

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF THE APPLICATION
OF MURRAY WATER WORKS FOR) CASE NO. MUR-W-14-01
CANCELLATION OF ITS CERTIFICATE)
OF PUBLIC CONVENIENCE AND)
NECESSITY NO. 404) ORDER NO. 33351
_____)**

On December 1, 2014, the Commission received a letter requesting the cancellation of Murray Water Works' ("Murray") Certificate of Public Convenience and Necessity ("CPCN") No. 404. On June 30, 2015, the Commission issued a Notice of Application and Notice of Modified Procedure with a 21-day comment deadline. *See* Order No. 33332. Commission Staff was the only party to submit comments regarding Murray's Application.

The former customers of Murray residing in Murray, Idaho have formed a Water Users Association and purchased the Murray water system and real property owned by Arlin and Nancy Lish. The new owner and operator of the water system, Murray Water Association, Inc. ("MWA") is a non-profit association with elected board members and a president. MWA attached a copy of its filing as a non-profit with the State of Idaho; deed conveyance from Murray to MWA; MWA's current operating agreement; and Murray's 2010 rate schedule/tariff sheets.

STAFF COMMENTS

Staff remarked that it was informed by Mr. Lish of his intention to sell the water system. Prior to the filing of this Application, Mr. Lish advised Staff of the pending sale of the Murray water system to an organization of local customers.

Staff reviewed and examined each of the documents attached to the Application. Staff noted that MWA has elected board members and a president and has operated the water system since 2014. Further, MWA's Articles of Incorporation authorize MWA to charge members for service, make assessments, and enforce collection by terminating service. MWA's documents reveal that it will use the rates and charges established by the Commission for Murray.

Staff believes MWA is the only water service provider in the area. In Staff's view, MWA has demonstrated good faith by acquiring and operating the water system, filing Articles

of Incorporation, and electing board members and a president. Staff believes the provisions within the Articles of Incorporation will provide MWA the financial capability to adequately operate and maintain the water system. Staff remarked that MWA avowed that the transfer of ownership will not result in a rate increase. Staff believes that the transaction to transfer the water system to MWA is in the public interest. Staff believes that MWA, a non-profit association of water users formerly served by Murray, is not subject to the Commission's jurisdiction. *See Idaho Code* § 61-104. Accordingly, Staff recommended the Commission acknowledge the 2014 transfer of ownership and cancel Murray's CPCN.

COMMISSION FINDINGS

The Idaho Public Utilities Commission has jurisdiction over Murray Water Works, a water utility, and the issues presented in Case No. MUR-W-14-01 pursuant to Idaho Code, Title 61, specifically including but not limited to *Idaho Code* §§ 61-104, 61-125, 61-129, and 61-526, as well as the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

The Commission has reviewed Murray's Application, including documentation provided by Murray regarding its water system transfer agreement with MWA. The Commission finds that MWA is a non-profit association of water users and is not subject to the Commission's regulatory authority. Accordingly, the Commission acknowledges the transfer of ownership of Murray's water system to MWA and grants Murray's request for cancellation of Certificate of Public Convenience and Necessity No. 404. Thus, Murray's prior statutory obligation to provide water service in Idaho is terminated.

ORDER

IT IS HEREBY ORDERED that the Application of Murray Water Works to cancel Certificate of Public Convenience and Necessity No. 404 is granted.

THIS IS A FINAL ORDER. Any person interested in this Order (or in issues finally decided by this Order) or in interlocutory Orders previously issued in this Case No. MUR-W-14-01 may petition for reconsideration within twenty-one (21) days of the service date of this Order with regard to any matter decided in this Order or in interlocutory Orders previously issued in this case. 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 31st
day of July 2015.



PAUL KJELLANDER, PRESIDENT

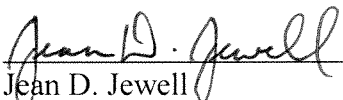


MARSHA H. SMITH, COMMISSIONER



KRISTINE RAPER, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

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