BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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| IN THE MATTER OF THE INVESTIGATION INTO WHETHER PACKSADDLE DEVELOPMENT CORPORATION IS A PUBLIC UTILITY SUBJECT TO COMMISSION REGULATIONS                                                                  | )))))) | CASE NO. GNR-W-95-1ORDER NO. 26188 |

On September 26, 1995, the Commission conducted a hearing in this case in Driggs, Idaho, for the purpose of setting rates and charges for water service provided by the Packsaddle Development Corporation (Packsaddle).  At the hearing, counsel for both Packsaddle and various customers of the water system who intervened as parties to this case (collectively referred to as “customers”), presented the Commission with a proposed settlement pursuant to which Packsaddle would, under specified conditions, convey the water system to the customers to be operated on a non-profit basis.  The two parties had not yet executed a written agreement and requested additional time in which to resolve minor issues and obtain the consent of all the customers, some of whom reside out of state.

Entities providing utility service on a non-profit basis, such as a homeowners association, are typically not subject to this Commission’s jurisdiction.  Recognizing the desire of the parties to operate the Packsaddle water system on a non-profit basis, we issued a bench ruling at the hearing granting their request for an additional 60 days from the date of the hearing in which to resolve all issues related to the conveyance of the water system and to successfully execute a written agreement to that effect.  Packsaddle is directed, therefore, to submit said agreement to the Commission no later than Friday, November 3, 1995.  Until that time, this Commission retains its jurisdiction but will take no further action with respect to this matter.

O R D E R

IT IS HEREBY ORDERED that the Packsaddle Development Corporation shall submit a written agreement, pursuant to which Packsaddle conveys its water system to its customers to be operated on a non-profit basis, for review by the Commission no later than Friday, November 3, 1995.  In the event Packsaddle fails to submit such an agreement, this Commission will promptly reschedule this matter for hearing to establish rates and charges for water service provided by Packsaddle to its customers.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this                  day of  October 1995.

                                                             RALPH NELSON, PRESIDENT

                  MARSHA H. SMITH, COMMISSIONER

DENNIS S. HANSEN, COMMISSIONER

ATTEST:

Myrna J. Walters

Commission Secretary

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