

RECEIVED

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

DEC 30 2019

Notice of Change in Water Right Ownership

1. IDWR/NORTH

1. IDWR/NORTH: The numbers of all water rights and/or adjudication claim records to be changed. If you only acquired a portion of the water right or adjudication claim, check "Yes" in the "Split?" column. If the water right is leased to the Water Supply Bank, check "Yes". If you are not sure if the water right is leased to the Water Supply Bank, [see #6](#) of the instructions.

Water Right/Claim No.	Split?	Leased to Water Supply Bank?	Water Right/Claim No.	Split?	Leased to Water Supply Bank?
95-09644	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐
	Yes ☐	Yes ☐		Yes ☐	Yes ☐

2. Previous Owner's Name:

Ricker Water Company

Name of current water right holder/claimant

3. New Owner(s)/Claimant(s):

Bitterroot Water Company

New owner(s) as listed on the conveyance document

Name connector ☐ and ☐ or ☐ and/or

PO Box 2306 Hayden

Hayden

ID

83835

Mailing address

City

State

ZIP

208-683-8105

Telephone

kerickel@hotmail.com

Email

4. If the water rights and/or adjudication claims were split, how did the division occur?

- ☐ The water rights or claims were divided as specifically identified in a deed, contract, or other conveyance document.
☐ The water rights or claims were divided proportionately based on the portion of their place(s) of use acquired by the new owner.

5. Date you acquired the water rights and/or claims listed above: April 9th 2018

6. If the water right is leased to the Water Supply Bank changing ownership of a water right will reassign to the new owner any Water Supply Bank leases associated with the water right. Payment of revenue generated from any rental of a leased water right requires a completed [IRS Form W-9](#) for payment to be issued to an owner. A new owner for a water right under lease shall supply a W-9. Water rights with multiple owners must specify a designated lessor, using a completed [Lessor Designation](#) form. Beginning in the calendar year following an acknowledged change in water right ownership, compensation for any rental will go to the new owner(s).

7. This form must be signed and submitted with the following **REQUIRED** items:

- ☒ A copy of the conveyance document -- warranty deed, quitclaim deed, court decree, contract of sale, etc. The conveyance document must include a legal description of the property or description of the water right(s) if no land is conveyed.
☒ Plat map, survey map or aerial photograph which clearly shows the place of use and point of diversion for each water right and/or claim listed above (if necessary to clarify division of water rights or complex property descriptions).
☐ Filing fee (see instructions for further explanation):
 o \$25 per *undivided* water right.
 o \$100 per *split* water right.
 o No fee is required for pending adjudication claims.
☐ If water right(s) are leased to the Water Supply Bank AND there are multiple owners, a Lessor Designation form is required.
☐ If water right(s) are leased to the Water Supply Bank, the individual owner or designated lessor must complete, sign and submit an IRS Form W-9.

8. Signature:

Catherine L. Ricker

Signature of new owner/claimant

Sec / TRGAS

Title, if applicable

12-30-19

Date

Signature:

Signature of new owner/claimant

Title, if applicable

Date

For IDWR Office Use Only:

Received by

Jan N / 2/26/2020

Date

Receipt No.

N035937

Receipt Amt.

2500

Active in the Water Supply Bank? Yes ☐ No ☐

If yes, forward to the State Office for processing

W-9 received? Yes ☐ No ☐

Name on W-9

Approved by

Processed by

HS
Ja

Date

12-30-19
2/26/2020

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE JOINT	)	CASE NO. RIC-W-17-01
APPLICATION OF RICKEL WATER	)	
COMPANY AND BITTERROOT WATER	)	ORDER NO. 34027
SYSTEM, INC. TO COMBINE INTO A	)	
SINGLE COMPANY	)	

On July 28, 2017, Rickel Water Company ("Rickel") and Bitterroot Water System, Inc. ("Bitterroot") submitted a one-page letter Application to the Commission to consolidate the two Companies into one. The Companies stated that they are interconnected and share common ownership. The Companies further stated that if the request were approved by the Commission, they would continue to operate under the current rate structure and rules.

The Commission issued Notice of the Application and set an intervention deadline of September 5, 2017. No intervenors appeared. Staff reviewed the Companies' Application, spoke with the Companies' owner, and requested additional information. Staff filed the only comments and recommended that the request to consolidate the two water utilities be conditionally approved.

BACKGROUND

Bitterroot is an owner-operated water utility providing water service under Certificate of Public Convenience and Necessity (CPCN) No. 319. It serves approximately 120 customers in in Kootenai County, Idaho. Rickel is a contiguous water utility providing water service under CPCN No. 324. It serves approximately 38 customers.

STAFF COMMENTS

Staff recommended that the two Companies be allowed to consolidate into a new company—Bitterroot Water System, Inc.—and to operate under the Bitterroot CPCN.¹ However, Staff also expressed that the new entity should maintain separate rates and accounting of the Rickel and Bitterroot Water System customer groups until the new entity obtains new rates through a general rate case.

Staff reviewed the Companies' approved tariffs, and noted that it would be impossible to operate the two entities under the same tariff without raising rates on one customer group or the other. Staff commented that "applying Rickel rates to Bitterroot customer usage would increase

¹ The Application stated a request to consolidate under the name Rickel Water, but in subsequent conversations with the applicants, the request was revised to use the name Bitterroot Water System, Inc.

the average Bitterroot bill by approximately 9%.” Staff Comments at 2. The tariffs also contain differences in recurring and non-recurring charges, and rules and regulations. *Id.* Staff argued that a consolidation under a unified rate schedule would be possible only after a general rate case was filed. *Id.* In discussions with Staff, the Companies agreed to retain the existing separate rate schedules. *Id.* Staff recommended that the consolidated Company work with Staff to update its tariffs using the most current version of the Small Water Company Model Tariff. *Id.*

Staff evaluated the applicants’ claim that the two systems are interconnected. *Id.* at 3. Staff reported that the Companies did not sufficiently respond to Staff information requests. *Id.* However, the Companies stated that an eight-inch diameter pipe connects the two systems. *Id.* Staff highlighted a serious concern that the systems may not meet fire-flow requirements, a concern the local fire department echoed when questioned by Staff. *Id.* Staff stated that any rate case would require further evaluation of this issue. *Id.*

Finally, Staff recommended that the new consolidated company write to inform customers that it formed through the merger of Rickel Water Company and Bitterroot Water System, Inc., and that it had obtained the Commission’s approval to operate those Companies’ systems as a consolidated entity. *Id.*

FINDINGS AND CONCLUSIONS

The Idaho Public Utilities Commission has jurisdiction over Rickel Water and Bitterroot Water System, Inc., their joint Application, and the issues involved in this case by virtue of Title 61, and the Commission’s Rules of Procedure, IDAPA 31.01.01.000 *et seq.* After thoroughly analyzing the proposal and Staff’s comments recommending conditional approval, we approve the Application.

We find that the Companies’ Application is reasonable and in the public interest. *See Browning v. Wood*, 99 Idaho 174, 579 P.2d 120 (1978) (noting that the Commission must consider the public interest in addressing Applications such as this). We further find the following conditions appropriate:

1. The combined Company must use the currently approved rates for Bitterroot and Rickel until it files and obtains new rates through a general rate case;
2. The combined Company must work with Staff to update its tariffs; and
3. The combined Company must notify all customers in writing that the Bitterroot and Rickel systems have consolidated into a single Company.

Accordingly, the Commission approves the Companies' Application to combine into a single entity, Bitterroot Water System, Inc. under CPCN No. 319.

ORDER

IT IS HEREBY ORDERED that the Companies' Application, and the merger of Rickel Water Company and Bitterroot Water System, Inc. into a single public utility called Bitterroot Water System Inc., is approved. The combined Company shall serve Rickel's and Bitterroot's former customers under Bitterroot Water System CPCN No. 319. CPCN No. 319 is amended to include the service area of Rickel Water Company CPCN No. 324.

IT IS FURTHER ORDERED that CPCN No. 324, issued to Rickel Water Company, is cancelled.

IT IS FURTHER ORDERED that the combined Company shall continue to bill and collect under Bitterroot Water's and Rickel Water's existing approved rates until the combined Company files and obtains new Commission-approved rates, through a general rate case.

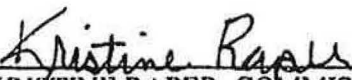
IT IS FURTHER ORDERED that the combined Company work with Staff to update its tariffs.

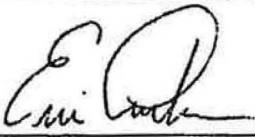
IT IS FURTHER ORDERED that the combined Company send notice to its customers of the consolidation of Bitterroot and Rickel by **no later than June 5, 2018**.

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 9th
day of April 2018.


PAUL KJELLANDER, PRESIDENT


KRISTINE RAPER, COMMISSIONER


ERIC ANDERSON, COMMISSIONER

ATTEST:


Diane M. Hanian
Commission Secretary

RICW1701_final_bk3



0003529456



STATE OF IDAHO
Office of the secretary of state, Lawrence Denney
ANNUAL REPORT

Idaho Secretary of State
PO Box 83720
Boise, ID 83720-0080
(208) 334-2301
Filing Fee: \$0.00

*For Office Use Only***-FILED-**

File #: 0003529456

Date Filed: 6/3/2019 8:56:51 AM

Entity Name and Mailing Address:

BITTERROOT WATER CO., INC.

The file number of this entity on the records of the Idaho Secretary
of State is: 0000342125

Address PO BOX 2306
HAYDEN, ID 83835-2306

Entity Details:

Entity Status Active-Good Standing

This entity is organized under the laws of: IDAHO

If applicable, the old file number of this entity on the records of the
Idaho Secretary of State was: C111082

The registered agent on record is:

Registered Agent NORMAN L GISSEL
Registered Agent
Physical Address
1424 E SHERMAN AVE STE 100
COEUR D'ALENE, ID 83814
Mailing Address

Corporate Officers and Directors:

Name	Title	Address
CATHY RICKEL	Secretary	PO BOX 2306 HAYDEN, ID 83835
KEN RICKEL	President	PO BOX 2306 HAYDEN, ID 83835

The annual report must be signed by an authorized signer of the entity.

Catherine Rickel

Sign Here

06/03/2019

Date

Signer's Title: Sec/Treas

B0270-4197 06/03/2019 8:56 AM Received by ID Secretary of State Lawrence Denney



State of Idaho

DEPARTMENT OF WATER RESOURCES

Northern Region • 7600 N MINERAL DR STE 100 • COEUR D ALENE, ID 83815-7763
Phone: (208)762-2800 • Fax: (208)769-2819 • Website: www.idwr.idaho.gov

Brad Little
Governor

Gary Spackman
Director

February 26, 2020

BITTERROOT WATER CO
PO BOX 2306
HAYDEN LAKE ID 83835-2306

Re: Change in Ownership for Water Right No(s): 95-9644

Dear Water Right Holder(s):

The Department of Water Resources (Department) acknowledges the receipt of correspondence changing ownership of the above referenced water right(s) to you. The Department has modified its records and has enclosed a computer-generated report for you.

Updating the ownership record for a water right does not reconfirm the validity of the right. When processing a Notice of Change in Water Right Ownership, the Department does not review the history of water use to determine if the right has been forfeited or deliberately abandoned through five years or more of non-use. To read more about water right forfeiture, including how to protect a water right from forfeiture, please see Idaho Code §§ 42-222 and 42-223.

Please note, water right owners are required to report any change of water right ownership and any change of mailing address to the Department within 120 days of the change. Reporting forms are available from any office of the Department, or from the Department's website.

If you have any questions concerning the enclosed information, please contact the Northern Region Office at (208) 762-2800.

Sincerely,

Tammy Alleman
Administrative Assistant 1

Enclosure(s)

Alleman, Tammy

From: Alleman, Tammy
Sent: Tuesday, February 25, 2020 4:31 PM
To: 'kcrickel@hotmail.com'
Subject: Ownership Change for Water Right 95-9644

Dear Interested Parties in Ownership Change for 95-9644:

The Department of Water Resources (Department) acknowledges receipt of your Notice of Change in Water Right Ownership (Notice).

Our review of your Notice indicates that fees are required before the Department can process the change. The information was originally submitted as a name change and would not require a fee. After further review, this was determined to be a merger and not a name change and therefore the fees would be applicable to process this Notice of Change in Water Right Ownership.

_____ Filing Fee of \$25 per water right

Effective July 1, 2000, the legislature enacted House Bill No. 545 requiring a filing fee for a change in water right ownership. All ownership change notices received after June 30, 2000 must include the appropriate filing fees in order to be processed. We have determined that the filing fee for your notice will be 25.00.

Because the Department cannot process the Notice without proper fees, we will hold any action on your notice pending receipt of the necessary fees. If we do not receive the necessary fees within 30 days we will return your notice and all attachments and your notice will not be processed.

Also, please note that permit holders are required to report any change of ownership and/or mailing address to the Department within 120 days of the change. Failure to report these changes could result in a \$100 late filing fee. Forms to assign ownership or update your address are available from any office of the Department or on the Department's website.

If you have any questions regarding this matter, please contact me at (208) 762-2800.

Sincerely,

Tammy Alleman

*Tammy Alleman
Administrative Assistant
Idaho Department of Water Resources
7600 N Mineral Drive, Suite 100
Coeur d'Alene, ID 83815-7763
Phone: (208) 762-2800
Fax (208) 762-2819*