

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

AMERICAN WATER RESOURCES,
INC.,

Respondent.

DOCKET NO. UW-010961

DOCKET NO. UW-031284

STAFF MOTION FOR ORDER
AMENDING COMMISSION
ORDER ACCEPTING
SETTLEMENT AGREEMENT
DATED DECEMBER 18, 2001

1 Commission Staff hereby moves that the Commission enter an order amending
the Order Accepting Settlement Agreement¹ in Docket No. UW-010961, dated December
18, 2001, to impose a refund obligation upon American Water Resources, Inc. (AWR).

I. BACKGROUND

2 On December 18, 2001, the Commission entered an Order Approving Settlement
Agreement (Order), which incorporated the terms of a settlement agreement between
AWR and Commission Staff. In part, the Order required AWR to deposit \$4.40 per
month from each customer into an account titled the "Docket 010961 Account." The
Order set forth specific purposes for which the funds in the Docket 010961 Account
could be spent. In particular, AWR was required to use the money in the Docket 010961
Account to cover only those expenses for employees hired in addition to existing
employee positions, the related benefits, payroll tax, transportation expense, and

¹ *WUTC v. American Water Resources, Inc.*, Docket No. UW-010961, Order Approving Settlement Agreement
(December 18, 2001).

outside business consulting that exceed the monthly average spent during the test period. The monthly averages were calculated as \$17,447.00 for Salary, \$2,787.00 for Transportation, \$4,662.00 for Payroll Tax and Benefits, and \$917.00 for Business Consulting.

3 The Order also prohibited AWR from using the funds from the Docket 010961 Account for expenses due to changes in position of existing employees or expense increases for existing employee positions.

4 Staff reviewed quarterly reports filed by AWR and AWR's books and records. Staff's review indicated that AWR used funds from the Docket 010961 Account without meeting the criteria set forth in the Order.

II. COMMISSION AUTHORITY

5 The Commission has the authority to alter or amend any order after notice and opportunity to respond under RCW 80.04.210 and WAC 480-09-815. The Commission has provided notice to AWR of its inquiry into whether an amendment of the Commission's Order Accepting Settlement is appropriate. *WUTC v. AWR*, Docket No. UW-010961, Order Reopening Docket/Docket No. UW-031284, Complaint Against Rates at ¶ 11 (August 13, 2003). AWR has an opportunity to respond to Staff's motion.

III. REQUEST FOR RELIEF

6 Commission Staff requests that the Commission amend its Order Accepting Settlement Agreement to require AWR to refund or credit its customers for funds collected and required to be deposited into the Docket 010961 Account, but not used for

the purposes for which they were collected. Refunds should be calculated from the date of the Order Reopening Docket/Complaint Against Rates (August 13, 2003).

DATED this 9th day of September 2003.

CHRISTINE O. GREGOIRE
Attorney General

A handwritten signature in black ink, appearing to read "Mary Tennyson", is written over a horizontal line.

MARY TENNYSON
Senior Assistant Attorney General
Washington Utilities and
Transportation Commission
(360) 664-1220