

DECISION MEMORANDUM

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

FROM: MATT HUNTER
DEPUTY ATTORNEY GENERAL

DATE: MARCH 5, 2020

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" or "Company") 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.

On December 27, 2019, the Commission issued a Notice of Application and a Notice of Modified Procedure, setting a February 19, 2020 comment deadline and a February 26, 2020 reply comment deadline. Commission Staff filed comments that supported the Company's Application as being in the public interest. Gem State Water filed reply comments that concurred with Staff's analysis and recommended the Commission approve the Application.

On March 4, 2020, the Commission deliberated on the fully submitted case. During the deliberation, the Commission noted Happy Valley and Bitterroot had not yet notified their customers about the proposed acquisitions. The Commission declined to issue a final order in the case until the record reflected that the customers of Happy Valley and Bitterroot had been notified of the proposed acquisitions and been given an opportunity to comment on them.

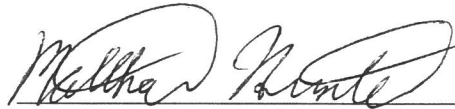
STAFF RECOMMENDATION

Staff informed Gem State Water of the Commission's decision, and the Company informed Staff it would work with the owners of Happy Valley and Bitterroot to mail notices to customers. The Company expects the notices to be mailed on March 5, 2020.

Staff notes the Company has fastidiously complied with Commission procedural rules and Staff's requests throughout this case. Staff recommends the Commission issue a Notice of Comment Deadlines, setting a March 23, 2020 comment deadline and a March 27, 2020 reply comment deadline.

COMMISSION DECISION

Does the Commission wish to issue a Notice of Comment Deadlines, setting a March 23, 2020 comment deadline and a March 27, 2020 reply comment deadline?



Matt Hunter
Deputy Attorney General

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