

DIAMOND BAR ESTATES WATER CO
PO BOX 1870
HAYDEN ID 83835-1870
208 665 9200
208 665 9300 FAX

RECEIVED
2007 APR 16 AM 9:11
IDAHO PUBLIC
UTILITIES COMMISSION

April 13, 2007

Idaho Public Utilities Commission
ATTN Commission Secretary
P.O. Box 83720
Boise, Idaho 83720-0074

DEA-

Subject: Case No. ~~DBE~~-W-07-1

Dear Commission Secretary:

Enclosed with this cover letter are an original and seven (7) copies of an Application with supporting exhibits requesting an increase in rates and charges for Diamond Bar Estates Water Company.

An extra copy is also enclosed. Please date stamp this copy and return it to this Applicant for our records.

Thank you,


Robert N. Turnipseed
President/Manager

2007 APR 13 PM 1:07

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION
UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)
DIAMOND BAR ESTATES WATER COMPANY)
FOR AN ORDER AUTHORIZING INCREASES IN)
THE COMPANY'S RATES AND CHARGES FOR)
WATER SERVICE IN THE STATE OF IDAHO)

CASE NO. DIA-W-07-1
APPLICATION

DIAMOND BAR ESTATES WATER COMPANY (the Applicant) hereby applies for an Order of the Idaho Public Utilities Commission (the "Commission") authorizing Applicant to : 1) Increase the water rates it charges its customers by approximately 87.44%. After normalizing the Company's revenues for the number of customers connected to the water system at year end 2006, this increase will produce approximately \$16,751 more revenue or 93% more than billed in the test year 2006. The company has not had an increase in its basic rates and charges since Commission Order No. 29247 (Case No. GNR-W-02-3) was issued on May 30, 2003 authorizing the Company's initial rates and charges and issuing Certificate of Public Convenience and Necessity No. 413; 2) Increase from \$200 to \$310 its fees for the first time installation of a meter to serve a new customer; and 3) Implement a new customer connection of either \$2,500 or \$5,500 where a service line to the property does not currently exist.

CONNECTION FEES

Since the time the Company's initial certificate was issued, the company has requested and received Commission approval to expand its service area and establish a domestic water meter installation fee for new customer connections outside the Company's original service area. (Case No. DIA-W-04-1, Order No. 29556). The Commission granted the certificate expansion and approved a fee of \$200. This fee is for the

installation of a meter to serve a new connection to a property where a service line tap to the property line and meter box is already in place. The Company believes this \$200 connection fee is no longer adequate to pay the costs the Company will incur to make the required installations and therefore is requesting authorization to increase these fees to \$310. In support of this request, attached Exhibit No. 5 is a copy of an invoice from Consolidated Supply Co. that shows the Company's cost for a 1" meter is \$185.14. Costs for labor and equipment (approximately two (2) hours) for travel to purchase the meter, go to the installation location, install meter and return at a cost of \$125.00 added to the meter cost equals the \$310.00 proposed charge. This charge is intended to recover the Company's costs only, will not contribute to the earnings of the Company and will insure that the rates of the Company's existing customers are not subsidizing these costs. The Company experienced only one of these connections during the test period and does not expect to experience more than one or two such connections per year in the near future. Note that Diamond Bar Estates Water Company has no payroll of its own. All labor charges of this Company are either from unaffiliated vendors or a commonly owned affiliated Company. Labor charges reflected on the Company's books include all associated payroll taxes, insurance and employee benefits of other Companies.

Applicant is also requesting an additional new connection charge applicable to those connections where no water main tap, service line to the property or meter base is in place. Development in the area within and adjacent to the Company's approved service area is for lots in excess of 5 acres. When water mains are installed it is not a developers normal practice to install main line taps and service lines to the property lines. Rather, such installations are not made until improvements are constructed on the properties and the location of improvements on the lots is known. The frontage of these lots is wide and it is not economical or efficient to install service line taps to the property line at the time water mains are installed. Electric service often is provided in the same trench as water lines and if the services to the property line are located too far from the location of property improvements, additional costs for equipment is necessary to insure safe and satisfactory service to the customer. The Company is requesting approval of a new base charge of \$2,500.00 for these new installations plus an additional \$3,000.00 if a road crossing is necessary. These charges are intended to recover the Company's costs only, will not contribute to the earnings of the Company and will insure that the rates of the Company's existing customers are not subsidizing these costs.

Attached to this Application is Exhibit No. 6 composed of 4 pages in support of this connection fee request. This Exhibit is composed of quotations Diamond Bar Estates Water received in September and October of 2006. Material costs alone exceed \$1,200.00 as shown on Exhibit No. 6, Page 1. Basic labor and equipment charges to excavate and install a main line tap, service line to the property line, meter box, meter, lid and a 5 foot stub-out line beyond the meter box without a road crossing are \$2,500.00. If the property to be served is on the opposite side of the road from the Company's water mains, a bore under the road is required at an additional cost of \$3,000.00.

GENERAL RATE INCREASE REQUEST

Exhibit Numbers 1 through 4 present the support for the Company's request to increase its water rates. In preparing this Application, the Company's consultant has reviewed all of the years 2003 through and including 2006 and adjusted the financial statements to reflect normal utility accounting practices. The consultants work papers are included on a computer disc in electronic format for the Commission Staff's review and should be used in lieu of the annual reports filed with the Commission.

Rate Base, Exhibit No. 1.

Column (A) of Exhibit No. 1 presents the Company's 2006 test year rate base as restated by our consultant. Plant in Service (line 1) has increased from \$3,060 as approved by the Commission in the year 2003 (Order No. 29247) to \$16,472.00 by the end of 2006. The difference is composed of items Ordered by the Idaho Department of Environmental Quality (\$11,253.00), hydrant locks installed (with the consent of the fire district) to prevent water theft (\$1,135.00) and legal fees to acquire and protect water rights (\$1,023.00). None of these improvements produce additional revenue to the company. After deducting accumulated depreciation of \$1,834.00, Net Plant in Service (Line 3) is \$14,638.00.

On lines 4, 5 and 6 the Company has included its unamortized Rate Case expenses through the end of 2006. The Company believes this is an appropriate addition to rate base for a small company with limited resources. The costs to process a rate case is a real cost of doing business that requires the infusion of capital that otherwise would not be required and could be invested by the owners in some other profitable manner. Exclusion of this item effectively precludes the owners from earning any return on these necessary investments.

On line 8, a working capital allowance equal to 1/8th of the Company's Operation and Maintenance expenses is added to produce a Rate Base of \$19,133.00 as shown on line 9.

Columns (B), (C) and (D) add proforma adjustments to rate base to recognize additional rate case expenses expected to be incurred to process this current Application, additional legal costs to complete the acquisition and perfection of the Company's water rights and to recognize additional working capital requirements resulting from the Company's proforma Operation and Maintenance expenses presented on Exhibit No. 2. The Total Rate Base the Company is proposing of \$27,545.00 is shown on line 9, Column (E) of this exhibit.

Results of Operations, Exhibit No. 2

Exhibit No. 2 presents in Columns (A) through (D) comparative income statements for the years 2003 through and including 2006. The exhibit also includes proforma adjustments in Columns (E) through (I) to develop an adjusted income statement in Column (J) for use in this case to determine the Company's revenue requirement.

As can be seen in Columns (A) through (D), the Company has operated at a loss for each year since the Company's Certificate of Public Convenience and Necessity was issued

and rates were established by the Commission. The owners have continued to provide additional capital to fund the cash flow needs of the Company to meet its operating costs and comply with governmentally required improvements and repairs. The test year 2006 (Column (D)) produced a net operating loss of \$5,784.00.

Adjustments to the test year include: Column (E) increases expenses by \$359.00 to annualize an increase in the Company's electric expenses that was effective in September 2006; Column (F) increases expenses by \$1,667.00 to amortize the additional costs of preparing, filing and supporting this application over a three year amortization period; Column (G) increases expenses by \$517.00 to normalize the Company's water testing expenses; Column (H) increases depreciation expense by \$256.00 to annualize depreciation expense on plant added in 2006; Column (I) increases expenses by \$3,900.00 to annualize increases in water master and bookkeeping fees that were effective July 1, 2006.

The adjusted test year 2006 Net Operating Loss of \$12,482.00 shown on line 21, Column (J) is used in this Application to determine the Company's revenue requirement.

Cost of Capital and Rate of Return, Exhibit No. 3

Exhibit No. 3 present the capital structure and cost of capital for Diamond Bar Estates Water Company. Even though presented here as a conventional weighted cost of capital calculation, the practical result is that all capital has been provided by the owners and therefore should be treated as equity. The Notes payable shown on this exhibit are simply a mechanism for the owners to track additional equity personally invested and transferred from other business interests of the owners. The overall weighted cost of capital and rate of return used in this case is 12% as shown on line 5, Column (D).

Revenue Requirement, Exhibit No. 4

Exhibit No. 4 utilizes the data shown on the first three exhibits to develop the Company's revenue requirement, revenue deficiency and increase in rates necessary to produce the revenue requirement. Applying the rate of return (from Exhibit No. 3) shown on line 2 to the rate base (from Exhibit No.1) shown on line 1 produces a net operating income requirement of \$3,305.00 as shown on line 3. This net operating income must be grossed-up to provide for the effect of taxes and fees that are sensitive to increases in revenue. The calculation of the gross-up factor is shown on lines 10 through 18, Column (A) of this exhibit. The additional revenue necessary to produce the net operating income requirement is \$4,237.00 as shown on line 5 of this exhibit. Additionally, revenue must be increased to overcome the net operating loss of \$12,482.00 shown on line 6. Additional revenues received to overcome this loss do not result in taxable income, therefore a separate gross-up factor (excluding taxes) is calculated on lines 10 through 18, Column (B). The additional revenue necessary to overcome the net operating loss is \$12,513.00 as shown on line 8 of this exhibit. The total additional revenue the Company must realize to produce the net operating income and overcome the net operating loss is \$16,751.00 as shown on line 7. Line 8 shows the actual revenues collected from water

sales in the test year. Line 9 calculates the percentage increase in water revenues necessary.

Tariffs, Exhibit Nos. 7 & 8

Exhibit No. 7, (a 2 page exhibit) is a marked-up copy of the company's existing tariff rates showing the existing rates and proposed rates in legislative format.

Exhibit No.8, (a 2 page exhibit) is a clean copy of the company's proposed new tariff sheets for the Commissions' approval.

Customer Notice, Exhibit No. 9

Exhibit No. 9 (a one page exhibit) shows both the Company's notice to its customers and a notice to be published in the Coeur d'Alene Press and Spokesman Review newspapers. The customer notice will be included with customer bills in May. The newspaper notice will be published coincident with mailing the notice directly to our customers

Rate Design, Exhibit No. 10

Exhibit No. 10 presents the Company's calculation of the new rates required to produce the revenue requirement. Lines 1 through 8 of this exhibit calculate the average annual consumption of customers and revenues billed. In this calculation, the Company has annualized revenues for the number of customers connected to the system at year end 2006. As shown on line 8, 41.34% of the Company's revenues are being produced from excess water consumption and 58.66% of the revenues come from the base rate including the first 7,500 gallons of consumption.

Lines 9 through 14 calculate the rates the Company proposes to produce the required revenue. The Company proposes to increase the amount of revenue collected through the base rate (including the first 7,500 gallons) from 58.66% of total revenues to 75%. This shift is necessary to level out the Company's cash flow need to meet its fixed costs during winter months. This shift also smoothes customers annual water costs over the year and decreases some of the summer spike in their bills. The proposed new base rate of \$50.00 per month and excess commodity charge of \$0.52/1000 gallons is shown on line 14.

Lines 15 shows the average annual bill that results from the new proposed rates as compared to the annual bills under present rates shown on line 7.

Effective Date & Modified Procedure

The company proposes an effective date for the new rates to be the first day of the month beginning 30 days after the date of filing this case. That effective date would be June 1, 2007.

The company requests that the Commission proceed with this case under Modified Procedure without hearing. In the event the Commission determines a hearing is necessary, the company stands ready to prepare and file testimony in support of the attached exhibits.

Contact Information

Questions regarding this application should be addressed to:

Robert N. Turnipseed
Diamond Bar Estates Water Co.
P.O. Box 1870
Hayden, Idaho 83835

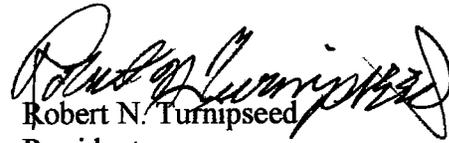
Ph: (208) 665-9200
E-mail avondalecon@verizon.net

Robert E. Smith
2209 N. Bryson Rd.
Boise, Idaho 83713

Ph: (208) 761-9501
e-mail utilitygroup@yahoo.com

Please provide copies of all correspondence, notices and orders to the above individuals.

Respectfully submitted,


Robert N. Turnipseed
President

**Diamond Bar Estates Water Co.
Calculation of Rate Base**

	(A) 2006 Corrected Actual	(B) Proforma Capitalize Rate Case Expense	(C) Proforma Capitalize Additional Water Rights Exp	(D) Adjust Working Capital For Expense Adjustments	(E) Proforma 2006 Rate Base
1 Plant in Service	\$ 16,472		\$ 3,977		\$ 20,449
2 Less Accumulated Depreciation	1,834				
3 Net Plant in Service	\$ 14,638	\$ -	\$ 3,977		\$ 18,615
4 Rate Case Expense (Case GNR-W-02-3)	2,785				2,785
5 Current Rate Case Expense	1,163	3,838			5,000
6 Accumulated Amortization	(2,228)				(2,228)
7 Unamortized Balance	\$ 1,720	\$ 3,838	\$ -		\$ 5,557
8 Working Capital (1/8th of O&M Exp)	2,776			597	3,373
9 Total Rate Base	\$ 19,133	\$ 3,838	\$ 3,977	\$ 597	\$ 27,545

Diamond Bar Estates Water Co.
Results of Operations
2003, 2004, 2005 & Test Year 2006

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
	2003	2004	2005	2006	Proforma Annualize Electric Power Increase	Proforma Amortize Current Rate Case Expense	Proforma Annualize Water Testing Expense	Proforma Depreciation Expense 2006 Additions	Proforma Annualize Watermaster & Bookkeeping Charges	Adjusted Pro Forma 2006
Revenues										
1 Metered Sales - Residential	\$ 17,136	\$ 14,810	\$ 16,056	\$ 17,892	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,892
2 Contributions for Construction	-	86,868	1,200	100	-	-	-	-	-	100
3 Other Revenue	-	1,585	200	201	-	-	-	-	-	201
Total Revenue	\$ 17,136	\$ 103,263	\$ 17,456	\$ 18,193	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,193
Operating Expenses										
4 Labor-Operation & Maintenance	2,548	4,536	5,000	6,988	-	-	-	-	2,700	9,688
5 Labor Admin & Gen	2,445	2,400	2,200	3,600	-	-	-	-	1,200	4,600
6 Purchased Power & Fuel for Power	3,488	4,828	5,031	6,706	359	-	-	-	-	7,065
7 Material & Supplies-Operation & Maint	5,076	(40)	2,750	1,099	-	-	-	-	-	1,099
8 Material & Supplies-Admin & Gen	962	899	382	249	-	-	-	-	-	249
9 Contract Services- Professional	2,397	2,418	472	426	-	-	-	-	-	426
10 Contract Services-Water Testing	459	540	557	208	-	-	517	-	-	725
11 Contract Services-Other	32	=	=	44	-	-	-	-	-	44
12 Rentals-Property & Equip	900	900	825	900	-	-	-	-	-	900
13 Cost of Construction	=	87,528	1,200	=	-	-	-	-	-	=
14 Insurance	2,229	1,556	2,575	2,008	-	-	-	-	-	2,008
Total Operating Expenses	\$ 20,537	\$ 106,366	\$ 20,892	\$ 22,208	\$ 359	\$ -	\$ 517	\$ -	\$ 3,900	\$ 28,984
15 Depreciation Expense	237	1,822	447	913	-	-	-	256	-	1,169
17 Rate Case Exp Amortization	557	557	557	557	-	1,667	-	-	-	2,224
18 Regulatory Fees	120	170	255	255	-	-	-	-	-	255
19 Property Taxes	238	225	81	43	-	-	-	-	-	43
Total Expenses	\$ 21,689	\$ 108,140	\$ 22,332	\$ 23,976	\$ 359	\$ 1,667	\$ 517	\$ 256	\$ 3,900	\$ 30,675
Net Income (Loss)	\$ (4,553)	\$ (4,877)	\$ (4,876)	\$ (5,784)	\$ (359)	\$ (1,667)	\$ (517)	\$ (256)	\$ (3,900)	\$ (12,482)

Diamond Bar Estates Water Co.
 Weighted Cost of Capital
 Test Year Ended 12/31/2006

	(A) Capital Component Amount	(B) Ratio	(C) Cost	(D) Weighted Cost
1 Note Payable Turnipseed*	\$ 11,623	44.08%	12%	5.29%
2 Note Payable DBE/BCSW*	2,259	8.57%	12%	1.03%
3 Equity paid-in Capital	1,600	6.07%	12%	0.73%
4 Retained Earnings	10,887	41.29%	12%	4.95%
<hr/>				
5 Total Capital	\$ 26,369	100.00%		12.00%

* Note: Notes Payable are additional capital provided by the owners. Notes are simply a mechanism for tracking additional capital paid into the Company by the owners personally or through draws from other commonly owned companies.

Diamond Bar Estates Water Co.
Revenue Requirement
Test Year 2006

1 Rate Base	\$	27,545
2 Rate of Return		<u>12.00%</u>
3 Net Operating Income Requirement	\$	3,305
4 Gross up factor		<u>128.1959%</u>
5 Revenue Increase needed to Produce Income Req.	\$	4,237
6 Income Needed to Overcome Loss Realized	\$	12,482
7 Gross-up Factor (Not Subject to Income Taxes)		<u>100.2492%</u>
8 Revenue increase Needed to Overcome Loss Realized	\$	<u>12,513</u>
7 Total Additional Revenue Requirement (line 5 +line 8)	\$	16,751
8 Test Year Revenue Collected	\$	17,892
9 Percent Increase in Revenues Required		93.62%

<u>Gross-up Factor Calculation</u>	<u>Including Taxes</u>	<u>Excluding Taxes</u>
10 Net Income	100%	100%
11 PUC Fees	0.2486%	0.2486%
12 Bad Debts	0.0000%	0.0000%
13 Net Taxable	<u>99.7514%</u>	<u>99.7514%</u>
14 State Tax @ 8%	7.9801%	0.0000%
15 Federal Taxable	<u>91.7713%</u>	<u>99.7514%</u>
16 Federal Tax @ 15%	13.7657%	0.0000%
17 Net After Tax	<u>78.0056%</u>	<u>99.7514%</u>
18 Net to Gross Multiplier	128.1959%	100.2492%

INVOICE



Consolidated Supply Co.
P.O. Box 5788
Portland, OR 97228

#18

INVOICE DATE	INVOICE NUMBER
10/02/06	S4005176.001
PLEASE REMIT PAYMENT TO:	
CONSOLIDATED SUPPLY PO BOX 5788 PORTLAND OR 97228-5788	

QUESTIONS ON THIS INVOICE
208-762-2568

E0203X I0433 D25929892 P136767 0001:0001

*000000

BAR CIRCLE "S" WATER INC
PO BOX 1870
HAYDEN LAKE ID 83835-1870

SHIP TO:

BAR CIRCLE "S" WATER INC
PO BOX 1870
HAYDEN LAKE ID 83835

CUSTOMER NUMBER	CUSTOMER ORDER NUMBER	ORDERED BY	SALESPERSON		HOME BRANCH
62079		ROBERT TURNIPSEED	Mike Davis - CDA		14
ORDER WRITER	SHIP VIA		SHIP DATE	ORDER DATE	SHIP BRANCH
Mike Davis - CDA	WCN WC NOW		10/02/06	10/02/06	14
DESCRIPTION	ITEM NUMBER	SHIP QTY	U/M	NET UNIT PRC	NET AMOUNT
1" 452-IIS HERSEY WTR METER US GAL ENVIROBRASSII NO-LEAD BODY CI BOTTOM SER NO: <i>J & L Homes</i>	246119	1	ea	174.655	174.66

Invoice is due by 11/30/06.

10/2/2006 10:27:56 AM S4005176.001
Robert
ROBERT TURNIPSEED

SUBTOTAL	174.66
FREIGHT	
SALES TAX	10.48
AMOUNT DUE	185.14

Exhibit No. 5
DIA-W-07-01



**Consolidated
Supply Co.**

**** Quotation ****

Bid #: S4005180
Page #: 1

Send P/O To:
CONSOLIDATED SUPPLY CO - CDA
155 EAST DALTON AVE
DALTON GARDENS ID 83815

Phone # : 208-762-2568

Bid To:
AVONDALE CONSTRUCTION
PO BOX 1870
HAYDEN LAKE ID 83835

Ship To:
AVONDALE CONSTRUCTION
BAR CIRCLE "S" WATER CO. INC.
1714 W. GARWOOD ROAD
RATHDRUM, ID 83858

Phone # : 208-665-9200

JOB:

Bid-Date	Expr-Date	Writer	Salesman	Ship Via
10/02/06	11/01/06	Mike Davis - CDA	HOUSE WW CDA	WCN WC NOW

Quantity	Description	Net Prc	Ext Prc
	***** Shipping Instructions ***** * SW CORNER OF GARWOOD RD AND CIRCLE "S" * * TRAIL, RATHDRUM, IDAHO * *****		
1ea	ROMAC 202S-9.05X2" IPT 8"X2" DBL SS STRAP SADDLE 8.63-9.05	83.66ea	83.66
1ea	2" 73131B EB MIP X MIP BALL CORP STOP AY MCDONALD	211.33ea	211.33
2ea	2" 74754-33 EB IPS PJ X FIPT CPLG ADAPTER AY MCDONALD	93.36ea	186.73
2ea	2" 6136 IPS STIFFENER AY MCDONALD	4.50ea	9.00
1ea	1"X36" 20-436WDDD44 METER SETTER 1"AMV X 1"AMC AY MCDONALD (CDA/HLID/NKWD SPEC.)	307.16ea	307.16
1ea	2"X1" GAL CI HEX HD BUSHING DOMESTIC	9.08EA	9.08
1ea	1"X4" GAL STEEL NIPPLE	1.61EA	1.61
1ea	B37H 4' CONCRETE STANDARD METER SET W/HINGE LID	153.34ea	153.34
1ea	1" 452-IIS HERSEY WTR METER US GAL ENVIROBRASSII NO-LEAD BODY CI BOTTOM SER NO:	174.66EA	174.66

Bid Total	1136.57
Sales tax	68.19
Bid Amount	1204.76

ON-SITE EXCAVATING INC
 16480 N SPUR STREET
 RATHDRUM, ID 83858-7926

QUOTATION

Quote Number: 518
 Quote Date: Sep 1, 2006
 Page: 1

Voice: 208-687-2022
 Fax: 208-687-2033

Quoted To:
 BAR CIRCLE S WATER
 P.O. BOX 1870
 HAYDEN LAKE, ID 83835

Customer ID	Good Thru	Payment Terms	Sales Rep
BAR CIRCLE-122	10/1/06	Net 10 Days	

Quantity	Item	Description	Unit Price	Amount
1.00		INSTALL 1" METER W/ TAP & ROAD BORE OR CUT & ASPHALT PATCH.	5,500.00	5,500.00
			Subtotal	5,500.00
			Sales Tax	
			TOTAL	5,500.00

Avondale Construction Inc

PO Box 1870
Hayden, ID 83835

Estimate

DATE	ESTIMATE NO.
10/27/2006	40

NAME / ADDRESS
Diamond Bar Water PO Box 1870 Hayden ID 83835

			PROJECT
DESCRIPTION	QTY	COST	TOTAL
Waterline Hookup - Bore under road and asphalt		3,000.00	3,000.00
TOTAL			\$3,000.00

Avondale Construction Inc

PO Box 1870
Hayden, ID 83835

Estimate

DATE	ESTIMATE NO.
10/26/2006	# 39

NAME / ADDRESS
Diamond Bar Water PO Box 1870 Hayden ID 83835

			PROJECT
DESCRIPTION	QTY	COST	TOTAL
Water Line Hookup to Existing water system - Parts only		1,204.00	1,204.00
Labor, service truck approximately 12 hrs/man and truck @\$50/hr		600.00	600.00
Backhoe, operator/watermaster 12 hrs @\$75.00		900.00	900.00
		TOTAL	\$2,704.00

Tariff No. 1

Page 1

OKED PUBLIC UTILITIES COMMISSION
APPROVED EFFECTIVE

1st Revised Page 1 (N)

Canceling Original Page 1 (N)

JUN 24 2003

JUN 1 - 03

REC-00 29397

[Signature] SECRETARY

Approval Stamp

(N) Name of Utility dba Diamond Bar Estates Water Co

DIAMOND BAR ESTATES, LLC

REVISION WATER RATES

MONTHLY

0 - 7,500 gallons

\$50.00 (N)

~~\$21.00~~

7,500 gallons or more

~~\$~~ .45 per additional thousand

\$0.52 (N)

NOTE:

Bills for water service will be rendered monthly and are payable within fifteen (15) days of the billing date.

2003 Effective

2003

Issued by DIAMOND BAR ESTATES, LLC

By *[Signature]* Title

President

~~1st Revised~~
page 1

2nd Revised (N)

1st Revised (N)

~~Canceling Original page 1~~

JUL 30 04

JUL 30 04

[Signature]

Name of Utility

DWIDCO SAN ANTONIO, LLC

Approval Stamp:

NON-RECURRING CHARGES

\$600 one-time initial meter fee for irrigation meters.

\$15 reconnection fee will be charged during business hours.

\$30 reconnection fee will be charged after normal business hours and weekends and holidays (N)

(Does not apply to seasonal installation of irrigation meters)

~~Applies to initial meter and subsequent service territory expansion (N)~~

~~\$150 domestic water meter installation fee (N)~~

~~C.N. 29556 (N)~~

Applicable to new first time service connections.

\$310.00 domestic water meter installation fee where a service line to the property and a meter base are already in place.

(N) \$2,500.00 connection fee where a service line to the property, meter base and meter have not been installed and the property is on the same side of the road as the Company's water service main.

\$3,000.00 additional connection fee when the customers property is on the opposite side of the road from the Company's water service main and it is necessary to trench or bore across the road to install the service line, meter base and meter to the customers property.

2004 Effective

2004

Issued by DWIDCO SAN ANTONIO, LLC

BY *[Signature]*

Title

President

Tarriff No. 1 Page 1

1st Revised Page 1

Canceling Original Page 1

Name of Utility Diamond Bar Estates, LLC
dba Diamond Bar Estates Water Co.

(Approval Stamp)

METERED WATER RATES

MONTHLY

0 - 7,500 gallons	\$50.00	
500 gallons or more	0.52	per additional thousand

NOTE:
Bills for water service will be rendered monthly and are payable within fifteen (15) days of the billing date.

Per Commission Order No.

Issued April 13, 2007

Effective

June 1, 2007

By Title _____
President/Manager

Tarriff No. 1 Page 1

2nd Revised page 1

Canceling 1st Revised page 1

Name of Utility Diamond Bar Estates, LLc
dba Diamond Bar Estates Water Co.

(Approval Stamp)

NON-RECURRING CHARGES

\$500 one-time initial meter fee for irrigation meters

\$15 reconnection fee will be charged during business hours.

\$30 reconnection fee will be charged after normal business hours, weekends and holidays.

Applicable to new first time service connections.

\$310.00 domestic water meter installation fee where a service line to the property and a meter base are already in place.

\$2,500.00 connection fee where a service line to the property, meter base and meter have not been installed and the property is on the same side of the road as the Companys water service main.

\$3,000.00 additional connection fee when the customers property is on the opposite side of the road from the Companys water service main and it is necessary to trench or bore accross the road to install the service line, meter base and meter to the customers property.

Per Commission Order No. _____

Issued April 13, 2007

Effective

June 1, 2007

By  Title

President/Manager

Customer Notice Regarding Water Rates

Diamond Bar Estates Water Company filed an Application with the Idaho Public Utilities Commission on April 13, 2007 for authorization to increase its rates on June 1, 2007 to customers by approximately 87%. The Company is proposing to increase the base monthly charge including the first 7,500 gallons of water from \$21.00 per month to \$50.00 per month and to increase its charges for water delivered in excess of 7,500 gallons per month from \$0.45 to \$0.52 per thousand gallons. This increase is necessary so the Company can recover its operating costs. The Company has operated a loss for a number of years.

The rate design proposed, that increases the basic charge at a rate greater than the increase in the excess commodity charge, is intended to improve the Company's cash flow requirements in the winter months while at the same time levelizing customers monthly bills throughout the year.

A copy of the Application is on file and available for review at the Company's business office located at 2953 N. Government Way in Coeur d'Alene. A Copy is also posted on the Idaho Public Utilities Commission's Web Site at puc.idaho.gov. Comments or questions regarding this application should be directed to the Company and the Idaho Public Utilities Commission at the numbers and addresses below. Comments and inquiries may also be addressed to the Idaho Public Utilities Commission on its Web Site (puc.idaho.gov) by going to the "file room" link on the home page and scrolling to the bottom of the list to "file a comment or complaint". Case No. DIA-W-07-01 should be identified in all correspondence with the Idaho Public Utilities Commission.

Diamond Bar Estates Water Co.
P.O. Box 1870
Hayden, Idaho 83835
Ph (208) 665-9200

Idaho Public Utilities Commission
P.O. Box 83720
Boise, Idaho 83720-0074
PH (208) 334-0300 (800) 432-0369

Diamond Bar Estates Water Company Notice of Application for an Increase in Rates and Charges.

Diamond Bar Estates Water Company filed an Application with the Idaho Public Utilities Commission on April 13, 2007 for authorization to increase its rates on June 1, 2007 to customers by approximately 87%. The Company is proposing to increase the base monthly charge including the first 7,500 gallons of water from \$21.00 per month to \$50.00 per month and to increase its charges for water delivered in excess of 7,500 gallons per month from \$0.45 to \$0.52 per thousand gallons. This increase is necessary so the Company can recover its operating costs. The Company has operated a loss for a number of years.

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**Diamond Bar Estates Water Co.
Determination of Rates**

(A) (B) (C) (D) (E)

1	Average No. of Customers	Jan -July	42		
2		Aug - Dec	43		
3		Annual Avg	<u>42.4167</u>		
4	Total Excess Water Metered		16,740,710 Gallons		
5	Average Annual Excess Water / Customer		394,673 Gallons		
6	Annualized Excess for 43 customers		16,970,936 Gallons		
7	Annualized Average Bill / Customer At Current Rates	Excess @ \$0.45 / 000 Gal	Minimum Chg @\$21 / Mo.	Customer Total Annual Bill	Company Annual Rev W/ 43 Cust
8	Percent of Total Bill	\$ 177.60	\$ 252.00	\$ 429.60	\$ 18,472.92
		41.34%	58.66%	100.00%	

9	Requested Revenue	\$ 34,642.91			
10	Ratio of Commodity to Minimum Requested.	Excess	Minimum Chg	Total	
11	Requested Revenue Distribution	25%	75%	100%	
12	Calculated Min Chg / Mo. w/ 43 cust	\$ 8,660.73	\$ 25,982.18	\$ 34,642.91	
13	Calculated Rate Per 000 Gal	\$	\$ 50.36		
14	Use For Rates	0.5173			
		\$ 0.5200	\$ 50.00		

15	Annualized Average Bill/customer At Proposed Rates	Excess @ \$0.52 / 000 Gal	Minimum Chg @\$50 / Mo.	Customer Total Annual Bill	Company Annual Rev W/ 43 Cust
16	Percent Increase in Average Annual Bill	\$ 205.23	\$ 600.00	\$ 805.23	\$ 34,624.89
17	Average Increased Cost Per Customer Per Month			\$ 87.44%	\$ 31.30