

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	
OF PACKSADDLE WATER SYSTEMS,)	CASE NO. PKS-W-15-01
INC. FOR APPROVAL OF ITS PURCHASE)	
OF THE WATER SYSTEM AND A)	NOTICE OF APPLICATION
CORRESPONDING NAME CHANGE)	
)	NOTICE OF
)	MODIFIED PROCEDURE
)	
)	ORDER NO. 33525

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that Packsaddle Water Systems, Inc. ("Packsaddle" or "Company") has submitted an Application requesting Commission approval of its purchase of the water system, formerly owned by Packsaddle Estates Water Corporation, and corresponding name change.

YOU ARE FURTHER NOTIFIED that Packsaddle argues that, because it functions as a homeowners association ("HOA") and is a "mutual non-profit organization represented by board members in a democratically-run corporation," the Commission may approve its purchase of the water system without a Certificate of Public Convenience and Necessity ("CPCN") transfer. As a non-profit corporation, Packsaddle believes that it should not be classified as a public utility subject to regulation by the Commission.

YOU ARE FURTHER NOTIFIED that Packsaddle estimates that the former owner, Packsaddle Estates Water Corporation, operated the water system for the subdivision named Packsaddle Creek Estates for nearly 40 years. The subdivision is located in Teton County, Idaho.

YOU ARE FURTHER NOTIFIED that Packsaddle explained that the previous owner of the water system was a for-profit corporation run by a single person. According to Packsaddle, the for-profit corporation did not permit the subdivision's water customers a vote or input concerning the operation of the water system.

YOU ARE FURTHER NOTIFIED that Packsaddle's Application includes a copy of its Articles of Incorporation filed with the Idaho Secretary of State. The Company states that it

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has no By-Laws. The Company alleges that each of its customers is a voting member. The Company states that it has a four-member Board of Directors and Officers serving without compensation.

YOU ARE FURTHER NOTIFIED that Packsaddle explained in its Application that the formation of the new corporation was necessary due to the poor health of the previous owner who was unable to attend to the maintenance and operation of the water system. Packsaddle states that the former owner requested that the residents assume those responsibilities.

YOU ARE FURTHER NOTIFIED that Packsaddle states in its Application that the new corporation serves the same functions as a homeowners association (“HOA”).

YOU ARE FURTHER NOTIFIED that the Company included a copy of the Purchase/Sales Agreement and Quitclaim Deed transferring the pump house, and the land upon which it is situated, to Packsaddle.

YOU ARE FURTHER NOTIFIED that Packsaddle claims that 100% of all fees collected from subdivision customers will be used for the operation and maintenance of the water system. The Company believes that this will allow for the growth of a fund for emergencies and capital improvements at the rate of approximately \$500 per month.

YOU ARE FURTHER NOTIFIED that Packsaddle attached a copy of a letter it sent to all customers giving them notice of the purchase of the water company by the new non-profit corporation.

YOU ARE FURTHER NOTIFIED that Packsaddle states that it is aware of all Idaho Department of Environmental Quality (IDEQ) environmental requirements and has access to individuals with the requisite knowledge and expertise to maintain compliance with said requirements.

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter and will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities Commission’s Rules of Procedure, IDAPA 31.01.01.201 through .204. The Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a written comment in support or opposition with the Commission no later than **21 days from the service date of this Order**. The comment must contain a statement of reasons supporting the comment. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application shall be mailed to the Commission and the Applicant at the addresses reflected below:

Commission Secretary	Packsaddle Water Systems, Inc.
Idaho Public Utilities Commission	PO Box 71
PO Box 83720	Driggs, ID 83422
Boise, ID 83720-0074	

Street Address for Express Mail:

472 W. Washington Street
Boise, ID 83702-5918

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Case Comment or Question Form" under the "Consumers" tab, and complete the comment form using the case number as it appears on the front of this document.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

YOU ARE FURTHER NOTIFIED that the Application has been filed with the Commission and is available for public inspection during regular business hours at the Commission offices. The Application is also available on the Commission's web site at www.puc.idaho.gov. Click on the "File Room" tab at the top of the page, scroll down to the type of "Open Water Cases," and then click on the case number as shown on the front of this document.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code, specifically *Idaho*

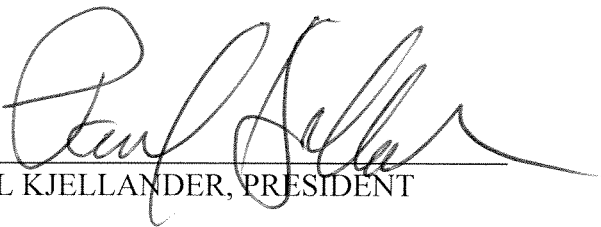
Code §§ 61-125 and 61-526. The Commission may enter any final Order consistent with its authority under Title 61 and Commission Rule of Procedure 112, IDAPA 31.01.01.112.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

ORDER

IT IS HEREBY ORDERED that Packsaddle Water Systems, Inc.'s Application shall be processed under Modified Procedure, Rules 201-204, and IDAPA 31.01.01.201-.204. Persons interested in submitting written comments must do so no later than 21 days from the service date of this order.

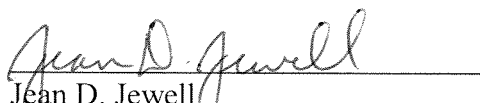
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 19th day of May 2016.


PAUL KJELLANDER, PRESIDENT


KRISTINE RAPER, COMMISSIONER


ERIC ANDERSON, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

O:PKS-W-15-01_np