BEFORE THE WASHINGTON

**UTILITIES AND TRANSPORTATION COMMISSION**

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| WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,  Complainant,  v.  NORTHBAY WATER UTILITY CORPORATION  Respondent.  . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . | ) ) ) ) ) ) ) ) ) ) )  )  ) | DOCKET UW-141206  ORDER 01  COMPLAINT AND ORDER SUSPENDING TARIFF |

## BACKGROUND

1. On May 29, 2014, Northbay Water Utility Corporation (Northbay or Company), filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff WN U-1, designated as Fifth Revision of Sheet No. 20 canceling Fourth Revision Sheet No. 20, Third Revision of Sheet No. 20.1 canceling Second Revision Sheet No. 20.1, Third Revision of Sheet No. 22 canceling Second Revision Sheet No. 22, First Revision of Sheet No. 23 canceling Original Sheet No. 23 and Third Revision of Sheet No. 40 canceling Second Revision Sheet No. 40. The Company filed tariff revisions that would generate $12,980 (15 percent) in additional annual revenue. The purpose of the proposed general rate increase is to offset expenses to repair and maintain water system operations, and recover added capital cost for filtration. Northbay is also increasing several ancillary charges. The proposed effective date is July 1, 2014. Northbay provides water service to 214 residential customers on 53 water systems located in Lewis and Thurston Counties. The Company’s last rate change was effective September 15, 2006.
2. The Commission’s regulatory staff (Staff) reviewed the Company’s filing. The Company has not responded to Staff’s data requests, and Staff has determined that Northbay has not yet demonstrated it needs additional revenue or that the proposed rates are fair, just, reasonable and sufficient. Accordingly, Staff recommends that the Commission suspend and investigate the tariff revisions.

**DISCUSSION**

1. Northbay has not demonstrated that the proposed tariff revisions would result in rates that are fair, just, reasonable, and sufficient. The Commission, therefore, determines that it should suspend the tariff filing for investigation and further proceedings to make that determination.

**FINDINGS AND CONCLUSIONS**

1. (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, and accounts of public service companies, including water companies.
2. (2) Northbay is a water company and a public service company subject to Commission jurisdiction.
3. (3) On May 29, 2014, Northbay filed a proposed general rate increase that would generate $12,980 (15 percent) in additional annual revenue.
4. (4) The tariff revisions Northbay filed on May 29, 2014, would increase rates for water service provided by the Company.
5. (5) Northbay has not yet demonstrated that the tariff revisions would result in rates that are fair, just, reasonable, and sufficient.
6. (6) The Commission should investigate Northbay’ accounts, practices, and activities, and should investigate and appraise various phases of the Company’s operations to determine whether the tariff revisions would result in rates that are fair, just, reasonable, and sufficient.
7. (7) Northbay bears the burden of proof to show that the proposed increases are fair, just, reasonable, and sufficient.

**O R D E R**

**THE COMMISSION ORDERS:**

1. (1) The tariff revisions filed by Northbay Water Utility Corporation, on May 29, 2014, are suspended.
2. (2) Northbay Water Utility Corporation must not change or alter the tariffs filed in this docket during the suspension period, unless authorized by the Commission.
3. (3) The Commission will institute an investigation of Northbay Water Utility Corporation’s 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 June 26, 2014.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

JEFFREY D. GOLTZ, Commissioner