



**FINDINGS AND CONCLUSIONS**

- 5 (1) 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.
- 10 (6) 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