

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

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| WASHINGTON UTILITIES AND |) | DOCKET NO. UW-041830 |
| TRANSPORTATION |) | |
| COMMISSION, |) | ORDER NO. 01 |
| |) | |
| Complainant, |) | |
| |) | |
| v. |) | |
| |) | |
| ILIAD WATER SERVICES, INC., |) | |
| |) | COMPLAINT AND ORDER |
| Respondent. |) | SUSPENDING TARIFF REVISION |
| |) | |

BACKGROUND

- 1 On October 11, 2004, Iliad Water Services, Inc., (Iliad Water or Company) filed with the Commission a revision to its currently effective Tariff WN U-01, designated as Original Sheet No. W-104. The stated effective date is November 11, 2004, for a Treatment Assessment proposed to be charged to its Alder Lake Water System customers. On November 4, 2004, the Company filed to change the filed tariff's effective date to December 6, 2004.

- 2 The filing would increase charges and rates for service provided by Iliad Water. Because those increases might injuriously affect the rights and interests of the public and Iliad Water has not demonstrated that the increases would result in rates that are fair, just and reasonable, the Commission suspends the tariff filing and will hold public hearings if necessary to determine whether the proposed increases are fair, just and reasonable.

FINDINGS AND CONCLUSIONS

- 3 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate

rates, regulations, practices, accounts, securities, and transfers of public service companies, including water companies. *RCW 80.01.040; Chapter 80.04 RCW; and Chapter 80.28 RCW.*

- 4 (2) Iliad Water is a water company and is a public service company subject to the jurisdiction of the Commission.
- 5 (3) This matter was brought before the Commission at its regularly scheduled meeting on November 24, 2004.
- 6 (4) The tariff revision filed by Iliad Water on October 11, 2004, would increase charges and rates for service provided by Iliad Water, and might injuriously affect the rights and interest of the public.
- 7 (5) Iliad Water has not yet demonstrated that the tariff a revision would result in rates that are fair, just and reasonable.
- 8 (6) In order to carry out the duties imposed upon the Commission by law, and as authorized in RCW 80.04.130, the Commission believes it is necessary to investigate Iliad Water's books, accounts, practices and activities; to make a valuation or appraisal of Iliad Water's property; and to investigate and appraise various phases of Iliad Water's operations.
- 9 (7) As required by RCW 80.04.130 (4), Iliad Water bears the burden of proof to show that the proposed increases are fair, just and reasonable.
- 10 (8) Iliad Water may be required to pay the expenses reasonably attributable and allocable to such an investigation to the extent the requirements for

such payment are in accordance with the provisions of Chapter 80.20 RCW.

ORDER

THE COMMISSION ORDERS:

- 11 (1) The tariff revision filed on October 11, 2004, is suspended.
- 12 (2) The Commission will hold hearings at such times and places as may be required.
- 13 (3) Iliad Water Services, Inc., must not change or alter the tariffs filed in this docket during the suspension period, unless authorized by the Commission.
- 14 (4) The Commission will institute an investigation of Iliad Water Services, Inc.'s books, accounts, practices, activities, property and operations as described above.
- 15 (5) Iliad Water Services, Inc., shall pay the expenses reasonably attributable and allocable to the Commission's investigation to the extent the requirements for such payment are in accordance with the provisions of Chapter 80.20 RCW.

DATED at Olympia, Washington, and effective this 24th day of November, 2004.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARILYN SHOWALTER, Chairwoman

RICHARD HEMSTAD, Commissioner

PATRICK J. OSHIE, Commissioner