

DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER
COMMISSIONER RAPER
COMMISSIONER ANDERSON
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL**

**FROM: MATT HUNTER
DEPUTY ATTORNEY GENERAL**

DATE: AUGUST 27, 2020

**SUBJECT: IN THE MATTER OF FALLS WATER CO., INC.'S APPLICATION FOR
APPROVAL OF ACQUISITION OF THE ASSETS OF MORNING VIEW
WATER COMPANY; CASE NO. FLS-W-20-04**

On July 31, 2020, Falls Water Co., Inc. ("Falls Water") applied for Commission approval of Falls Water's acquisition of the water system assets of Morning View Water Company ("Morning View"). Falls Water also asked for approval to transfer Morning View's certificate of public convenience and necessity ("CPCN") to Falls Water.

THE APPLICATION

Falls Water is a Commission-regulated water corporation holding CPCN No. 236. Application at 2; *see Idaho Code* § 61-125. Falls Water has operated a water system near Idaho Falls since 1958, and currently serves approximately 5,500 customers. Application at 2. Falls Water is a direct subsidiary of NW Natural Water of Idaho, LLC, which through its parent companies is owned by NW Natural Holdings. *See Id.*; Notice of Corporate Structure Reorganization.

Morning View is a Commission-regulated water corporation serving approximately 118 residential customers under CPCN No. 314. Application at 3. Morning View's service territory is in and around Rigby and is approximately 9 miles from Falls Water's current office location. *Id.*

Under the proposed transaction, Falls Water will acquire Morning View's water system assets. *Id.* Falls Water states that its employees will operate the Morning View water system. *Id.* at 4. Falls Water asserts it "is not requesting any change to rates, rate structure, or other charges in this Application." *Id.*

STAFF RECOMMENDATION

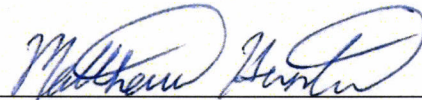
Staff recommends the Commission issue a Notice of Application and Modified Procedure, setting an October 15, 2020 comment deadline and an October 29, 2020 reply comment deadline.

Additionally, Staff recommends the Commission schedule a customer hearing, and that it direct Staff to schedule and hold a customer workshop. Staff believes the ideal timeframe to hold the customer hearing and customer workshop would be between October 1, 2020 and October 8, 2020.

COMMISSION DECISION

Does the Commission wish to:

1. Issue a Notice of Application and Modified Procedure, setting an October 15, 2020 comment deadline and an October 29, 2020 reply comment deadline?
2. Schedule a customer hearing at a to-be-determined time and date?
3. Direct Staff to schedule a customer workshop?



Matt Hunter
Deputy Attorney General

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