BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Application for)	DOCKET UW-050179
the Sale and Transfer of Assets of)	
)	ORDER NO. 01
GUEMES ISLAND WATER)	
COMPANY, INC.,)	
)	ORDER GRANTING
Applicant)	APPLICATION FOR SALE AND
)	TRANSFER AND ORDER
to)	REMOVING COMPANY FROM
)	REGULATION AND CANCELING
Holiday Hideaway Association)	TARIFF
)	
	,	

BACKGROUND

- On February 2, 2005, Guemes Island Water Company made an application for sale and transfer of assets to Holiday Hideaway Community Association. On March 1, 2004, the Holiday Hideaway Community Association took over operation of the Guemes Island water system. The water system serves approximately 130 residential-metered customers and 90 ready-to-serve connections and is located on Guemes Island in Skagit County.
- On March 1, 2004, customers received notice of the sale of the water system by reference in several community newsletters and meetings. The Holiday Hideaway Community Association now sets the rates and operating procedures for the water system and as a result, the Commission should remove Guemes Island Water Company from regulation and cancel its currently effective tariff WN U-1.
- As a result of this application and investigation, Guemes Island Water is determined to no longer provide regulated water service. The Commission can remove a water company from regulation under the provisions of RCW 80.04.010. A water company cannot be removed from regulation except with the

approval of the Commission. Removing Guemes Island Water Company from regulation will be consistent with the public interest, because the water system is now operated and owned by Holiday Hideaway Community Association, which is not regulated by this Commission.

This matter was brought before the Commission at its regularly scheduled open meeting on February 23, 2005. The Commissioners, having been fully advised in the matter, and having determined the following order to be consistent with the public interest, directed the Secretary to enter the following order and related provisions.

FINDINGS AND CONCLUSIONS

- The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, rules, regulations, practices, accounts, securities, and transfers of public service companies, including water companies. RCW 80.01.040; Chapter 80.04 RCW; Chapter 80.12 RCW and Chapter 80.28 RCW.
- 6 (2) Guemes Island Water Company, Inc., is an investor-owned water company and is a public service company subject to the jurisdiction of the Commission.
- 7 (3) Holiday Hideaway Community Association is a member-owned association and is a public service entity not subject to the jurisdiction of the Commission.
- 8 (4) After review of the application filed in Docket UW-050179 by Guemes Island Water Company, Inc., on February 2, 2005, and giving due consideration, the Commission finds that the Application of the Sale and

Transfer of water company assets by Guemes Island Water Company, Inc., to Holiday Hideaway Community Association, is consistent with the public interest and should be authorized.

9 (5) From all indications, it appears to be in the public interest to grant the request of removal from regulation and cancel the corresponding tariff.

ORDER

THE COMMISSION ORDERS:

- 10 (1) The Commission authorizes the Sale and Transfer consistent with the joint application in accordance with RCW 80.12.020. No material change, revision, or amendment to the joint application and agreement shall become effective without the Commission's prior written approval.
- 11 (2) Guemes Island Water Company, Inc., is hereby determined not to be jurisdictional pursuant to the Commission staff investigation and documents filed with the Commission.
- 12 (3) Guemes Island Water Company, Inc., is removed from regulation by this Commission and its current tariff WN U-1 is canceled as of the effective date of this order.

DATED at Olympia, Washington, and effective this 23rd day of February, 2005.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

CAROLE J. WASHBURN, Secretary