

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

WASHINGTON UTILITIES AND)	DOCKET UW-082113
TRANSPORTATION)	
COMMISSION,)	ORDER 01
)	
Complainant,)	
)	
v.)	
)	
DEER MEADOWS WATER,)	
COMPANY INCORPORATED,)	
)	COMPLAINT AND ORDER
Respondent.)	SUSPENDING TARIFF REVISIONS
.....)	

BACKGROUND

1 On November 21, 2008, Deer Meadows Water Company, Incorporated, (Deer Meadows or Company), filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff WN U-01, designated as First Revision of Sheet No. 2 Cancelling Original Sheet No. 2, First Revision of Sheet No. 21 Cancelling Original Sheet No. 21, First Revision of Sheet No. 22 Cancelling Original Sheet No. 22 and First Revision of Sheet No. 23 Cancelling Original Sheet No. 23. The stated effective date is January 20, 2009. Deer Meadows’ initial tariff filing with the Commission became effective November 1, 2007. The Company states that its last general rate increase was approximately five years ago. The Company proposes to change residential rates from a one-block rate design with 5,000 gallon usage allowance to a zero allowance, three-block rate design to encourage conservation. Currently, the Company charges \$500 to serve both the restaurant/motel and the golf course. The Company proposes separate rates for the restaurant/motel and the golf course, using a zero allowance, three-block rate design.

2 In this filing, Deer Meadows would increase charges and rates for service by approximately \$215,307 or 172 percent. Because those increases might injuriously affect the rights and interests of the public and Deer Meadows has not demonstrated that the increases would result in rates that are fair, just, reasonable and sufficient, the Commission suspends the tariff filing and will hold public hearings, if necessary, to determine whether the proposed increases are fair, just, reasonable and sufficient.

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, transfers of property and affiliated interests of public service companies, including water companies.
RCW 80.01.040, RCW 80.04, RCW 80.08, RCW 80.12, RCW 80.16 and RCW 80.28.
- 4 (2) Deer Meadows is a water company and a public service company subject to Commission jurisdiction.
- 5 (3) This matter came before the Commission at its regularly scheduled meetings on December 23, 2008, and January 15, 2009.
- 6 (4) The tariff revisions Deer Meadows filed on November 21, 2008, would increase charges and rates for service provided by Deer Meadows, and might injuriously affect the rights and interest of the public.
- 7 (5) Deer Meadows has not yet demonstrated that the tariff revisions would result in rates that are fair, just, reasonable and sufficient.
- 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 Deer Meadows's books, accounts, practices and activities; to make a valuation or appraisal of Deer Meadows's property; and to investigate and appraise various phases of Deer Meadows's operations.
- 9 (7) As required by RCW 80.04.130(4), Deer Meadows bears the burden of proof to show that the proposed increases are fair, just, reasonable and sufficient.
- 10 (8) Deer Meadows may be required to pay the expenses reasonably attributable and allocable to such an investigation, consistent with RCW 80.20.

ORDER

THE COMMISSION ORDERS:

- 11 (1) The tariff revisions Deer Meadows Water Company, Incorporated, filed on
November 21, 2008, are suspended.
- 12 (2) The Commission will hold hearings at such times and places as may be required.
- 13 (3) Deer Meadows Water Company, Incorporated, 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 Deer Meadows Water
Company, Incorporated's books, accounts, practices, activities, property and
operations as described above.
- 15 (5) Deer Meadows Water Company, Incorporated, shall pay the expenses reasonably
attributable and allocable to the Commission's investigation, consistent with
RCW 80.20.

DATED at Olympia, Washington, and effective January 15, 2009.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK H. SIDRAN, Chairman

PATRICK J. OSHIE, Commissioner