

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	CASE NO. ISW-W-25-01
OF INTERMOUNTAIN SEWER AND)	
WATER, CORP. FOR THE ISSUANCE OF A)	ORDER NO. 36772
CERTIFICATE OF PUBLIC CONVENIENCE)	
AND NECESSITY)	
)	

On May 29, 2025, Intermountain Sewer and Water, Corp. (“Company”) applied to the Idaho Public Utilities Commission (“Commission”) requesting a Certificate of Public Convenience and Necessity (“CPCN”) authorizing it to provide water service in and around the Mayfield Spring Planned Community in Elmore County, Idaho (“Service Area”), which is currently in development (“Application”). The Company also requests authority from the Commission to charge an interim rate for service.

On July 15, 2025, Commission Staff (“Staff”) presented a decision memo at the Commission’s regular Decision Meeting recommending that the Company’s requests be bifurcated for clarity. Staff recommended that the request for a CPCN be processed in this docket and a separate docket be opened to subsequently consider the Company’s request for an interim rate for water service.

On July 31, 2025, the Commission issued a Notice of Application and Notice of Modified Procedure setting an August 21, 2025, deadline for public comments and an August 28, 2025, deadline for the Company’s reply comments. Order No. 36688. The Order also bifurcated the case, as filed, and directed the creation of separate docket to allow Staff and interested persons to review the Company’s request to establish an interim rate for service contingent upon the outcome of the Company’s request for a CPCN.

Staff filed comments. The Company did not file reply comments and no public comments were received.

Having reviewed the record in this case, we now issue this Final Order approving the Company’s Application for a CPCN.

THE APPLICATION

The Company requested the Commission issue a CPCN authorizing the Company to provide water to the Service Area. Application at 2–3. The Company represented that the Service

Area water facilities (including well and distribution facilities) (“Water System”) were built in accordance with all applicable regulations associated with public drinking water. *Id.* at 2. The Company stated that the Water System, which will be operated by Valley Hydro, Inc., was reviewed and approved by the Idaho Department of Environmental Quality. *Id.* The Company also stated that it has the resources to ensure the Water System can be operated safely and reliably. *Id.*

STAFF COMMENTS

Staff recommended the Commission find that the Company is a water corporation operating as a public utility and grant its Application for a CPCN. Staff Comments at 2. Staff also recommended the CPCN designate the Company’s certificated area using the legal description and map of the Service Area provided in the Company’s Application. *Id.* at 5. Additionally, Staff recommended the Commission set rates at the Company’s proposed interim rates, which will be reviewed by Staff, along with the reliability of the Water System, in the separate docket that the Commission previously ordered open. *Id.* at 2; *see* Order No. 36688.

Staff believed the Company is a public utility, which is defined by *Idaho Code* § 61-129 to include a “water corporation.” Staff Comments at 2. Staff noted that a “water corporation” includes any corporation “owning, controlling, operating or managing any water system for compensation within this state.” *Id.* According to Staff, the Company did not meet any of the exceptions enumerated by *Idaho Code* § 61-104. *Id.*

COMMISSION FINDINGS AND DECISION

The Commission has jurisdiction over this matter and the issues in this case under Title 61 of Idaho Code. The Commission regulates “public utilities,” including “water corporations” that serve the public or some portion thereof for compensation. *Idaho Code* §§ 61-125, -129, and -501.

Based on our review of the record and the nature of control exercised by the Company in the ownership and operation of the Water System, we conclude the Company is a water corporation and therefore a public utility subject to this Commission’s jurisdiction. We find it reasonable to assert formal regulatory jurisdiction over the Company and its Water System. Accordingly, we have jurisdiction over the Company, a water corporation, and the issues presented in Case No. ISW-W-25-01 pursuant to *Idaho Code*, Title 61, and the Commission’s Rules of Procedure, IDAPA 31.01.01.000, *et seq.*

We find it reasonable to grant the Company’s request for a CPCN to provide water services within the Service Area, as present and future public convenience and necessity requires issuance

of such a certificate. The Company's service area shall match the legal description provided on page 35 of the Application packet and depicted in the map contained on page 34 of the same packet.

As a regulated utility, the Company is required to adopt the Commission's Utility Customer Relations Rules (UCRR; IDAPA 31.21.01 *et seq.*). These Rules provide a guide for just, reasonable, and nondiscriminatory treatment of customers. The Commission also requires the Company to adopt an accounting system consistent with the information required by the Commission's Annual Report for Small Water Companies.

ORDER

IT IS HEREBY ORDERED that the Company's Application for a CPCN authorizing it to operate as a water utility within the State of Idaho, as described herein, is approved. The Company's certificated service territory shall be that of the legal description provided on page 35 of the Application packet and depicted in the map contained on page 34 of the packet. The rates shall be the Company's proposed interim rates, which will be reviewed by Staff, along with the reliability of the Water System, in Case No. ISW-W-25-02.

IT IS FURTHER ORDERED that the Company must adopt the Commission's Utility Customer Relations Rules (IDAPA 31.21.01 *et seq.*) and Utility Customer Information Rules (IDAPA 31.21.02 *et seq.*). The Company must also adopt an accounting system consistent with the practices and information required by the National Association of Regulatory Utility Commissioners' ("NARUC") Uniform System of Accounts for Water Utilities, adopted by NARUC on November 13, 2024, and corrected on January 24, 2025.

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.

DONE by order of the Idaho Public Utilities Commission at Boise, Idaho this 29th day of September 2025.


EDWARD LODGE, PRESIDENT


JOHN R. HAMMOND JR., COMMISSIONER


DAYN HARDIE, COMMISSIONER

ATTEST:


Laura Calderon Robles
Interim Commission Secretary

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