

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

QUEEN ANNE WATER WORKS, LLC,

Respondent.

DOCKET UW-171034

ORDER 01

COMPLAINT AND ORDER
SUSPENDING INITIAL TARIFF

BACKGROUND

- 1 On October 3, 2017, Queen Anne Water Works, LLC (Queen Anne Water or Company) filed with the Washington Utilities and Transportation Commission (Commission) its initial Tariff WN U-01. The stated effective date is November 15, 2017.
- 2 In February 2016, Queen Anne Water began charging its customers \$47 per month, or \$564 per year, per connection, for un-metered water service. Pursuant to Washington Administrative Code (WAC) 480-110-255, the jurisdictional threshold for Commission regulation is \$557 in average annual revenue per customer. Since Queen Anne Water's annual revenue per customer exceeds the threshold for regulation, the Company has filed its initial tariff with charges and rates consistent with those previously charged.
- 3 In this filing, Queen Anne Water proposes an initial tariff that sets out charges and rates for service to approximately 14 customers located near Belfair in Mason County. The Company's annual revenue is approximately \$7,900.

DISCUSSION

- 4 Because the proposed charges and rates might injuriously affect the rights and interests of the public and Queen Anne Water has not demonstrated that the proposed rates and charges are fair, just, reasonable, and sufficient, the Commission suspends the initial tariff filing and will hold public hearings, if necessary, to determine whether the proposed increases are fair, just, reasonable, and sufficient.

FINDINGS AND CONCLUSIONS

- 5 (1) The 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.
- 6 (2) Queen Anne Water is a water company and a public service company subject to Commission jurisdiction.
- 7 (3) This matter came before the Commission at its regularly scheduled meeting on November 9, 2017.
- 8 (4) The initial tariff Queen Anne Water filed on October 3, 2017, would charge rates for service provided by Queen Anne Water, and might injuriously affect the rights and interest of the public.
- 9 (5) Queen Anne Water has not yet demonstrated that the initial tariff charges and rates would result in rates that are fair, just, reasonable and sufficient.
- 10 (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 Queen Anne Water's books, accounts, practices and activities; to make a valuation or appraisal of Queen Anne Water's property; and to investigate and appraise various phases of Queen Anne Water's operations.
- 11 (7) As required by RCW 80.04.130(4), Queen Anne Water bears the burden of proof to show that the initial tariff charges and rates are fair, just, reasonable and sufficient.
- 12 (8) Queen Anne Water may be required to pay the expenses reasonably attributable and allocable to such an investigation, consistent with RCW 80.20.

ORDER

THE COMMISSION ORDERS:

- 13 (1) The initial tariff Queen Anne Water Works, LLC filed on October 3, 2017, is suspended.

- 14 (2) The Commission will hold hearings at such times and places as may be required.
- 15 (3) Queen Anne Water Works, LLC must not change or alter the initial tariff filed in this docket during the suspension period, unless authorized by the Commission.
- 16 (4) The Commission will institute an investigation of Queen Anne Water Works, LLC's books, accounts, practices, activities, property and operations as described above.
- 17 (5) Queen Anne Water Works, LLC shall pay the expenses reasonably attributable and allocable to the Commission's investigation, consistent with RCW 80.20.

DATED at Olympia, Washington, and effective November 9, 2017.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

ANN E. RENDAHL, Commissioner

JAY M. BALASBAS, Commissioner