

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF SCHWEITZER) CASE NO. SWC-W-23-01
WATER 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)
) ORDER NO. 36063

On December 27, 2023, Schweitzer Water Company, a subsidiary of Alterra Mountain Company U.S. Inc., (“Schweitzer” or “Company”)¹ applied for approval of its acquisition of Resort Water Co. Inc.’s (“Resort Water”) assets (“Transaction”). Specifically, the Company requested that the Commission (1) approve the acquisition of Resort Water’s assets, (2) grant Schweitzer a new Certificate of Public Convenience and Necessity (“CPCN”) to serve Resort’s current service area, and (3) approve Schweitzer’s proposed tariffs (“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 the Company stated that on August 22, 2023, Schweitzer, formerly known as Husky Water Company, acquired Resort Water from its parent company—Schweitzer Mountain LLC.

YOU ARE FURTHER NOTIFIED that Schweitzer 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

¹ This same company previously filed a case with equivalent requests—except that the proposed entity to be named on that requested CPCN was Husky Water Company. *See* Case No. HWC-W-23-01. After deciding that the Company name on the requested CPCN should instead be Schweitzer Water Company, the Application in Case No. HWC-W-23-01 was withdrawn. In October 2023, Husky Water Company amended its Articles of Incorporation with the Idaho Secretary of State to reflect the new name Schweitzer Water Company.

Acme's CPCN No. 518."² Application at 5. If Schweitzer'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 Schweitzer. A map of these various systems can be found in Exhibit 6 of the Direct Testimony of Tom Trulock.

YOU ARE FURTHER NOTIFIED that the Company applied 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, Schweitzer 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 existing schedules. Application, Exhibit No. 2, Schedule No. 6.

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

YOU ARE FURTHER NOTIFIED that the Application, proposed tariffs, and direct testimonies have been filed with the Commission and are available for public inspection during

² It is not clear from the Application that the Ridge System is currently operating under a valid CPCN.

regular business hours at 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 representatives in this matter:

Ronald L. Williams
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ORDER

IT IS HEREBY ORDERED that persons desiring to intervene in this case to obtain parties' rights of participation must file a Petition to Intervene with the Commission, complying with Rules 72 and 73, within 21 days of the service date of this Order.

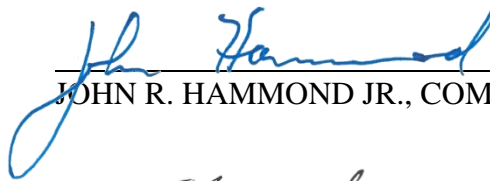
IT IS FURTHER ORDERED that, after the Notice of Parties has issued, Commission Staff shall confer with the parties regarding a procedural schedule for this matter including, if necessary, a hearing in this matter.

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.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 18th day of January 2024.



ERIC ANDERSON, PRESIDENT




JOHN R. HAMMOND JR., COMMISSIONER



EDWARD LODGE, COMMISSIONER

ATTEST:



Monica Barrios-Sanchez
Commission Secretary

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