DECISION MEMORANDUM

TO:COMMISSIONER NELSON

COMMISSIONER SMITH

COMMISSIONER HANSEN

MYRNA WALTERS

TONYA CLARK

STEPHANIE MILLER

DON HOWELL

DON OLIASON

BOB SMITH (W/O ATTACHMENT)

TERRI CARLOCK (W/O ATTACHMENT)

ROSE SCHULTE

GARY RICHARDSON

WORKING FILE

FROM:LORI MANN

DATE:JUNE 16, 1995

RE:PACKSADDLE DEVELOPMENT CORPORATION; CASE NO. GNR-W-95-1

On January 17, 1995, the Commission received a Petition requesting an investigation into whether Packsaddle Development Corporation is a public utility and therefore subject to Commission regulation.  According to the Petition, Packsaddle Development Corporation provides water service to approximately 30 customers in the Packsaddle Creek Estates Subdivision near Tetonia, Idaho.  The Petition was signed by approximately 20 people receiving water service from Packsaddle Development Corporation, the developer of the subdivision.  The petitioners alleged that although the Packsaddle Creek Estates Homeowners Association was formed on December 3, 1993, it does not own or operate the water system serving the subdivision.  The petitioners maintain that the subdivision residents are purchasing water from Packsaddle Development Corporation, which continues to own and operate the water system.

On February 24, 1995, the Commission issued Order No. 25908 opening an investigation into whether Packsaddle Development Corporation is a public utility subject to Commission regulation.  The Commission Staff was directed to issue production requests, written interrogatories and other forms of discovery as well as to pursue its statutory right to examine and audit the records of Packsaddle Development Corporation as they relate or pertain to the sale of water.

Staff has completed its investigation.  Attached to this memorandum is a copy of Staff’s report by Senior Staff Auditor Bob Smith.  His report describes in detail the water system, costs incurred by the Company, rates charged by Packsaddle, etc.  The report also contains Staff’s recommendations and lists four alternative solutions to the petitioners’ problems.

Commission Decision

What next?

Lori Mann

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