge

RECEIVED  
Thursday, March 14, 2024 2:13PM  
IDAHO PUBLIC  
UTILITIES COMMISSION

Sws-w-24-01 Please see attached

Chris and Toni Curtis  
177 Deer Trail Rd Blanchard ID

IPUC  
PO Box 83720  
Boise, Idaho 83720

Case No. SWS-W-24-01

March 14, 2024

Hello,

I am writing regarding a water rate increase proposed by CDS StoneRidge Utilities (PO Box 298, Blanchard, Idaho 83804). This is regarding Case number SWS-W-24-01.

This utility has proposed water rate increases of 261% to 543%. After reviewing the rationale for these increases, all of the reasons given are completely unwarranted.

**I ask that you decline the entire rate request by CDS StoneRidge Utilities.**

- 1) CDS StoneRidge claims to have "invested" more than \$900,000 since ownership transfer. This claim was made in the official notice to users. There is no documentation about what types of investment the utility has made. We suspect it is to try to recoup \$980,000 the utility owner transferred from Esprit Enterprises/JD's Resort, as found in Case number SWS-W-23-03 where it was declared this was to be treated as owner's equity. PLEASE verify this claim by the utility. We suspect that the claimed investment has not been in infrastructure or system improvements, such as the water system infrastructure...the wells, pumps, transfer pipe system, etc. are the same as when purchased by the utility operator. I suspect the owner has transferred his OWN money as capitalization, which should be regarded as owner's equity and not an expense to be recouped from utility customers, as noted in SWS-W-23-03. Additionally, this current rate increase request includes infrastructure expenditures, which we note are questionable, and are detailed below.
- 2) I believe that when CDS StoneRidge purchased the utility, Chan Karupiah, the owner, claimed to have enough cash and assets to fund improvements and capitalization. He should live up to this agreement without impacting users of the utility. Please refer to Case number SWS-W-18-01 when Karupiah purchased the utility. That action declared that "JD Resort (applicant) must demonstrate his financial ability to operate on its own accord. The notarized personal guarantee of Chan Karupiah to use his personal finances to support the financial needs of the company is of uncertain value. If Mr. Karupiah were to file bankruptcy or otherwise being unable to meet all of his financial obligations, a signed personal guarantee to financially support a legally separate company is dubious value compared to more standard cash capital or debt instruments likely held by other creditors. Therefore, we require assurances that JD Resort has the financial ability to operate the system in the public service, not JD Resort by and through Chan Karupiah. JD Resort must be able to make and pay for ongoing repairs and have access to capital for major repairs, including pump or well failures...JD Resort must file balance sheets and income statements with the commission quarterly...JD Resort must file its balance sheet and income statement for the quarter ended 30 June, 2019, within 60 days of this Order. Subsequent quarterly financial statements must be filed within 45 days of the quarter end. JD Resort must file monthly bank statements showing at least a \$50,000 balance until JD Resort establishes a bank line of credit of at least \$250,000."

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Now, let's review Attachment W in the current CDS StoneRidge Utilities rate increase application.

- 1) The owner claims to have financial harm from the reduction in water sales to the golf course. The golf course drilled its own well to avoid water charges from the utility. The same individual, Chan Karupiah owns the golf course and the utility. In essence, he was paying himself...the utility he owns was billing the golf course he owns for water. Now...as a result of the new golf course well, the golf course has a significantly lower cost for water, a huge savings to Karupiah. BUT...now he wants utility users to pay for what HE used to pay. That is simply unconscionable. This proposal actually doubles his gain...reduced water fees for the golf course AND replace that lost income at the expense of the utility users...nearly 50,000,000 gallons of water cost annually! This should not be allowed.
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The application for a rate increase should not be considered or approved until an accurate, honest, complete and evidence based application is submitted.

Please deny this rate increase request in its entirety.

Thank you.

*Orin Lust*  
*Chris*

177 deek trail Rd Blanchard *Wd.* 83804

IPUC  
PO Box 83720  
Boise, Idaho 83720

Case No. SWS-W-24-01

March 14, 2024

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Now, let's review Attachment W in the current CDS StoneRidge Utilities rate increase application.

- 1) The owner claims to have financial harm from the reduction in water sales to the golf course. The golf course drilled its own well to avoid water charges from the utility. The same individual, Chan Karupiah owns the golf course and the utility. In essence, he was paying himself...the utility he owns was billing the golf course he owns for water. Now...as a result of the new golf course well, the golf course has a significantly lower cost for water, a huge savings to Karupiah. BUT...now he wants utility users to pay for what HE used to pay. That is simply unconscionable. This proposal actually doubles his gain...reduced water fees for the golf course AND replace that lost income at the expense of the utility users... nearly 50,000,000 gallons of water cost annually! This should not be allowed.
- 2) The utility wants to replace 3 pump motors. To my knowledge, there are currently two working wells for the utility. The application document cites attachment W-1, but it is not included in the available download paperwork. This expenditure is a responsibility of the utility, not the users. The owner should fund this and absorb the expense, per the agreements made when Karupiah purchased the utility (noted above).
- 3) The utility wants to install (replace?) "backup electrical generators" at water pump sites. The application document cites attachment W-2, but it is not included in the available download paperwork. This expenditure is the responsibility of the utility, not the users. The owner should fund this and absorb the expense, per the agreements made when Karupiah purchased the utility (noted above).
- 4) The utility wants to purchase a pickup and a 4 wheeler. The application document cites attachment W-3, but it is not included in the available download paperwork. The use of these vehicles would likely be shared by other entities owned by Karupiah, and the expense should be accurately allocated. The owner should fund these purchases and absorb the expense, per the agreements made when Kaupiah purchased the utility (noted above. HOWEVER, in the "Related Entity Narrative, Asset ownership and Existing Leases" document in the current request, it states that Esprit leases to the water company the following: vehicles and other light truck equipment. How can you have it both ways?



- 5) The utility wants the users to fund the connection costs for 20 vacant plotted lots. What Karupiah fails to mention in the application is that he owns the 20 lots. The cost for this is detailed in attachment W-4, which is not included in the available document download. This clearly is an expense of the utility and the lot owner(s)...not the utility users.
- 6) The utility wants to install approximately 360 meters to remotely read water usage. The application cites attachment W-5, but it is not included in the available document download. What is not noted or projected is the effective savings to the utility by not manually reading the meters. This should be an expense of the utility and certainly not the users.

Now let's take a look at some other concerns.

In Exhibit 1, schedule B, Accumulated Depreciation, there is a line item for "structures and improvements." Also included are things like supply mains, power pumping equipment, purification systems, meters, hydrants, etc. But the largest line item is "Structures and Improvements" at \$774,820...by far the largest amount on this schedule. What could this utility possibly have at more than 3/4 of a million dollars in this line item? In the documentation, it is reported that the utility leases facilities from other entities owned by Karupiah. In the "Related Narrative, Asset Ownership and Existing Leases" it states "There is no land included nor, water rights, or miscellaneous equipment included in the balance sheet for CDS StoneRidge Utilities" and "Esprit owns all buildings, and miscellaneous equipment not on the StoneRidge Water Company balance sheet as well as the remainder land parcels, and ROW rights." Esprit leases to the water company the following: office and shop space, vehicles and other light truck equipment, office equipment, and water rights and use of ROW. What is included in this "structures and improvements" line item that totals \$774,820? Also in this listing is a line item for "Services" at \$30,101. What services are depreciated?

Regarding Attachment L, Exhibit #2 Schedule B Expenses: Labor and Salaries total a whopping \$223,267. I would encourage the IPUC to review, forensically audit and validate this level of expense for a relatively small, simple water utility. Meters aren't read half the year. Chlorine levels are only sampled 2-3 times per week. Billing and payments are processed at a part time level at best. This number is highly suspicious.

Regarding Attachment N Exhibit 3 Cost of Capital: Long term debt is listed at \$104,005. Water utility users should not be repaying a loan for the owners capital/equity.

The application for a rate increase should not be considered or approved until an accurate, honest, complete and evidence based application is submitted.

Please deny this rate increase request in its entirety.

Thank you.

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