

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE INVESTIGATION) CASE NO. BPI-W-24-01
INTO BUCKSKIN PROPERTIES, INC.,)
OWNER OF A WATER SUPPLY AND)
DISTRIBUTION SYSTEM) ORDER NO. 36595
_____)

On September 6, 2024, the Idaho Public Utilities Commission (“Commission”) issued Order No. 36308, finding it reasonable to direct Commission Staff (“Staff”) to investigate Buckskin Properties, Inc. (“Company”) to determine whether the Company should be a regulated utility pursuant to the Commission’s authority under Idaho Code. The Commission also provided notice that, at the conclusion of the investigation, Staff would recommend: (1) whether the Company should be deemed a regulated public utility; (2) whether a Certificate of Public Convenience and Necessity (“CPCN”) was required; and (3) whether any further action related to the adequacy of service or rate setting was necessary. Order No. 36308.

On December 16, 2024, the registered agent of the Company represented that the Company did not own the water system and stated that the water system was owned by Meadows Water, LLC (“Meadows Water”). Meadows Water is a single-member limited liability company owned 100% by Timberline Development, LLC. Timberline Development, LLC is owned 50% by Buckskin Properties, Inc. and 50% by Idaho Investors, LLC.

Meadows Water is a water utility located in Valley County near Donnelly, Idaho. Meadows Water provides water to 214 connections. Meadows Water is not currently regulated by the Commission and does not possess a CPCN.

On January 20, 2025, the Commission issued a Notice of Modified Procedure, establishing public comment and Company reply deadlines. Order No. 36451. Staff and members of the public filed comments to which Meadows Water replied.

Having reviewed the record, the Commission issues this Final Order finding that Meadows Water is a public utility, issuing it a CPCN, and directing it to submit additional documentation described below.

STAFF COMMENTS

Based on its investigation, Staff believed that Meadows Water should be regulated under Title 61 of the Idaho Code, and Staff recommended that the Commission issue Meadows Water a

CPCN. Staff Comments at 2. In reaching its recommendation, Staff used the following non-exclusive list of criteria:

- a. Is Meadows Water a Non-Profit or a Co-op?
- b. Does Meadows Water operate for the service of the customers and not for profit?
- c. Is Meadows Water owned by its customers?
- d. Do the customers have control of the operations and capital expenditures of Meadows Water?
- e. Do the customers have control of the rates that Meadows Water charges?

Id. at 3.

In its evaluation, Staff learned Meadows Water is a single-member limited liability company organized in the State of Idaho, which Staff believed did not qualify as an exception to the Commission's regulation under *Idaho Code* § 61-104. *Id.* at 2-3. Additionally, Staff believed that customers had no say in the operations of Meadows Water, including ownership of the water system and control of rates for water service. *Id.* at 3. Therefore, Staff believed Meadows Water is a public utility operating and maintaining the water system for compensation. *Id.*

Staff used plat maps and property descriptions from Valley County's records, and information on future development phases provided by Meadows Water, when considering Meadows Water's service area. *Id.* at 4. Staff believed that the future development phases should not be included in Meadows Water's certificated service area because Meadows Water did not currently serve any customers in those areas and had not provided county-approved plat descriptions. *Id.* Staff recommended Meadows Water submit a separate filing to amend its CPCN once future phases have been approved by Valley County. *Id.*

PUBLIC COMMENTS

The Commission received 15 customer comments. These comments expressed concerns regarding poor water quality, the lack of backup generator during power outages, yearly rate increases, late notices of boil orders after a power outage, lack of contact information for complaints, and lack of back flow testing performed by Meadows Water.

COMPANY REPLY

On February 4, 2025, Meadows Water provided a copy of an October 22, 2019, e-mail communication from the Commission's Consumer Assistance Staff confirming that, at that date, Meadows Water was not regulated by the Commission, and that Commission approval was not

needed to increase rates. Company Reply at 2. The communication also provided a copy of the Utility Customer Regulation Rules (“UCRR”) as a guideline for Meadows Water to use. *Id.*

COMMISSION FINDINGS AND DECISION

The Commission has jurisdiction over this matter and the issues in this case under Title 61 of Idaho Code. The Commission regulates “public utilities,” including “water corporations” that serve the public or some portion thereof for compensation. *Idaho Code* §§ 61-125, -129, and -501. The term “public utility” is defined to include “water corporations.” *Idaho Code* § 61-129. A “water corporation” is “every corporation” that owns, controls, operates or manages a water system for compensation. *Idaho Code* § 61-125. “The term ‘corporation’ . . . does not include . . . mutual nonprofit or cooperative . . . water . . . corporation or any other public utility organized and operated for service at cost and not for profit . . .” *Idaho Code* § 61-104.

Idaho Code § 61-104 provides three exceptions to the Commission’s regulatory authority over “corporations.” The Commission does not regulate “mutual nonprofits,” “cooperative corporations,” nor “any other public utility organized and operated for service at cost and not for profit.” *Idaho Code* § 61-104. Pursuant to *Idaho Code* § 61-104, to be excluded from regulation a company may show that it is both “organized” for service at cost and not for profit, and that it is “operated” for service at cost and not for profit.

Having reviewed the record, all submitted materials, and all comments, we find that Meadows Water is a corporation operating and managing a water system for compensation in Idaho and is, therefore, a public utility subject to Commission regulation under Idaho Code.

1. CPCN

As a public utility, Meadows Water must have a CPCN from the Commission. *See Idaho Code* § 61-526. We find it reasonable to issue Meadows Water a CPCN, and that Staff’s proposed legal descriptions and map of the service area are reasonable. The legal description of the service area shall be consistent with the legal description provided by Staff as Attachment A to Staff’s Comments. The service area map shall be consistent with the service area map provided by Staff as Attachment B to Staff’s Comments.

Moreover, as a regulated utility, Meadows Water is required to adopt the Commission’s UCRR (IDAPA 31.21.01 *et seq.*) and Utility Customer Information Rules (IDAPA 31.21.02 *et seq.*).

2. Tariff and Other Documents

As a regulated entity, Meadows Water must also submit certain documentation required under the UCRR for Commission review and approval, including a tariff, various customer notices, and an annual rules summary. Meadows Water shall submit these required documents as a compliance filing in this case.

3. Rates and Charges

We direct Meadows Water to maintain its current rates. Staff shall open a separate docket to evaluate whether Meadows Water's rates are fair, just, and reasonable.

ORDER

IT IS HEREBY ORDERED that Meadows Water is a public utility and is granted a CPCN consistent with this Order.

IT IS FURTHER ORDERED that Meadows Water shall submit a compliance filing within 30 days of the service date of this Order providing: (1) tariffs; (2) a notice to customers regarding regulation; (3) a billing statement; (4) an initial disconnection notice; (5) a notice of procedure for reconnection; and (6) a summary of rules.

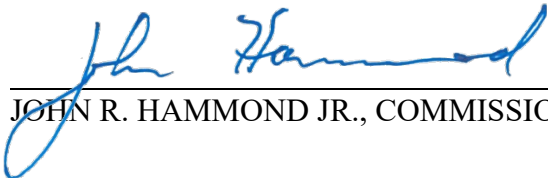
IT IS FURTHER ORDERED that Meadows Water shall maintain its current rates, and Staff shall open a separate docket to evaluate whether Meadows Water's rates are fair, just, and reasonable.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code § 61-626.*

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DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 8th day of May 2025.


EDWARD LODGE, PRESIDENT


JOHN R. HAMMOND JR., COMMISSIONER


DAYN HARDIE, COMMISSIONER

ATTEST:


Monica Barrios Sanchez
Commission Secretary
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