

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF CDS STONERIDGE)	CASE NO. SWS-W-24-01
UTILITIES, LLC’S APPLICATION FOR)	
AUTHORITY TO INCREASE ITS RATES)	ORDER NO. 36247
AND CHARGES FOR WATER SERVICE IN)	
THE STATE OF IDAHO)	
)	

On February 28, 2024, CDS Stoneridge Utilities, LLC (“Company” or “Stoneridge”) applied for authorization to increase its rates and charges for water service (“Application”). The Company made a separate supplemental filing requesting an April 1, 2024, effective date.¹

On March 13, 2024, the Idaho Public Utilities Commission (“Commission”) issued a Notice of Application, Notice of Intervention Deadline, and Notice of Suspension of Proposed Effective Date. Order No. 36116. The Stoneridge Property Owners Association, Inc. (“SPOA”), the Stoneridge Recreational Club Condominium Owners Association, Inc. (“SRCCOA”), and an individual, Randolph Garrison, *pro se*, petitioned to intervene (collectively the “Intervenors”). Order Nos. 36144 and 36163.

On May 28, 2024, the Commission issued a Notice of Modified Procedure establishing public comment and Company reply deadlines and Notice of Public Workshops. Order No. 36192. The Commission Staff (“Staff”) held two public workshops on June 4, 2024, in Blanchard, Idaho that were well attended by the Company’s customers.

On June 10, 2024, Mr. Garrison filed two motions. The first requested that the Commission order the Company (or the Commission Secretary should the Company fail to promptly comply) to provide the Intervenors with discovery responses in this case. Mr. Garrison’s second motion asked the Commission to process this case via a technical hearing rather than by modified procedure.²

On June 13, 2024, Staff filed a Motion to Suspend This Matter and Vacate Comment Deadlines (“Motion”). Staff notified the Parties it planned to file the Motion and requested expeditious consideration of its Motion pursuant to Commission’s Rule of Procedure 256. IDAPA 31.01.01.256.03. The Motion stated that the Company is not represented by an attorney and has

¹ In its Application the Company initially requested a July 1, 2024, effective date. *See* Application Attachment G.

² No Motions filed by the Intervenors requested expeditious consideration pursuant to Commission Rule of Procedure 256. IDAPA 31.01.01.256.

not provided adequate discovery to the Intervenor. Accordingly, Staff discussed the legal representation requirements outlined in procedural Rule 43, IDAPA 31.01.01.43.02, and recommended that the Commission find good cause to suspend this case for an additional sixty (60) days pursuant to *Idaho Code* § 61-622(4). Staff also recommended that the Commission order the Company to file a Notice of Representation in this case within thirty (30) days of the issuance of the requested order—with the case to be automatically dismissed upon non-compliance. Relatedly, Staff recommended that the public comment and Company reply deadlines previously imposed in Order No. 36192 be vacated and a new procedural schedule be determined if the Company can secure counsel to avoid dismissal.

On June 13, 2024, Mr. Garrison filed a motion requesting that the Commission dismiss the Company’s Application due to its failure to have an attorney represent it in this case.

On June 14, 2024, Mr. Garrison filed an Attempt to Confer Exhibit – Intervenor Motion to Compel Discovery as well as certain related filings. On this same date, Mr. Garrison filed a Response in Opposition to Motion to Suspend. Mr. Garrison’s motion in opposition to Staff’s Motion was subsequently joined by SPOA and SCRCOA. SPOA also filed its own Protest to Modified Procedure, and SRCCOA filed certain correspondence to the casefile.³

Staff’s Motion was presented to the Commission at its June 18, 2024, Decision Meeting at which time the Commission made the following determinations as discussed below.

COMMISSION FINDINGS AND DECISION

The Commission has jurisdiction over Stoneridge and the issues in this case under Title 61 of the Idaho Code. Specifically, the Commission regulates “public utilities,” including “water corporations” that serve the public or some portion thereof for compensation. *See Idaho Code* §§ 61-125, -129, -501, -502, -503, -507, -523, and -622.

The Commission previously suspended the Company’s proposed effective date for 30 days plus five months, finding that the Company’s proposed date did not provide adequate time for Staff or interested persons to evaluate the Company’s proposal. Order No. 36116 at 4. Due to inactions of the Company the Commission is now forced to consider whether it should suspend the effective date again or dismiss this case.

³ At the Commission’s June 18, 2024, Decision Meeting Staff’s counsel indicated that he had received a letter from Chan Karupiah, the owner of the Company, which indicated that Mr. Karupiah was seeking legal counsel and expressed Mr. Karupiah’s desire that the case not be dismissed.

Pursuant to *Idaho Code* § 61-622(4) the Commission may extend the suspension period for an additional sixty (60) days (beyond the initial suspension period of 30 days plus five months established in Order No. 36116) after a showing of good cause on the record. Staff's Motion asserted that the inability to proceed without the Company being represented by licensed counsel provides good cause to extend the suspension. Staff represented because the Company has not retained counsel the progress of this case "has slowed or restricted the Intervenor's access to discovery." *Motion* at 4. Staff argued that due to the Intervenor's having "received no discovery responses—or woefully inadequate responses—only highlights the good cause for an additional sixty (60) day suspension." *Id.* Of course, these delays and omissions by the Company also weigh in favor of other remedies, like dismissal, as advocated for by the Intervenor's.

After considering Staff's Motion and the Intervenor's filings the Commission reluctantly finds good cause to extend the initial suspension period. First, the Commission is required by statute to consider certain matters which weigh against dismissal of this case now. *See Idaho Code* § 61-502. Like other general rate cases where the public utility is alleging that its rates and charges are insufficient, the Company makes a similar argument. If the public utility's rates and charges are insufficient the impact on the public utility's finances could materially impact its requirement to maintain safe and adequate service to its customers. *See Idaho Code* § 61-302. In this case, the issue of whether the Company's rates are insufficient is squarely before the Commission, and the Commission must carefully review that issue considering the asserted needs of the Company and its customers who have filed numerous written comments.⁴ Second, dismissal may not ensure the Company's rates are sufficient to meet its requirement to provide safe and reliable service or prevent the Company from filing a new general rate case. Staff, Intervenor's and customers of the Company have invested their time and effort and resources in this case which should not go wasted. As mentioned above, Staff has already held two informational public workshops in Blanchard, Idaho that were well attended by the customers of the Company. The Commission has also received over 200 public comments. The Commission finds that dismissal at this time would be an inefficient use of resources and may increase costs for all involved if a new general rate case application was subsequently filed. However, we cannot ignore the frustrations expressed by the

⁴ The Commission must also determine if the rates and charges proposed in this general rate case are fair, just and reasonable, are non-preferential and non-discriminatory. *See Idaho Code* § 61-502.

Intervenors due to the Company's failures to respond adequately to the discovery requests and its failure thus far to retain licensed counsel for this case.

In abundance of caution, and to preserve the investments of time and effort and resources already made, the Commission believes that it is appropriate to give this case more time so that the Commission has an opportunity to render a final decision on the Company's present Application. We hope that the direction and deadlines established in this Order will move this case forward productively for all parties. For the reasons stated above, the Commission finds good cause to suspend the effective date imposed in Order No. 36116 for an additional sixty (60) days—making the new effective date November 30, 2024. This additional suspension shall not be used by the Company to further delay the processing of this case. The Company is required to act within thirty (30) days of the issuance of this Order to remedy its omissions, preferably earlier.

First, the Company must retain licensed legal counsel to represent it in this case. Counsel amongst other matters, should ensure that the discovery process, and other aspects of this case, are adequately addressed. To Comply with the first requirement, the Company must submit a Notice of Representation to the Commission, within thirty (30) days of issuance of this Order, confirming that a licensed attorney represents it. *See* IDAPA 31.01.01.43.02.

The Company must also address the discovery issues raised by the Intervenors quickly and in good faith. This must start now whether counsel has been retained or not. To date, the Company has not filed objections to any discovery requests and as such has a duty to respond in good faith with or without counsel. In responding to discovery requests the Company must serve its discovery responses on all Parties, as required by the Commission's Rules of Procedure. *See generally* IDAPA 31.01.01.063. We remind the Company that it is not the Commission's or the Commission Secretary's responsibility to provide the Intervenors with discovery responses made by the Company. Nor is it the Commission Secretary's duty to determine the confidentiality of the Company's discovery responses should a proper claim of confidentiality be raised. The Company must immediately begin to resolve its discovery response failures after issuance of this Order, including but not limited to providing adequate responses to requests and listing who prepared such responses. The responses must be easily accessible by the Parties, including being provided in a format that can be reviewed electronically. Failure to meet any of these requirements would be a violation of this Order and could lead to further remedial actions being imposed on it or dismissal. The Commission is hesitant to fulfill the Company's responsibilities by directing the

Commission Secretary to provide the Parties with discovery responses that the Company may have provided already. Notwithstanding, Staff through its counsel or the Commission Secretary, may help facilitate the delivery of discovery responses made by the Company to the Intervenors if it aids in the processing of this case.

Staff requested that the case be dismissed automatically if the Company fails to provide proof it has retained counsel within thirty (30) days of the issuance of this Order. The Commission notes that it will closely consider the motions for dismissal of this case if the Company fails to file a Notice of Representation. Additionally, even if the Company retains counsel, if the Company continues to fail, delay, or inadequately respond to discovery requests after the Commission's requirements to do so in this Order, Mr. Garrison's motions to compel, including a new one filed on June 27, 2024, will be reviewed and decided upon by the Commission. To date the Company has not filed a response on the record to any of Mr. Garrison's motions to compel. Timely responses are required and failure to do so will weigh against the Company.

The Intervenors have also requested an order for a technical hearing rather than proceed via Modified Procedure. As part of this Order the Commission vacates the comment deadlines previously established in accordance with Staff's request; however, given the possibility that this case may be dismissed if the Company fails to comply with any of the Commission's mandates described above, the Commission believes that it is premature to set a new procedural schedule at this time and will consider the Intervenors' requests for a technical hearing and the parties motions to dismiss (if they still are advocating for that relief) if the Company retains counsel and fulfills its obligations to respond to discovery propounded by the Parties.

ORDER

IT IS HEREBY ORDERED that this case is suspended for an additional sixty (60) days beyond the suspension previously imposed in Order No. 36116. The new effective date for any changes to rates and charges, if approved, is suspended until November 30, 2024.

IT IS FURTHER ORDERED that the Company must file a Notice of Representation with the Commission Secretary within thirty (30) days of the issuance of this Order demonstrating that the Company has retained licensed counsel.

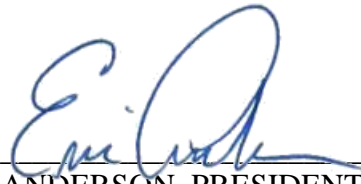
IT IS FURTHER ORDERED that the Company is ordered to immediately begin responding to all outstanding discovery requests that have been either unanswered or inadequately

answered and, in a format, accessible to the Parties. The Company must serve its discovery responses directly on all parties in this case.

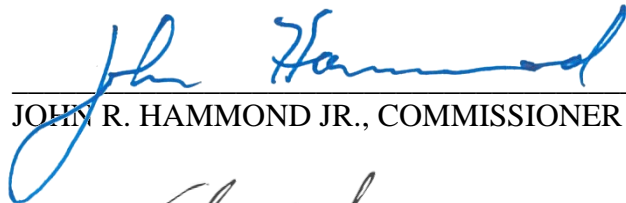
IT IS FURTHER ORDERED that the comment deadlines previously set in Order No. 36192 are hereby vacated.

THIS IS AN INTERLOCUTORY ORDER rather than a final and appealable Order of the Commission. While the Commission may review, stay, or clarify an interlocutory order, the period of reconsideration will not begin until the Final Order is issued.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 2nd day of July 2024.



ERIC ANDERSON, PRESIDENT




JOHN R. HAMMOND JR., COMMISSIONER



EDWARD LODGE, COMMISSIONER

ATTEST:



Monica Barrios-Sanchez
Commission Secretary

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