

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF VP INC.’S ) CASE NO. VPI-W-24-02**  
**APPLICATION TO AMEND CERTIFICATE )**  
**OF PUBLIC CONVENIENCE AND )**  
**NECESSITY NO. 552 ) ORDER NO. 36525**  
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On December 5, 2024, VP Inc. (“Company”) applied to amend its Certificate of Public Convenience and Necessity No. 552 to expand its certificated service territory.

On December 31, 2024, the Commission issued a Notice of Application and Notice of Modified Procedure, establishing public comment and Company reply deadlines. Order No. 36453. Commission Staff (“Staff”) filed the only comments.

Having reviewed the record, the Commission issues this final Order granting the Company’s Application as modified below.

**THE APPLICATION**

The Company provides water service to the Hidden Lakes Subdivision and First and Second Additions 1 and 2 in Bonner County, Idaho. The Company seeks to serve an area adjacent to its current service area that, according to the Company, cannot be served by any other water utility. Specifically, the Company proposes modifying its service area by adding three separate parcels that adjoin its existing service area. The Company represents that it currently can provide safe, reliable service to the expanded service area.

**STAFF COMMENTS**

After reviewing the Application, associated exhibits, and the Company’s responses to production requests, Staff recommended the Commission expand the Company’s service area identified in CPCN No. 552 to include the areas described and depicted in Attachments A and B to Staffs comments.

Staff believed the Company holds sufficient water rights to support some, but not all, of the additional service area proposed in the Application. Despite believing that the Company has the right to divert enough water to satisfy current load and likely future development, Staff indicated that only two of the three parcels proposed in the Application could be properly added

to the Company's service area. According to Staff, the Place of Use boundaries for the Company's water rights do *not* include the northernmost parcel proposed for inclusion in the Company's service area.

In response to inquiries about this issue, the Company requested the removal of the parcel located outside of its water rights from the amended service area proposed in the Application. This resulted in the amended legal description contained and depicted in Attachments A and B to Staff's comments. Staff confirmed the amended service area (1) encompasses all areas for which the Company is currently providing service, (2) does not encroach upon any other water systems, and (3) is within the limits of the Company's water rights.

### **DISCUSSION AND FINDINGS**

The Commission has authority over this matter and the issue 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, and -526.

Having reviewed the record in this case, we find it appropriate to grant the relief the Company requested in response to Staff's inquiry about the Place of Use boundaries of its water rights. As the Company will have the exclusive right to serve customers within its certificated service territory, it is critical that the Company can serve all customers in that territory. Based upon the record, it does not appear that the Company will have the ability to serve all the customers within the expanded service territory originally proposed in the Application.

However, upon being informed that it could not serve customers in one of the parcels proposed for addition to its certificated service territory with water drawn from its existing water rights, the Company requested that parcel be removed from the expanded service territory described in the Application. Removing that parcel from the Company's proposed expanded service territory resulted in the amended legal description contained and depicted in Attachments A and B to Staff's comments. We find it fair, just, and reasonable to approve the expanded service territory described and depicted in Attachments A and B to Staff's comments.

### **ORDER**

IT IS HEREBY ORDERED that the Company's Application to amend its CPCN No. 552 is granted. The Company's certificated service territory contained in its amended CPCN No. 552 shall be that described and depicted in Attachments A and B to Staff's comments.

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. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code §§ 61-626.*

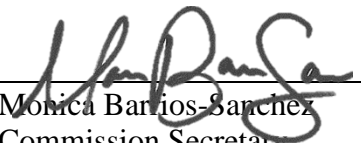
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 28<sup>th</sup> day of March 2025.

  
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EDWARD LODGE, PRESIDENT

  
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JOHN R. HAMMOND JR., COMMISSIONER

  
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DAYN HARDIE, COMMISSIONER

ATTEST:

  
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Monica Barrios-Sanchez  
Commission Secretary

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