Kristine Raper, Commissioner Eric Anderson, Commissioner



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Commission staff to hold public workshop over proposed sale of Falls Water Company

BOISE (May 9, 2018) – Staff with the Idaho Public Utilities Commission have scheduled a public workshop regarding the proposed sale of Falls Water Company in eastern Idaho.

The workshop is set for May 21 from 6 pm to 8 pm at Ammon City Hall, 2135 S. Ammon Road.

It is intended to provide customers with information about the Commission and its process for determining whether to approve or deny the proposed sale of the company to NW Natural Water Company LLC.

The workshop is not intended to be an opportunity for public testimony, but Commission staff will accept written comments and answer questions from attendees after a short presentation.

Falls Water serves approximately 5,500 customers in Bonneville County.

NW Natural Water is a subsidiary of Northwest Natural Gas Company, an Oregon-based corporation that provides natural gas service to more than 730,000 customers in Oregon and Washington.

In its application requesting Commission approval of the transaction, NW Natural Water touted its "core competencies that include constructing and maintaining infrastructure, providing exemplary customer service, ensuring safe and reliable service, and effectively managing regulated utilities."

Acquiring Falls Water would allow the company to expand into and apply its core competencies in the water sector, according to the application.

If the sale is approved, the application said, no changes would be made to Falls Water's corporate structure, employees, customer base or service area.

The application also said the transaction would not cause an increase in rates but that the two companies have identified capital improvements "that will be necessary to maintain safe and reliable water service."

These improvements, which would require Commission approval in order to be recovered through customer rates, include the installation of a new well or wells as needed, and construction of storage facilities as needed.

"The companies will prioritize future improvements based on customer needs and will only begin work on these projects when they are appropriate to meet system needs," the application said.

In September 2017, the Commission approved a request from Falls Water to construct a new well in order to resolve problems with water pressure that had led to lack of compliance with the Idaho Rules for Public Drinking Water Systems.

The approved project is estimated to cost \$647,215.

Falls Water officials have said costs associated with the project could lead to a rate increase of between 3.4 percent and 4.4 percent, though the Commission would have to approve any rate change.

In approving Falls Water's proposal for the new well, the Commission said it "appears to be the most cost-effective means of providing adequate service to its customers."

The company's application and supporting documents are available here. Or go to the Commission's web site at www.puc.idaho.gov. Under the "Water" heading, click on "Open Cases" and scroll down to case number FLS-W-18-01.

To comment on the proposal, go here. Or go to the Commission's web site, www.puc.idaho.gov, and click on "Case Comment Form" under the "Consumers" heading. Please be sure to provide the case number, FLS-W-18-01.