

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF TETON WATER & SEWER COMPANY’S APPLICATION FOR RESERVE FUND DISTRIBUTION FOR 2024) **CASE NO. TTS-W-25-01**
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) **ORDER NO. 36556**
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On January 20, 2025, Teton Water & Sewer Company (“Company”) filed an application (“Application”) with the Idaho Public Utilities Commission (“Commission”) requesting approval of Emergency Reserve Fund (“Reserve Fund”) distributions for necessary projects in 2024.

The Company represented that the total cost of projects for the calendar year 2024 was \$44,602.78. Application at 1. The Company states that the total amount exceeded the available funds in the Reserve Fund account for 2024, and only \$7,217.30 was used from the Reserve Fund account in 2024 with the balance of the invoices being paid from operating funds. *Id.*

STAFF COMMENTS

Staff’s review focused on the Commission’s authorized uses of the Reserve Funds as set forth in Commission Order Nos. 30718 and 34000. Staff Comments at 2. In the Application, the Company included expenditures for three projects completed in 2024: (1) 16” Tank Main Line Water Leak Repair, \$16,692.30; (2) 46 Rammell Water Leak Repair, \$11,462.60; and (3) 71 Beesley Water Leak Repair, \$16,447.88. *Id.*

Staff noted that the Company provided invoices and photo documentation for all projects. Staff believed that all three projects were unplanned emergency repairs, which fulfilled the requirements for use of the Reserve Funds. *Id.* Staff believed that the total cost of the three projects, \$44,602.78, exceeded the available funds in the reserve account by \$37,385.48. *Id.*

Based upon Staff’s review of the Application, Staff recommended that the Commission find the \$7,217.30 cost for the materials and well pressure transducer at the Water Tank, to be prudent and should be recovered from the Reserve Fund. *Id.* at 3. Staff also recommended that the remaining repairs of \$37,385.48 be booked to account 101.333 (“Plant-in-Service”, sub-account “Services”), to be recovered in the Company’s next general rate case. *Id.*

COMMISSION FINDINGS AND DECISION

The Company operates a water system as a water corporation as defined by *Idaho Code* §§ 61-124 and 61-125 and is a public utility under *Idaho Code* § 61-129. The Commission has jurisdiction over this matter under *Idaho Code* §§ 61-501, -502 and -503. The Commission is empowered to investigate rates, charges, rules, regulations, practices, and contracts of public utilities and to determine whether they are just, reasonable, preferential, discriminatory, or in violation of any provision of law, and to fix the same by order. *Idaho Code* §§ 61-502 and -503.

In Order No. 30718, the Commission authorized the establishment of the Company's Reserve Fund with specific parameters for accessing the funds. To access the Fund the Company must: (1) apply to use the Reserve Fund; (2) use the Reserve Fund only for emergencies and major unplanned capital expenditures (plant repair, maintenance, and replacement); and (3) establish an auditable paper trail for all expenses paid from the Reserve Fund.¹

When the Commission authorized the creation of the Reserve Fund, it stated the Fund "is to be used only for emergencies and major unplanned capital expenditures (plant repair, maintenance and repair)." Order No. 30718. Having reviewed the record, the Commission finds that the projects identified in the Application are like the projects the Reserve Fund is intended to cover and that the Company adequately documented its expenses.

Accordingly, the Commission approves the Company's use of \$7,217.30 from the Reserve Fund as prudently incurred. The Commission directs the Company to book the remaining \$37,385.48 in project costs not covered by the Reserve Fund in 2024 to Plant-in-Service in Account 101.333 for potential recovery during the Company's next general rate case.

ORDER

IT IS HEREBY ORDERED that the Company's use of \$7,217.30 from the Reserve Fund is approved as prudently incurred.

IT IS FURTHER ORDERED that the Company shall book the remaining \$37,385.48 in project costs not covered by the Reserve Fund in 2024 to Plant-in-Service in Account 101.333 for potential recovery during the Company's next general rate case.

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

¹ Originally, the Company could only use the Reserve Fund for capital expenditures greater than 10% of the Company's annual revenue requirement. However, the Commission eliminated that restriction in Order No. 34000.

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.*

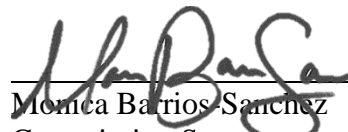
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho, this 22nd day of April 2025.


EDWARD LODGE, PRESIDENT


JOHN R. HAMMOND JR., COMMISSIONER


DAYN HARDIE, COMMISSIONER

ATTEST:


Monica Barrios-Sanchez
Commission Secretary

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