

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION ) CASE NO. FLS-W-24-01**  
**OF FALLS WATER CO., INC. FOR )**  
**APPROVAL OF A REPLACEMENT WELL ) ORDER NO. 36203**  
**FOR ITS MORNING VIEW SYSTEM )**  
**)**

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On January 31, 2024, Falls Water Co., Inc. (“Company”) filed an application (“Application”) with the Idaho Public Utilities Commission (“Commission”) seeking approval for a replacement well to serve customers within the Company’s recently acquired Morning View (“MV”) Water Company water system.

The Company represented that in 2020, the Company filed an application seeking the Commission’s approval for the acquisition of the assets of MV Water Company. Application at 2. The Company stated that after acquiring MV Water Company’s assets, the Company conducted a review of system needs and contracted with Aspen Engineering, Inc. to complete a Facility Plan for the system. *Id.*

The Company represented that the Facility Plan indicated that a new backup well for the system was needed “immediately” to ensure sufficient water supply if the primary well fails. *Id.* The Company stated that it believed that installing a new well and related infrastructure (collectively, the “Project”) for the MV Water Company system was reasonable, necessary, and in the public interest. *Id.* at 3. The Company estimated that the total cost of the Project would be between \$300,000 and \$350,000. *Id.* at 4.

**STAFF COMMENTS**

Commission Staff (“Staff”) reviewed the Application and focused on the claimed need for a backup well. Staff considered the regulatory requirements for constructing a backup well, the projected future growth of the Company’s system, a cost-benefit analysis of alternatives to a backup well, and the Company’s well maintenance history. Staff also considered the need for related infrastructure including a backup generator, variable frequency drive, and sand separator. Finally, Staff considered the cost estimate of the project, the project timeline, and issues of water rights.

Based on its review of the Application, exhibits, and responses to discovery requests, Staff recommended the Commission authorize the Company to construct a backup well and related

infrastructure for the MV water system as proposed, with the caveats that the capacity of the proposed well be right-sized for customer's water demand and that the need and economics for a sand separator was justified.

Staff noted that it would review the actual cost of the Project to ensure it was properly sized to meet customer's water needs, and was implemented at a reasonable cost, when the Company seeks recovery in a future general rate case.

### **COMPANY REPLY COMMENTS**

The Company recognized that the prudence of the costs related to the Project would be reviewed in a future rate-related proceeding.

### **COMMISSION FINDINGS AND DECISION**

The Company is a water corporation and a public utility, as defined under Title 61 of the Idaho Code, and provides water service to the public in Idaho. *Idaho Code* §§ 61-125, and -129. The Commission has jurisdiction over the Company and this matter under *Idaho Code* §§ 61-501, -502, -503, -507, -520, -523, and -622.

The Commission has reviewed the Application, all submitted materials, and all submitted comments. Based on its review of the record, the Commission finds it fair, just, and reasonable to approve the Application. As both the Company and Staff note, prudence of the Project shall be determined in a subsequent proceeding.

### **ORDER**

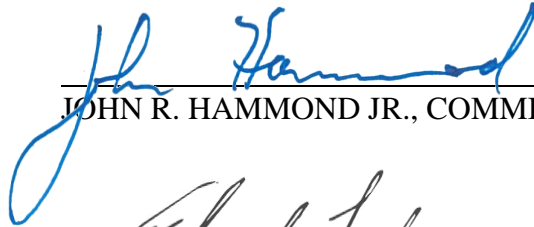
IT IS HEREBY ORDERED that the Company's Application is approved, and the Company is authorized to undertake the Project as identified in the Application.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date upon this Order regarding any matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *Idaho Code* §§ 61-626 and 62-619.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho, this 5<sup>th</sup> day of June 2024.



ERIC ANDERSON, PRESIDENT

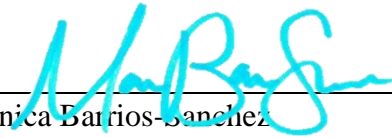


JOHN R. HAMMOND JR., COMMISSIONER



EDWARD LODGE, COMMISSIONER

ATTEST:



Monica Barrios-Sanchez  
Commission Secretary

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