

DECISION MEMORANDUM

TO: COMMISSIONER LODGE
COMMISSIONER HAMMOND
COMMISSIONER HARDIE
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL

FROM: TAYLOR THOMAS

DATE: MAY 26, 2026

SUBJECT: NEGOTIATED RULEMAKING: POLICIES AND PRESUMPTIONS FOR
SMALL WATER COMPANIES

In accordance with Idaho Code Section 67-5292, the Commission is reviewing IDAPA 31.36.01 – Policies and Presumptions for Small Water Companies to assess whether the content of the rule chapter is still necessary. As part of negotiated rulemaking process, Commission Staff (“Staff”) will explore repealing this rule chapter because it appears to be no longer necessary given that the definition of a “small water company” is outdated, and the rule’s presumption that all system assets are contributed capital may no longer align with how some systems are financed and operated today.

Staff has already submitted the necessary paperwork to DFM to issue a Notice of Negotiated Rulemaking, which will be held on June 11, 2026.

STAFF RECOMMENDATION

Staff recommends the Commission direct Staff to open a new docket designated as RUL-U-26-02 for purposes of rulemaking.

COMMISSION DECISION

Does the Commission wish to approve Staff’s recommendations? Anything else?



Taylor Thomas
Administrator