DECISION MEMORANDUM

TO:

COMMISSIONER KJELLANDER

COMMISSIONER SMITH COMMISSIONER HANSEN COMMISSION SECRETARY

COMMISSION STAFF

LEGAL

FROM:

CECELIA A. GASSNER

DATE:

JUNE 8, 2006

SUBJECT:

APPLICATION TO SELL THE ALGOMA WATER SYSTEM

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY NO. 396,

CASE NO. AWS-W-06-1

On May 18, 2006, Algoma Water System ("Algoma" or "Company") filed an Application with the Commission seeking approval of amendment of its Certificate of Public Convenience and Necessity (CPCN) to reflect a change in ownership. Pursuant to *Idaho Code* § 61-526, the Commission has the authority to approve such amendment.

THE APPLICATION

In the Application, Algoma states that the ownership of the business has transferred to Mr. Paul Greenwood, and it seeks approval of amendment of Public Convenience and Necessity No. 396 to reflect this. The Application contains certain information related to the sale and the fiscal status and business plans of the new owner. In addition, the Application states that the new owner does not intend to ask for a change in rates and charges for services at this time. The Application contains a request that it be processed by Modified Procedure.

STAFF RECOMMENDATION

Staff recommends that the Company's Application be processed by Modified Procedure with a 60-day comment period. This should allow sufficient time for interested parties to review the Company's Application, for the Commission to request necessary documents and information from the Company, and for any interested persons to file their comments with the Commission. Reference Commission Rules of Procedure, IDAPA 31.01.201-.204.

COMMISSION DECISION

Does the Commission preliminarily find that the public interest may not require a hearing to consider the issues presented in this case, and that this case is appropriate for Modified Procedure pursuant to Commission Rules of Procedure 201 through 204? Does the Commission approve of a comment period of 60 days?

Cecelia A. Gassner

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