

Diane Holt

From: davisttime@msn.com
Sent: Thursday, January 3, 2019 1:26 PM
To: Beverly Barker; Diane Holt; Erik Jorgensen; Matthew Evans
Subject: Case Comment Form: Wayne Davis

Name: Wayne Davis
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Name of Utility Company: Eagle Water Company, Inc.

Comment: I do not support the sale/purchase of Eagle Water Company to/by Suez Water for the following reasons:

Suez is a foreign owner company that bears little interest in the citizens of the US other than to create profits for its shareholders. The quality of water and service provided to its customers is of little concern to them. They are most concerned about making a profit by charging excessively high rates to customers. This is demonstrated by their D rating by the BBB and the proposed rate increase for EWC customers. The proposed benefits to EWC customers via this proposed sale/purchase are primarily a restatement of the services already provided by EWC at a much lower, affordable price.

If this transaction is approved, Suez will realize an immediate return of approximately \$11 million dollars as the acquisition will eliminate capital improvement projects currently identified in the current Suez service area. Additionally, Suez has requested the purchase price and closing costs be amortized over a 40 year period; however, Suez requests a 200-300 percent rate increase over a 3 year period. I fail to see the equity in such an arrangement.

In the public notices sent to EWC customers, Suez alludes to many deficiencies of the EWC deliver system. Interestingly, I have been an EWC customer since 1987 and EWC has delivered quality, affordable water during this time. Mr. DeShazo should be held in high esteem as a successful businessman who has met or exceeded the water requirements of his customers while maintaining reasonable rate charges for the water provided.

Suez has alluded to the fact that water consumption by EWC customers is too high. However, Suez fails to state that EWC customers are supplied with only potable water which must be used for both domestic and irrigation purposes. All potable water is metered and EWC customers are charged accordingly. This may account for the higher water consumption levels by EWC customers. At this point, EWC customers are locked into a single source water delivery system. There is no other option for them.

Based on the facts mentioned above, implementing the proposed Suez rates will force customers to choose between using water for domestic use and limiting water use for irrigation purposes. Landscaping will decline in the area impacting future home values. The proposed Suez rate increases are not in the best public interest of EWC customers.

On the matter of water quality, EWC's water supply is totally obtained from wells. The water purity and taste satisfy DEQ regulatory requirements. As this water is pumped from wells, the addition of chlorine isn't necessary or required. Eagle City Water also originates from fresh water wells; therefore, not requiring expensive chlorination. However, Eagle City Water made a conscious decision to chlorinate the water. They are not required by DEQ to do so. However, Suez water is originates from two sources, well water and "surface water". The source of the "surface water" is unknown to me; however, it was mentioned to me the source was "aeration basin" water. Is "aeration basin" water processed

"wastewater"? Regardless of the water source, because of the blending to the water from domestic wells a "surface water", DEQ regulations require chlorination. Could this account for the reported water discoloration, bad taste, and odor reported by Suez customers? Not to mention, the additional cost associated with heavy water chlorination. Also, if this sale/purchase transaction is approved and Suez ties the EWC water system to their current service area system, all water must be chlorinated. Why pollute a pure water system i.e. EWC?

Eagle City Water and EWC both have significant aquifer resources to meet their current and an undetermined future water requirements. Actually, both water utilities have extra water available at this time. It makes sense to me to deny Suez's purchase request in favor to Eagle City Water making this acquisition. The acquisition is a natural fit for both water utilities. Under this ownership, EWC customers would probably face rate increases; however, I presume those increase to be smaller and less frequent than those proposed by Suez. Also, Eagle City Water is a local, US non-profit operation that, on the surface, would have more concern for the public interest and welfare of American citizens.

I desire to devote some time addressing Suez's allegations that EWC does not offer adequate, pressurized fire protection in the Eagle service area. According to the Eagle Fire Department, they respond to approximately 15 to 18 actual structural fires per year. This response statistic has been consistent for the past decade or more. EWC reports there are 600 pressurized fire hydrants in their service area. The Eagle Fire Department routinely checks the fire hydrant pressure unannounced and to date they have found only minor problems with the system with those problems corrected almost immediately. Most of the problems involve human error which happened following completion of maintenance work. Suez and Eagle City Water pressure fire protection systems are routinely tested as well. Both water utilities have been found to have similar problems to those of EWC and have been corrected in a timely manner. Additionally, Eagle Fire Department has the ability to transport between 2,000 - 3,000 gallons of water to any fire within the fire district. If necessary, Eagle Fire Department has the ability to provide more transported water for fire protection.

I also oppose approval of this transaction because it brings Suez closer to being a monopoly in the designated service area. Three water utilities become two with Suez being the larger. Given the opportunity to prevent a potential monopoly, the IPUC should not approve this transaction. Especially, when another, better solution exists within the service area.

Within the identified water utility service area, the social - economic condition of the EWC customer base is unable to support "rate shock" as the resident demographics include a large number of retirees on fixed incomes and two-member working families. These customers do not have the available discretionary finances to pay for aggressive rate increases as proposed by Suez. The proposed rate structure is unsustainable and detrimental to fiscal public policy.

In closing, I strongly oppose the purchase of EWC by Suez for the reasons stated above and for those reasons stated by others objecting to approval of this transaction. Suez attempted to purchase EWC approximately 2 decades ago and that request was denied by IPUC. I urge the IPUC Commissioners to research the reasons for that denial and apply those reasons to this request. Approval of this transaction is not, in any way, a positive benefit to the EWC customer base. I encourage the IPUC Commissioners to keep the management of our most valuable resource, water, in the hands of a locally owned, non-profit water utility company.

Thank you for accepting my comments and I wish you the very best in your research and analysis of this transaction. God be with you. Wayne L. Davis

Unique Identifier: 168.103.140.181

Diane Holt

From: johnwdallaire@gmail.com
Sent: Friday, January 18, 2019 12:15 PM
To: Beverly Barker; Diane Holt; Erik Jorgensen; Matthew Evans
Subject: Case Comment Form: John Dallaire

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Name of Utility Company: Eagle Water Company

Comment: I am against the sale of the company to another private company. I believe a utility should be county-owned.

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