

August 25, 2005

Michael Grant  
Administrative Law Judge  
PO Box 2148  
Salem OR 97308-2148

RE: Shadow Wood Water Service, UW 106

On August 12, 2005, staff filed a stipulation and testimony in Docket UW 106, Shadow Wood Water Service's general rate case. At the time of the filing, only staff, the company, and two intervenors, Carl Wikman and Nicholaus Krichevsky, had agreed to the stipulation. Mr. Krichevsky's submitted a faxed copy of the signature sheets in time to be included in the filings. I have enclosed his original signature sheets.

Today, I received signature sheets from Walter R. Gamble agreeing to the stipulation and confirming his review of staff's testimony. I am enclosing Mr. Gamble's original signature sheets.

Mr. Gamble's signature sheets were received after staff had filed the stipulation and testimony. Mr. Gamble had not advised staff of his intentions prior to staff's submittals to the Commission.

If you would like additional information or filings from staff, please let me know.

Kathy Miller  
Sr. Water Utility Analyst  
Water Program  
503-373-1003

Enc.

9.

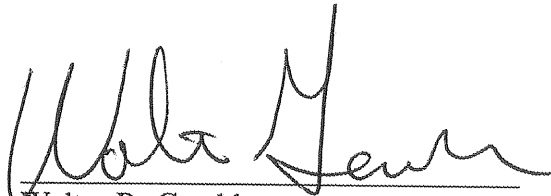
The parties recommend that the Commission adopt this stipulation in its entirety. The parties have negotiated this stipulation as an integrated document. Accordingly, if the Commission rejects all or any material portion of this stipulation, each party reserves the right, upon written notice to the Commission and all parties to this proceeding within 15 days of the date of the Commission's order, to withdraw from the stipulation and request an opportunity for the presentation of additional evidence and argument.

10.

The parties understand that this stipulation is not binding on the Commission in ruling on this application and does not foreclose the Commission from addressing other issues.

DATED this 1 day of July 2005.

8/15/05

  
Walter R. Gamble

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documentation. The Company in both written and verbal statements contradicted itself.

The plant costs were not well documented. Construction costs were not tracked by projects or separated into appropriate plant categories. SWWS attempted to cooperate but was unable to provide credible information. Without proper documentation, Staff used its best judgment.

The Company has apologized for its lack of knowledge of the regulatory procedures and requirements, and its lack of proper documentation. However, Hiland Water Corporation also owns other rate regulated water utilities and the owner(s) has participated in other rate cases. Staff has discussed in depth proper documentation with the owner and other family members working on the case.

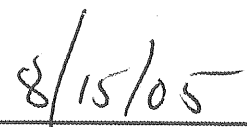
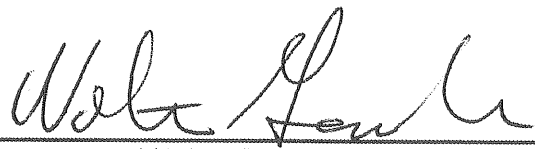
Staff believes that SWWS (and other systems owned by Hiland Water Corporation) will improve upon the documentation of its costs.

**Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

A. Yes.

.....

I hereby confirm that I have reviewed this testimony.



Signature – Walter R. Gamble, Intervenor

Date

1 documentation. The Company in both written and verbal statements contradicted  
2 itself.

3 The plant costs were not well documented. Construction costs were not  
4 tracked by projects or separated into appropriate plant categories. SWWS  
5 attempted to cooperate but was unable to provide credible information. Without  
6 proper documentation, Staff used its best judgment.

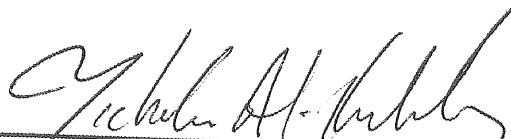
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8 procedures and requirements, and its lack of proper documentation. However,  
9 Hiland Water Corporation also owns other rate regulated water utilities and the  
10 owner(s) has participated in other rate cases. Staff has discussed in depth proper  
11 documentation with the owner and other family members working on the case.

12 Staff believes that SWWS (and other systems owned by Hiland Water  
13 Corporation) will improve upon the documentation of its costs.

14 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

15 A. Yes.

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19 .....  
20 I hereby confirm that I have reviewed this testimony.

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23 Signature – Nicholas Krichevsky



Date

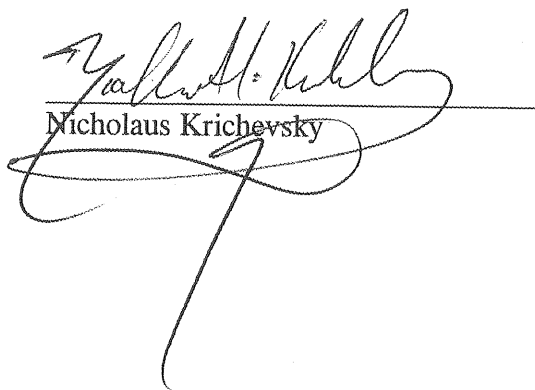
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The parties understand that this stipulation is not binding on the Commission in ruling on this application and does not foreclose the Commission from addressing other issues.

DATED this 11 day of <sup>August</sup>~~July~~ 2005.

  
Nicholaus Krichevsky