

## DECISION MEMORANDUM

**TO:** COMMISSIONER ANDERSON  
COMMISSIONER HAMMOND  
COMMISSIONER LODGE  
COMMISSION SECRETARY  
LEGAL

**FROM:** TRAVIS CULBERTSON  
DAYN HARDIE

**DATE:** APRIL 25, 2023

**RE:** IN THE MATTER OF GEM STATE WATER COMPANY LLC'S  
APPLICATION FOR AN ORDER AUTHORIZING AN INCREASE IN ITS  
RATES AND CHARGES FOR WATER SERVICE IN THE STATE OF  
IDAHO; CASE NO. GSW-W-22-01.

### BACKGROUND

On July 21, 2022, Gem State Water Company, LLC (“the Company” or “Gem State”) applied to the Idaho Public Utilities Commission (“Commission”) requesting authorization to increase its rates and charges for water service. Commission Staff (“Staff”) submitted comments to which the Company filed a reply; there were no other parties in the case.

On March 1, 2023, the Commission issued Order No. 35692 approving an annual revenue requirement for the Company of \$789,044 and a corresponding rate design. Order No. 35692 at 16, Attachment 2, “Gem State Water, Approved Rates.” The approved revenue requirement was based on adjustments and calculations summarized in Attachment 1 to Order No. 35692. The Commission directed the Company to submit conforming tariffs in compliance with the rates and charges by March 15, 2023.

On March 13, 2023, the Company submitted a “Petition for Clarification or Reconsideration” (“Petition”) explaining that, because “calculations related to taxes were not adjusted” in Order No. 35692, the Company’s Commission’s approved revenue requirement was incorrectly calculated. Petition at 1-2.

The Commission granted Staff and the Company's joint motion to Extend the Deadline to File Conforming Tariffs and for Procedural Relief at its March 14, 2023, Decision Meeting. Order No. 35708.

On April 7, 2023, the Commission issued Order No. 35728, approving an authorized revenue requirement of \$834,870, and corresponding Attachments, including a rate design reflecting the revised revenue requirement.

On April 12, 2023, the Company submitted revised tariffs reflecting the rates approved in Order No. 35728. Staff reviewed the Company's revised tariffs and confirmed they conform to Order No. 35728 and Attachments.

### **STAFF RECOMMENDATION**

Staff recommends the Commission approve the tariffs submitted by the Company on April 12, 2023, as filed, with an effective date of March 1, 2023, consistent with Order No. 35728.

### **COMMISSION DECISION**

Does the Commission wish to approve the tariffs submitted by the Company on April 12, 2023, as filed, with an effective date of March 1, 2023, consistent with Order No. 35728?

  
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Travis Culbertson

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