

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF HUSKY WATER)	CASE NO. HWC-W-23-01
COMPANY’S APPLICATION FOR)	
APPROVAL OF ACQUISITION OF THE)	NOTICE OF APPLICATION
ASSETS OF RESORT WATER CO. INC. AND)	
FOR THE ISSUANCE OF A CERTIFICATE)	NOTICE OF INTERVENTION
OF PUBLIC CONVENIENCE AND)	DEADLINE
NECESSITY)	
<hr/>		ORDER NO. 35993

On October 13, 2023, Husky Water Company (“Company” or “Husky”) applied to the Idaho Public Utilities Commission (“Commission”) for approval of its acquisition of Resort Water’s assets (“Application”). Husky represented that it entered into an asset purchase agreement (“Transaction”) with Resort Water Co. Inc. (“Resort Water”). Husky stated that it was seeking Commission approval of the Transaction and for the Commission to issue a Certificate of Public Convenience and Necessity (“CPCN”) to Husky so that it could service Resort Water’s customers as a regulated utility. Specifically, the Application requested that the Commission: (1) process the case by modified procedure; (2) enter findings that the Transaction is in the public interest, that Husky has the ability to maintain the system, and that customer rates will not increase; (3) grant Husky a CPCN for Resort Water’s current service area; and (4) approve Husky’s proposed tariffs. The Company filed supporting testimony concurrently with its Application.

With this Order, the Commission provides notice of the Company’s Application and sets a deadline for interested parties to intervene.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that Husky stated that it is a wholly owned subsidiary of Alterra Mountain Company U.S. Inc. (“Alterra”). The Company stated that on August 22, 2023, Husky acquired Resort Water from its parent company—Schweitzer Mountain LLC.

YOU ARE FURTHER NOTIFIED that Husky stated that Resort Water operated two smaller water systems (the “Resort System” and the “Ridge System”). The Resort System operates under CPCN No. 445. The Ridge system, once known as Acme Water Works, Inc, (“Acme”) previously operated under CPCN No. 518 when it was known as Acme. “[The Ridge System] has been operated by Resort Water since January 1, 2018, but without amendment to or transfer of

Acme’s CPCN No. 518.”¹ Application at 4. If Husky’s Application is approved, it will provide Commission-regulated water to both service areas.

YOU ARE FURTHER NOTIFIED that the Resort System and Ridge System are separated by two other water systems unrelated to the Transaction but possibly relevant to future water system expansion by Husky. A map of these systems can be found in Attachment No. 1.²

YOU ARE FURTHER NOTIFIED that the Company submitted its Application to conform with the requirements of *Idaho Code* § 61-328. However, the Company acknowledged that *Idaho Code* § 61-328 is not mandatory authority as it specifically applies to the sale of assets by electric utilities—not water utilities.

YOU ARE FURTHER NOTIFIED that the Company also requested that the Commission issue a new CPCN allowing it to service Resort Water’s service areas pursuant to *Idaho Code* § 61-526 and Rule 112 of the IPUC Rules of Procedure, IDAPA 31.01.01.112.

YOU ARE FURTHER NOTIFIED that the Company stated that it had the bona fide intent and ability to maintain the system and that the Transaction was within the public interest. *See Idaho Code* § 61-328(3). If the Application is approved, the Company intends to use funds from Alterra to invest in its infrastructure and equipment. The Company also stated Transaction-related costs would be covered by Alterra. The Company stated that rates would not be increased due to the proposed Transaction. *See Id.*

YOU ARE FURTHER NOTIFIED that the Company requested that the Commission approve its proposed tariffs. Although the Company stated it was not raising rates, Husky proposed rearranging the existing schedules to add a residential fixed rate service (that would apply to Ridge System customers) under a newly proposed Schedule No. 6. According to the Application, the proposed Schedule No. 6 states that “[a]ll rates are based on equivalent residential units” from the currently existing schedules. Application, Exhibit No. 2, Schedule No. 6.

YOU ARE FURTHER NOTIFIED that Husky stated that it intended for Resort Water’s employees and contractors to fill their same roles when working for Husky.

YOU ARE FURTHER NOTIFIED that the Application and direct testimonies have been filed with the Commission and are available for public inspection during regular business hours at

¹ It is not clear from the Application that the Ridge System is currently operating under a valid CPCN.

² The Resort System and Ridge System are outlined in red and orange respectively in Attachment 1 to the Application.

the Commission's office. These documents are also available on the Commission's website at www.puc.idaho.gov. Click on the "WATER" icon, select "Open Cases," and click on the case number as shown on the front of this document.

YOU ARE FURTHER NOTIFIED that the Commission has jurisdiction over the Company, its filing, and the issues pertaining to this case pursuant to Title 61 of the Idaho Code.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

NOTICE OF INTERVENTION DEADLINE

YOU ARE FURTHER NOTIFIED that persons desiring to intervene in this matter to obtain parties' rights of participation must file a Petition to Intervene with the Commission pursuant to this Commission's Rules of Procedure 72 and 73, IDAPA 31.01.01.072 and .073. **Persons who wish to intervene as a party must file a Petition to Intervene no later than 21 days after the date of service of this Order.** Such persons shall also provide the Commission Secretary with their email address to facilitate further communications. After the intervention deadline runs, the Commission Secretary shall issue a Notice of Parties that identifies the parties and assigns exhibit numbers to each party. Once the Notice of Parties has issued, Commission Staff shall informally confer with the Company and any intervening parties about how to further process this case and shall then report back to the Commission on a proposed case schedule.

YOU ARE FURTHER NOTIFIED that persons who would like to present their views without parties' rights of participation and cross-examination do not have to intervene but may present their views by submitting written comments to the Commission.

YOU ARE FURTHER NOTIFIED that the following persons are designated as the Company's point of contact in this matter:

For Husky Water:

Ronald L. Williams
Brandon Helgeson
Hawley Troxell Ennis & Hawley LLP
877 W. Main Street, Suite 200
P.O. Box 1617
Boise, ID 83701-1617
rwilliams@hawleytroxell.com
bhelgeson@hawleytroxell.com

Tom Trulock
c/o Mountain Utility Company
165 Village Lane, Suite A
Sandpoint, ID 83864
ttrulock@schweitzer.com

Bradley Mullins
MW Analytics
Teitotie 2, Suite 208
Oulunsalo Finland, FI-90460
brmullins@mwanalytics.com

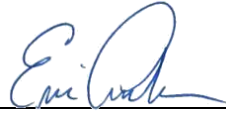
ORDER

IT IS HEREBY ORDERED that persons desiring to intervene in this case for the purpose of obtaining parties' rights of participation must file a Petition to Intervene with the Commission, complying with Rules 72 and 73, no later than 21 days from the service date of this Order.

IT IS FURTHER ORDERED that parties comply with Order No. 35375, issued April 21, 2022. Generally, all pleadings should be filed with the Commission electronically and will be deemed timely filed when received by the Commission Secretary. See Rule 14.02. Service between parties should continue to be accomplished electronically when possible. However, voluminous discovery-related documents may be filed and served on CD-ROM or a USB flash drive.

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DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 9th day of November 2023.



ERIC ANDERSON, PRESIDENT

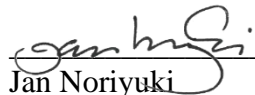


JOHN R. HAMMOND JR., COMMISSIONER



EDWARD LODGE, COMMISSIONER

ATTEST:



Jan Noriyuki
Commission Secretary

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