DECISION MEMORANDUM

TO: COMMISSIONER ANDERSON

COMMISSIONER HAMMOND COMMISSIONER LODGE COMMISSION SECRETARY

COMMISSION STAFF

LEGAL

FROM: ADAM TRIPLETT

DEPUTY ATTORNEY GENERAL

DATE: JANUARY 9, 2024

SUBJECT: IN THE MATTER OF THE CITY OF EAGLE AND VEOLIA WATER

IDAHO'S JOINT APPLICATION TO AMEND VEOLIA WATER IDAHO'S CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY; CASE

NO. VEO-W-23-05.

On December 28, 2023, the City of Eagle ("City") and Veolia Water Idaho, Inc. ("Company") (collectively the "Applicants") jointly applied to amend and revise the Company's Certificate of Public Convenience and Necessity ("CPCN") No. 143 to remove a portion of the City from the Company's certificated service territory. Specifically, the Applicants seek to remove from CPCN No. 143 what they refer to as "Area 4," an area encompassing the Bighorn Subdivision, the LDS Church located at 2090 N. Eagle Road, and 2 connections from the 12" mainline along Eagle Road. Veolia services twenty-five customers and four fire hydrants in this area. If the Application is approved, the water system assets servicing these customers along with other assets serving the Eagle Skate Park in the Eagle Sports Complex will be transferred to the City.

Prior to acquisition by Veolia, the Eagle Water Company serviced Area 4. In settling prior litigation between the Applicants related to the Company's acquisition of EWC, the Applicants formed a Water Management Agreement ("WMA") that, among other things, required the City apply (with Company cooperation) for removal of Area 4 from the Company's service territory. The Applicants assert that approval of their Application is in the public interest, the City's and Company's rates are comparable, and the City has a bona fide intent and financial ability to operate

¹ The WMA is between the City and Suez, which Veolia took over Suez's U.S. drinking water activities in 2022.

and maintain the water infrastructure to be transferred. The Applicants request their Application be processed via modified procedure.

STAFF RECOMMENDATION

Staff recommends that the Commission issue a Notice of Application and Notice of Intervention Deadline establishing a 21-day intervention period.

COMMISSION DECISION

Does the Commission wish to issue a Notice of Application and Notice of Intervention Deadline establishing a 21-day intervention period?

Adam Triplett

Deputy Attorney General

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