BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND) DOCKET UW-102034
TRANSPORTATION)
COMMISSION,	ORDER 01
)
Complainant,)
)
v.)
)
COUNTRY MEADOWS EAST)
WATER SYSTEM #2,)
) COMPLAINT AND ORDER
Respondent.) SUSPENDING TARIFF REVISIONS
)

BACKGROUND

- On December 20, 2010, Country Meadows East Water System #2, (Country Meadows or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff WN U-1, designated as Tariff WN U-2. The stated effective date is February 1, 2011.
- Country Meadows would increase charges and rates for service by approximately \$5,760 or 98.4 percent. The Company and Staff agreed to a revised revenue requirement of \$4,732 or 80.9 percent. On January 13, 2011, the company filed revised rates at Staff recommended levels.
- Because those increases might injuriously affect the rights and interests of the public and Country 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

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.

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RCW 80.01.040, RCW 80.04, RCW 80.08, RCW 80.12, RCW 80.16 and RCW 80.28.

- 5 (2) Country Meadows is a water company and a public service company subject to Commission jurisdiction.
- 6 (3) This matter came before the Commission at its regularly scheduled meeting on January 27, 2011.
- 7 (4) The tariff revisions Country Meadows filed on December 20, 2010, and revised on January 13, 2011, would increase charges and rates for service provided by Country Meadows, and might injuriously affect the rights and interest of the public.
- 8 (5) Country Meadows has not yet demonstrated that the tariff revisions would result in rates that are fair, just, reasonable and sufficient.
- 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 Country Meadows's books, accounts, practices and activities; to make a valuation or appraisal of Country Meadows's property; and to investigate and appraise various phases of Country Meadows's operations.
- 10 (7) As required by RCW 80.04.130(4), Country Meadows bears the burden of proof to show that the proposed increases are fair, just, reasonable and sufficient.
- 11 (8) Country 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:

12 (1) The tariff revisions Country Meadows East Water System #2 filed on December 20, 2010, and January 13, 2011, are suspended.

13 (2) The Commission will hold hearings at such times and places as may be required.

- 14 (3) Country Meadows East Water System #2 must not change or alter the tariffs filed in this docket during the suspension period, unless authorized by the Commission.
- The Commission will institute an investigation of Country Meadows East Water System #2's books, accounts, practices, activities, property and operations as described above.
- 16 (5) Country Meadows East Water System #2 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 27, 2011.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

JEFFREY D. GOLTZ, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner