BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION.

DOCKET UW-170133

Complainant,

ORDER 01

v.

COMPLAINT AND ORDER SUSPENDING TARIFF

SOUTHGATE WATER SYSTEMS, INC..

Respondent.

BACKGROUND

- On March 1, 2017, Southgate Water Systems, Inc. (Southgate Water or Company) filed with the Utilities and Transportation Commission (Commission) a tariff revision that would create a monthly surcharge. The proposed surcharge would be used to fund a reserve account for future pump repairs and would expire upon the collection of \$55,000 plus taxes. The revenue impact of this filing will be an annual increase of \$20,000 (25.8 percent). The company serves 101 customers near Kennewick in Benton County. The proposed effective date is April 1, 2017. The company's last rate increase was effective on April 1, 2009.
- Commission staff (Staff) has not yet completed its analysis of the documents the Company submitted to support the proposed surcharge. Accordingly, the Company has not yet demonstrated that its proposed tariff revisions are in the public interest.
- 3 Staff recommends suspending the filing to allow sufficient time for Staff to complete its review of the Company's supporting financial documents, books, and records to determine whether the proposed surcharge is appropriate.

DISCUSSION

The Commission agrees with Staff's finding that Southgate has not yet demonstrated that the proposed tariff revisions are in the public interest. The Commission, therefore, suspends the tariff filing for investigation and further proceedings to make that determination.

FINDINGS AND CONCLUSIONS

- The Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, regulations, practices, and accounts of public service companies, including water companies.
- 6 (2) Southgate is a water company and a public service company subject to Commission jurisdiction.
- 7 (3) On March 1, 2017, Southgate filed proposed tariff revisions that would create a surcharge applicable to customers receiving service from the Company.
- 8 (4) Southgate has not yet demonstrated that the proposed tariff revisions are in the public interest.
- 9 (5) The Commission should investigate Southgate's accounts, practices, and activities, and should investigate and appraise various phases of the Company's operations to determine whether the proposed tariff revisions are in the public interest.
- Southgate bears the burden of proof to show that the proposed tariff revisions are in the public interest.

ORDER

THE COMMISSION ORDERS:

- 11 (1) The tariff revisions filed by Southgate Water Systems, Inc. on March 1, 2017, are suspended.
- 12 (2) Southgate Water Systems, Inc. must not change or alter the tariffs filed in this docket during the suspension period, unless authorized by the Commission.
- 13 (3) The Commission will institute an investigation of Southgate Water System's Inc. books, accounts, practices, activities, and operations, as described above, and may hold hearings at such times and places as may be required.

DATED at Olympia, Washington, and effective March 29, 2017.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

ANN E. RENDAHL, Commissioner