

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

WASHINGTON WATER SERVICE
COMPANY,

Respondent.

DOCKET UW-160175

ORDER 01

ORDER ALLOWING RATES TO
GO INTO EFFECT ON A LESS
THAN STATUTORY NOTICE

BACKGROUND

- 1 On February 3, 2016, Washington Water Service Company (WWSC or Company) filed with the Washington Utilities and Transportation Commission (Commission) a revision to its currently effective Tariff WN U-2, designated as 1st Revised Sheet No. 41.
- 2 The purpose of the filing is to add the City of Tumwater's six percent utility tax to bills for customers on two systems served by WWSC. The affected systems are the Cloister Water System (Department of Health identification number 27091B) and the Henderson Boulevard Water System (Department of Health identification number 08359U). The systems were annexed into the City of Tumwater (City) on January 1, 2016. Collectively, the systems serve 105 customers.
- 3 In this filing, WWSC proposes to increase charges and rates for service by six percent as required by the City of Tumwater's Ordinance O2015-008. The City of Tumwater did not directly notify WWSC about the annexation. Instead, Thurston County issued the Company a property tax notice indicating the annexation for its pump-house property within the Cloister and Henderson Boulevard Water systems. The customers were also informed of the annexation by the City of Tumwater. WWSC already collects the tax from customers on two other systems located within the Tumwater city limits.
- 4 WWSC requests Commission approval to begin collecting the tax effective February 23, 2016, which coincides with the start of its billing cycle for the two systems. WWSC sent a notice to the affected customers on February 3, 2016. The stated effective date for the tax collection is February 23, 2016.

5 RCW 80.28.060 and WAC 480-80-121 require thirty days' notice to customers prior to the effective date of a tariff. WWSC has requested that the revision become effective February 23, 2016, on less than statutory notice, due to insufficient notice from the City of Tumwater that the Company is required to collect the tax.

6 Granting the Company's less than statutory notice request also requires an exemption from WAC 480-110-425, which requires water companies to provide notice to customers or publish notice of any proposed rate increase. For the same reason it seeks less than statutory notice, the Company also seeks an exemption from these notice requirements. The Company proposed to notify customers with individual notices mailed on February 3, 2016. The customers will be billed on March 23, 2016, for the billing cycle beginning February 23, 2016.

7 The Commission finds that allowing the revised tariff pages to go into effect on less than statutory notice is reasonable under these circumstances. WWSC received insufficient notice of its obligation to collect the tax, and the affected customers are already aware that the annexation occurred.

FINDINGS AND CONCLUSIONS

8 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including water companies.

9 (2) WWSC is a water company and a public service company subject to Commission jurisdiction.

10 (3) This matter came before the Commission at its regularly scheduled meeting on February 11, 2016.

11 (4) WWSC is subject to WAC 480-110-425, which requires thirty days' notice to customers or publication of requested rate increase. Under WAC 480-110-205, the Commission may grant an exemption from the provisions of any rule in WAC 480-110, if consistent with the public interest, the purposes underlying regulation and applicable statutes. See also WAC 480-07-110.

- 12 (5) The Commission should allow the rates to become effective on less than statutory notice because WWSC is required to collect the utility tax imposed by the City of Tumwater via the annexation of the two affected systems.

ORDER

THE COMMISSION ORDERS:

- 13 (1) The tariff revision Washington Water Service Company filed on February 3, 2016, is approved.
- 14 (2) The rate increase sought by Washington Water Service Company should be allowed to become effective on February 23, 2016.
- 15 (3) Washington Water Service Company is granted an exemption from WAC 480-110-425, which requires publication of proposed changes to increase charges or restrict access in service. Washington Water Service Company shall confirm notification to customers by individual postal service mail as sent on February 3, 2016.
- 16 (4) Washington Water Service Company's request for the tariff revision to go into effect on less than statutory notice is granted, subject to the conditions in this Order.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Olympia, Washington, and effective February 11, 2016.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING, Executive Director and Secretary