

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF PRIEST LAKE) **CASE NO. PLW-W-24-01**
WATER’S APPLICATION FOR A)
CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY) **ORDER NO. 36442**
_____)

On October 8, 2024, Priest Lake Water, LLC (“Company”) applied for a Certificate of Public Convenience and Necessity (“CPCN”), to provide water service near Priest Lake in Bonner County, Idaho. The Company also requested authorization to increase its rates from the current single flat monthly rate of \$37 to a flat monthly rate of \$98 for residential customers and a flat monthly rate of \$100 for commercial customers.

On November 19, 2024, Commission Staff (“Staff”) presented a decision memorandum recommending that the Commission process the Company’s request for a CPCN in the present case and open a separate docket for processing the request to increase rates in a subsequent docket.

On December 4, 2024, the Commission issued a Notice of Application and Notice of Modified Procedure, establishing public comment and Company reply deadlines for the requested CPCN. Order No. 36408.¹

On December 13, 2024, Staff filed comments. The Company did not file a reply. No other public comments were filed.

Having reviewed the record, the Commission issues this final Order granting the Company a CPCN.

THE APPLICATION

The Company requests that the Commission issue a CPCN authorizing it to provide water service to domestic and commercial customers. The Company currently serves 72 residential customers in the Marvin Estates Subdivision near Priest Lake, Idaho. When completely built out, the Company could serve up to 113 lots. The Company charges customers a monthly flat rate of \$37 for water service. The Company provided written and oral notice of its Application for a CPCN to customers during the Marvin Estates P.O.A. meeting on June, 22, 2024.

¹ In addition to establishing a procedural schedule in this case Order No. 36408 also created a new docket, Case No. PLW-W-24-02, and transferred the Company’s request to increase rates to that docket for future processing contingent upon the outcome of the Company’s request for a CPCN.

STAFF COMMENTS

After reviewing the Application, exhibits, and additional information the Company provided through discovery, Staff recommended finding that the Company is a water corporation operating as a public utility and granting its Application for a CPCN. To support these recommendations, Staff noted that the Company is an Idaho business entity that is not customer owned or controlled. Because customers cannot control the Company's operations, Staff believed the Company is a public utility pursuant to *Idaho Code* § 61-129.

Staff confirmed that the legal description of the Company's proposed service territory represents the area where the Company already provides and will provide service. According to this proposed service territory, the Company will provide service to 106 lots in the Marvin Estates Subdivision as well as seven parcels that are adjacent to the subdivision. Four of these parcels are attached to the southern side of Marvin Estates subdivision² and three parcels are connected to the western side.

Additionally, Staff verified that the Company's proposed service territory neither currently overlaps nor had the potential to encroach on other water systems in the foreseeable future. Staff attached to its comments a legal description of the Company's proposed service territory as Attachment A and a map of the proposed service territory as Attachment B.

DISCUSSION AND FINDINGS

Based on our review of the record and the nature and manner of control exercised by the Company in the operation and management of the water system servicing those areas within the Marvin Estates Subdivision, 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. PLW-W-24-01 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 Marvin Estates Subdivision near Priest Lake, Idaho, as present and future public convenience and necessity requires issuance of such a certificate. The Company's service area

² Staff noted that the legal description is not completely consistent with the County's plat map for the four parcels attached to the southern side of Marvin Estates subdivision. The legal description of the parcels indicates that the southern boundary follows Lamb Creek, but the County's plat map has the parcels extending to the other side of Lamb Creek. Staff did not believe this inconsistency was problematic.

shall be that listed in Attachment A and depicted in the map contained in Attachment B to Staff's comments.

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 listed in Attachment A and depicted in the map contained in Attachment B to Staff's comments.

IT IS FURTHER ORDERED that the Company must adopt the Commission's Utility Customer Relations Rules. The Company must also adopt an accounting system consistent with the information required by the Commission's Annual Report for Small Water Companies.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code* § 61-626.

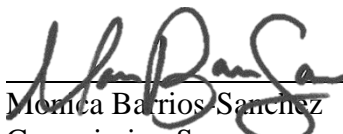
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 13th day of January 2025.


ERIC ANDERSON, PRESIDENT


JOHN R. HAMMOND JR., COMMISSIONER


EDWARD LODGE, COMMISSIONER

ATTEST:


Monica Barrios Sanchez
Commission Secretary

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