

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF SUEZ WATER IDAHO)	CASE NO. SUZ-W-21-02
INC.’S APPLICATION FOR AMENDMENT)	
OF ITS CERTIFICATE OF PUBLIC)	ORDER NO. 35130
CONVENIENCE AND NECESSITY)	

On April 2, 2021, SUEZ Water Idaho Inc. (“Company”) applied to amend its certificated service territory. The Company seeks authority to remove an approximate 520-acre area in unincorporated Ada County from its certificated service area.

On April 22, 2021, the Commission issued a Notice of Application and established a deadline for interested persons to intervene. Order No. 35013. No one intervened.

On June 2, 2021, the Commission issued a Notice of Modified Procedure establishing deadlines for public comment and the Company’s reply. Order No. 35057. Staff filed the only comments. The Company did not reply.

Having reviewed the record, we now issue this final Order approving the Company’s Application.

THE APPLICATION

The 520-acre area was added to the Company’s certificated service area in 2007 in anticipation of a residential subdivision described as the Trailhead Community being built on it. *See* Case No. UWI-W-06-04, Order No. 30367; Application, Attachments A and B (legal description and map of subject area). The Trailhead Community was never developed. The Company asserts the “entire area is undeveloped and unserved, and [the Company] has not received any formal request for extension of service from, or committed to serve, any property owner in the area.” The Company also states that it is “not aware of any development applications pending before Ada County or the City of Eagle [(“City”)] affecting this area.”

The Company and the City recently signed a Water Management Agreement (“WMA”), effective February 9, 2021. The Company agreed in the WMA to file this Application with the Commission, seeking to remove the 520-acre area from the Company’s certificated service area. The City, the Company asserts, has represented that it can and will serve customers in the 520-acre area if it is removed from the Company’s certificated service area. However, the City cannot serve the 520-acre area until it is removed from the Company’s certificated service

area because the City agreed in a 2003 franchise agreement not to provide water service in the Company's certificated service area.

The Company states, "[r]emoval of the subject area from [the Company's] certificated service area would not necessarily preclude [the Company] from extending service there in the future if a property owner required water service and [the Company] and [the City] agreed that [the Company] was best able to serve consistent with their WMA." The Company asserts that granting the Application would not impair the Company's ability to serve existing customers or to extend service to its remaining certificated service area. No Company investments would be stranded, and the usefulness of existing infrastructure would not be impacted. The Company asks that the Application be processed by Modified Procedure.

STAFF COMMENTS

Staff filed comments recommending the Commission approve the Company's request to remove the 520-acre area from CPCN No. 143. Staff reviewed the WMA and states it provides the Company and the City a mechanism to engage in discussions involving future expansion in or around the City's service area.

Staff notes the Company has not made any investments in the Trailhead Community. With no assets in place for the Trailhead Community, Staff believes neither the Company nor its customers would be harmed by removing the Trailhead Community from the Company's CPCN. Additionally, amending the CPCN would not impair the Company's ability to serve existing customers or extend service, if requested, to its remaining certificated areas.

Staff states that it is possible that hypothetical, future revenue generated from the Trailhead Community could exceed the cost to serve the area, thus reducing the burden on the general body of customers. However, the Company serves no customers in this area currently. Additionally, Staff believes that WMA negotiated between the City and the Company avoids lengthy and costly litigation.

COMMISSION DISCUSSION AND FINDINGS

The Company is a water corporation and a public utility as defined in *Idaho Code* §§ 61-125, and -129. We have jurisdiction over the issue in this case under Title 61 of the Idaho Code and the Commission's Rules of Procedure—including *Idaho Code* § 61-526 and Procedural Rule 112, IDAPA 31.01.01.112.

Based on our review of the Company's Application and Staff's recommendation, the Commission finds it appropriate to amend CPCN No. 143 to remove the approximately 520-acre parcel generally known as the Trailhead Community. Because the Company has not invested in or developed any infrastructure in the Trailhead Community area, customers will not be impacted by the removal of the area from CPCN No. 143.

We agree with Staff that the WMA provides the Company and the City a mechanism to engage in discussions involving future expansion in or around the City's service area. We are hopeful this mechanism will allow the City and the Company to plan for future water service area investments cooperatively and in customers' best interest. Additionally, if the Trailhead Community area is ever developed, the City has represented it can and will serve customers in the area if it is no longer in the Company's certificated area.

ORDER

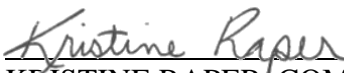
IT IS HEREBY ORDERED that Certificate No. 143 shall be amended to reflect the removal of the approximately 520-acre area from the Company's certificated service territory.

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 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. *See Idaho Code § 61-626.*

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 9th day
of August 2021.



PAUL KJELLANDER, PRESIDENT

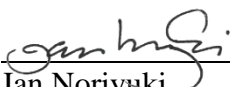


KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Jan Noriyuki
Commission Secretary

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