

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION

WASHINGTON UTILITIES AND)	
TRANSPORTATION COMMISSION)	DOCKET NO. UW-010877
)	
Complainant)	FOURTH SUPPLEMENTAL
)	ORDER
v.)	
)	ORDER GRANTING INTERIM
RAINIER VIEW WATER COMPANY,)	RATES, SUBJECT TO REFUND
INC.)	
)	
Respondent)	
)	
.....)	

Synopsis: The Commission grants a request by Rainier View Water Company, Inc., for interim implementation of requested rate relief, subject to refund, pending review of the initial order in this docket and entry of a final Commission order.

I. BACKGROUND

- 1 On June 15, 2001, Rainier View Water Company, Inc. (Rainier View or Company) filed with the Commission revisions to its currently effective Tariff WN U-2 designed to effectuate a general rate increase of \$445,895. On July 11, 2001, the Tariff revisions were suspended and on August 29, 2001 the matter was set for hearing. The Commission conducted an evidentiary hearing on February 13 and 14, 2002 in Olympia, Washington. On May 3, 2002, the Administrative Law Judge entered her Initial Order (*Third Supplemental Order, Docket No. UW-010877*) proposing rejection of the tariff filing but authorizing refiling of rates producing additional revenues of \$272,870.

- 2 On May 16, 2002, Rainier filed a request for an interim rate increase of \$204,653, 75% of the Initial Order’s proposed increase. The revisions are designated as Original Sheet No. 21.2 and Original Sheet No. 32.1. The Company requests that the Interim rates become effective June 1, 2002.

- 3 The May 16, 2002, filed revisions, Original Sheet No. 21.2 and Original Sheet No. 32.1. These revisions supercede Seventh Revision Sheet No. 21, Original Sheet No. 21.1 and Sixth Revised Sheet No. 32, of Rainier View’s current tariff WN U-2 until permanent rates resulting from Docket No. UW-010877 become effective.

4 The Company reports that for calendar year 2001, and the first quarter of 2002, Rainier View failed to meet its debt service coverage ratios with its primary lender. Interim rates will increase cash flow and provide assurance to the lender of the continuing viability of the company.

5 Rainier View is requesting interim rates since the Regulatory Services Staff will be filing a Petition for Administrative Review of certain issues addressed in the Commission's Initial Order in this Docket. Rainier View has an immediate need for credit. It is concerned that its financial condition is precarious and states that, absent immediate interim relief, the company's ability to fulfill its public service obligations is in jeopardy.

6 Commission Staff filed a response to the request for interim rates on May 20, 2002. Staff supports the request and states that in its view the resulting rates would be fair, just and reasonable.

7 The proposed interim tariff revisions appear to be fair, just, and reasonable under the circumstances, given the financial circumstances faced by the Company and the Commission Staff support for the proposal.

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

- 11 (1) Rainier View is water company and is a public service company subject to the jurisdiction of the Commission.
- 12 (2) The existing rates for water service provided by Rainier View are insufficient to maintain the financial viability and to yield reasonable compensation for the service rendered. Rainier View requires immediate relief in its rates it charges for water service.
- 13 (3) After careful examination of the proposed interim tariff revisions filed by Rainier View on May 16, 2002, and giving consideration to all relevant matters and for good cause shown, the Commission finds that the interim tariff revisions are fair, just, and reasonable for application as interim rates, pending a Commission order in this docket, and subject to refund to the extent that the permanent rates authorized in this docket are lower than the interim rates herein approved.

III. ORDER

- 14 (1) THE COMMISSION ORDERS that the tariff revisions filed May 16, 2002, designated as Original Sheet No. 21.2, and Original Sheet No. 32.1 shall

become effective June 1, 2002.

- 15 (2) THE COMMISSION ORDERS FURTHER that the tariff revisions filed May 16, 2002, shall remain in effect only until such time as permanent rates resulting from Docket No. UW-101877 become effective.
- 16 (3) THE COMMISSION ORDERS FURTHER that if the Final Order in this Docket reflects a revenue requirement less than the \$204,653 allowed on an annual basis in Interim rate relief, the amount collected in excess will be refunded over the same time period in which the excess was collected.
- 17 (4) THE COMMISSION ORDERS FURTHER that the it retains jurisdiction over the subject matter of this order.

DATED at Olympia, Washington, and effective this ____ day of May, 2002.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARILYN SHOWALTER, Chairwoman

RICHARD HEMSTAD, Commissioner

PATRICK J. OSHIE, Commissioner