

## DECISION MEMORANDUM

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

**FROM:** MATT HUNTER  
DEPUTY ATTORNEY GENERAL

**DATE:** DECEMBER 13, 2019

**SUBJECT:** IN THE MATTER OF GEM STATE WATER COMPANY, LLC'S  
APPLICATION FOR APPROVAL OF ACQUISITION OF THE ASSETS  
OF THE WATER BUSINESS OF HAPPY VALLEY WATER SYSTEM INC.  
AND BITTERROOT WATER CO., INC.; CASE NO. GSW-W-19-01.

On November 18, 2019, Gem State Water Company, LLC (Gem State Water) applied to the Commission for approval of its acquisition of the water business assets of Happy Valley Water System, Inc. (Happy Valley) and Bitterroot Water Co., Inc. (Bitterroot). The Company also asked for approval to transfer Happy Valley and Bitterroot's certificates of public convenience and necessity to Gem State Water.

### THE APPLICATION

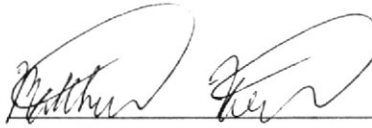
Gem State Water is an Idaho limited liability company created to own and operate water utilities in Idaho. Application at 2. Gem State Water, through its parent companies, is owned by Northwest Natural Holding Company. *Id.* Gem State Water states the transfer of ownership will not result in a change to Happy Valley and Bitterroot's rates. *Id.* at 4. Happy Valley is a regulated water utility that services approximately 27 residential customers in north Idaho. *Id.* at 3. Bitterroot is a regulated water utility that services approximately 160 residential customers in north Idaho. *Id.* The same persons own Happy Valley and Bitterroot. *Id.*

### STAFF RECOMMENDATION

Staff recommends the Commission issue a Notice of Application and Notice of Modified Procedure, setting a February 19, 2020 comment deadline and a February 26, 2020 reply comment deadline.

**COMMISSION DECISION**

Does the Commission wish to issue a Notice of Application and Notice of Modified Procedure, setting a February 19, 2020 comment deadline and a February 26, 2020 reply comment deadline?

A handwritten signature in black ink, appearing to read "Matt Hunter", written over a horizontal line.

Matt Hunter  
Deputy Attorney General

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