

✓ To AV.      ✓ To Comm.      § 14

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February 23, 2007

Idaho Public Utilities Commission  
P.O. Box 83720  
Boise ID 83720

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RE: Case No. UWI-W-07-02  
Application and Request to Serve Lanewood Estates  
by United Water Idaho Inc.

Dear Commissioners:

The following constitutes the comments of the City of Eagle in response to the application by United Water Idaho, Inc. for amendment to its Certificate of Convenience and Necessity No. 143 to allow extension of service to a development in Ada County known as Lanewood Estates. The City of Eagle objects to the amendment of the Certificate and does not believe that use of the Modified Procedure requested by United Water is appropriate for this particular proceeding.

The Commission should be aware that the City of Eagle and United Water have held meetings to discuss the particular development which United Water now seeks to serve. These meetings included discussions of the City of Eagle's municipal water system, its development, and Eagle's intent to serve Lanewood Estates along with other developments in the City's expansion area west of Linder Road. The City of Eagle advised United Water that it intended to serve this development for numerous reasons. Notwithstanding Eagle's effort to inform United Water of the City of Eagle's plans, United Water has now applied to the Commission for amendment of its Certificate without noting or informing the Commission of these discussions. Further, United Water's cursory filing fails to mention these discussions and contains so little information that it does not inform the Commission or the public of the circumstances and issues involved.

Lanewood Estates, consisting of approximately 190 acres, is located immediately west of Linder Road in Ada County. It is immediately south of, and contiguous to, other developments which are in the process of obtaining service by the City of Eagle.

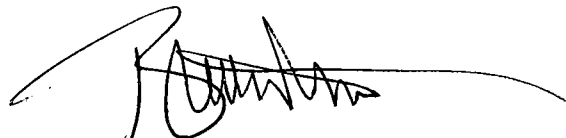
The development is in the City of Eagle's Area of Impact, as approved by Ada County. It is within the area covered by the City's Comprehensive Plan. It is also within the City of Eagle's service area as approved by the Idaho Department of Environmental Quality.

Although United Water states in its Application that there are no other water providers with existing facilities in the vicinity of Lanewood Estates capable of providing service according to the time table requested by the developer, United Water omits any mention of what that time table is. In fact, the City of Eagle's municipal system will have a main line immediately adjacent to the development. Further the main line will be ready for use by Lanewood Estates by the time it completes the local government approval process regardless of whether the development of Lanewood is pursuant to either County or the City of Eagle procedures.

While United Water asserts that it is capable of extending service to the development by extension of main lines located within its current service area, United Water fails to identify which water rights United Water owns that will be used to serve the development or which wells will deliver the water. Simply extending a pipeline does not adequately explain how United Water intends to serve, or whether it is capable of serving, the development. The City of Eagle submits that it is reasonable to have United Water disclose and appropriate for the Commission to examine the water resources to be utilized by United Water and determine whether United Water can serve this development and other developments without jeopardizing service to its current system and customers. Until such a review is undertaken, United Water's allegation that an extension of service into this area is consistent with public convenience and necessity is unsupportable. The Application is inconsistent with the City's Comprehensive Plan, the establishment of the City's Area of Impact, and the service area approved by the Idaho Department of Environmental Quality. The City would submit that allowing United Water's requested amendment is not consistent with public convenience or necessity and the Application should be denied. Approving the Application without a hearing pursuant to Modified Procedure cannot be justified under these circumstances because of the lack of information submitted by United Water.

Sincerely yours,

MOORE SMITH BUXTON & TURCKE, CHTD.

A handwritten signature in black ink, appearing to read 'Bruce M. Smith', with a long horizontal flourish extending to the right.

Bruce M. Smith

BMS/dls

cc: Joe Miller – McDevitt & Miller  
Scott Woodbury