

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

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| WASHINGTON UTILITIES AND |) | DOCKET UW-112035 |
| TRANSPORTATION |) | |
| COMMISSION, |) | ORDER 01 |
| |) | |
| Complainant, |) | |
| |) | |
| v. |) | |
| |) | |
| ROCHE HARBOR WATER |) | |
| SYSTEM, |) | |
| |) | COMPLAINT AND ORDER |
| Respondent. |) | SUSPENDING TARIFF REVISIONS |
| |) | |

BACKGROUND

- 1 On November 28, 2011, Roche Harbor Water System (Roche Harbor or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff WN U-1, designated as Eighth Revised Sheet No. W-1 canceling substitute Seventh Revised Sheet No. W-1 and Second Revised Sheet No. W-10 canceling First Revised Sheet No. W-10. The stated effective date is January 1, 2012. The filing is prompted by increased costs for company operations exceeding revenues. The Company serves 600 customers near Roche Harbor in San Juan County.
- 2 In this filing, Roche Harbor proposes to increase charges and rates for service by approximately \$35,594 or 8.2 percent. Because those increases might injuriously affect the rights and interests of the public and Roche Harbor 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) Roche Harbor 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 meeting on December 29, 2011.
- 6 (4) The tariff revisions Roche Harbor filed on November 28, 2011, would increase charges and rates for service provided by Roche Harbor, and might injuriously affect the rights and interest of the public.
- 7 (5) Roche Harbor 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 Roche Harbor's books, accounts, practices and activities; to make a valuation or appraisal of Roche Harbor's property; and to investigate and appraise various phases of Roche Harbor's operations.
- 9 (7) As required by RCW 80.04.130(4), Roche Harbor bears the burden of proof to show that the proposed increases are fair, just, reasonable and sufficient.
- 10 (8) Roche Harbor 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 Roche Harbor Water System filed on November 28, 2011, are suspended.
- 12 (2) The Commission will hold hearings at such times and places as may be required.
- 13 (3) Roche Harbor Water System 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 Roche Harbor Water System's books, accounts, practices, activities, property and operations as described above.
- 15 (5) Roche Harbor Water System shall pay the expenses reasonably attributable and allocable to the Commission's investigation, consistent with RCW 80.20.

DATED at Olympia, Washington, and effective December 29, 2011.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

JEFFREY D. GOLTZ, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner