

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

WASHINGTON UTILITIES AND	)	DOCKET UW-060761
TRANSPORTATION COMMISSION,	)	
	)	ORDER 02
Complainant,	)	
	)	
v.	)	ORDER DISMISSING
	)	COMPLAINT AND ORDER
WASHINGTON WATER SERVICE	)	SUSPENDING TARIFF
COMPANY,	)	REVISIONS; ALLOWING TARIFF
	)	REVISIONS; CANCELLING
Respondent.	)	PREHEARING CONFERENCE
.....	)	

**BACKGROUND**

- 1* On May 10, 2006, Washington Water Service Company (Washington Water or Company) filed with the Commission revisions to its currently effective Tariff WN U-01, designated as:
- Sixth Revision of Sheet No. 20 Canceling Fifth Revision of Sheet No. 20
  - Third Revision of Sheet No. 20.1 Canceling Second Revision of Sheet No. 20.1
  - Fourth Revision of Sheet No. 20.2 Canceling Third Revision of Sheet No. 20.2
  - Fourth Revision of Sheet No. 20.3 Canceling Third Revision of Sheet No. 20.3
  - Fourth Revision of Sheet No. 20.4 Canceling Third Revision of Sheet No. 20.4
  - Fifth Revision of Sheet No. 20.5 Canceling Fourth Revision of Sheet No. 20.5
  - Fourth Revision of Sheet No. 20.6 Canceling Third Revision of Sheet No. 20.6
  - First Revision of Sheet No. 20.7 Canceling Original Sheet No. 20.7
  - Third Revision of Sheet No. 21 Canceling Second Revision of Sheet No. 21
  - Fourth Revision of Sheet No. 21.1 Canceling Third Revision of Sheet No. 21.1
  - Fifth Revision of Sheet No. 21.2 Canceling Fourth Revision of Sheet No. 21.2
  - Fifth Revision of Sheet No. 21.3 Canceling Fourth Revision of Sheet No. 21.3
  - Fifth Revision of Sheet No. 21.4 Canceling Fourth Revision of Sheet No. 21.4
  - Third Revision of Sheet No. 22 Canceling Second Revision of Sheet No. 22
  - Fourth Revision of Sheet No. 22.1 Canceling Third Revision of Sheet No. 22.1
  - Fifth Revision of Sheet No. 22.2 Canceling Fourth Revision of Sheet No. 22.2
  - Fourth Revision of Sheet No. 22.3 Canceling Third Revision of Sheet No. 22.3
  - Third Revision of Sheet No. 23.1 Canceling Second Revision of Sheet No. 23.1
  - Third Revision of Sheet No. 24.2 Canceling Second Revision of Sheet No. 24.2

Including revisions to its adopted Gamble Bay Water, Inc; Tariff WN U-2 designated as:  
First Revision of Sheet No. 21 Canceling Original Sheet No. 21  
Third Revision of Sheet No. 21.1 Canceling Second Revision of Sheet No. 21.1  
Second Revision of Sheet No. 23 Canceling First Revision of Sheet No. 23  
First Revision of Sheet No. 24 Canceling Original Sheet No. 24

With revisions to its adopted Raft Island Water Company Tariff WN U-3 designated as:  
Eighth Revision of Sheet No. 21 Canceling Seventh Revision of Sheet No. 21.  
Fourth Revision of Sheet No. 22 Canceling Third Revision of Sheet No. 22

- 2 On June 14, 2006, the Commission entered a Complaint and Order Suspending Tariff Revisions pending an investigation to determine whether the revisions are fair, just and reasonable.
- 3 On July 6, 2006, the Commission Secretary issued a Notice of Prehearing Conference set for Tuesday, August 29, 2006, at 9:30 a.m.
- 4 On August 28, 2006, the Commission Secretary issued a Notice of continuance of Prehearing Conference to Monday, October 9, 2006, at 1:30 a.m.
- 5 On September 25, 2006, and September 27, 2006, Washington Water filed substitute tariff sheets, revising the originally filed tariff sheets consistent with WAC 480-80-111. The filed tariff with the substitute tariff revisions filed in docket UW-060761 have been determined to be fair, just and reasonable.
- 6 Washington Water includes in rates net pro forma adjustments totaling \$146,212 for new employees that have not been hired as of the date of this order. The Company has agreed to maintain a regulatory liability account until such time as the new employees are hired. The Company will credit the regulatory liability account each month with an amount equal to wages allowed in rates for the positions not yet hired. Once all employees contemplated by the adjustment are hired the Company will make a one-time pro rata refund within the following sixty days to its customers of the amounts accrued in the regulatory liability account. If any positions contemplated by the pro forma adjustment are not filled by April 2007, the Company will file to reduce rates by the amount of the related annual pro forma amounts allowed in rates.

**FINDINGS AND CONCLUSIONS**

- 7 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, rules, regulations, practices, accounts, securities, and transfers of public service companies, including water companies. *RCW 80.01.040, Chapter 80.04 RCW and Chapter 80.28 RCW, Chapter 80 RCW and Chapter 80.12 RCW.*
- 8 (2) Washington Water is a water company and is a public service company subject to the jurisdiction of the Commission.
- 9 (3) This matter was brought before the Commission at its regularly scheduled meeting on September 27, 2006.
- 10 (4) The regulatory liability account and conditions discussed in paragraph 6 of this order provide adequate and appropriate protections to assure that pro forma funds are spent for the purposes intended.
- 11 (5) After review of the filed tariff with the substitute tariff revisions, the Commission finds them fair, just and reasonable. The Complaint and Order Suspending Tariff Revisions in Docket UW-060761, dated June 14, 2006, should be dismissed and the tariff revisions to Tariff WN U-01 should become effective on September 28, 2006.

**ORDER**

THE COMMISSION ORDERS:

- 12 (1) The Complaint and Order Suspending Tariff Revisions in Docket UW-060761, dated June 14, 2006, is dismissed and further, the October 9, 2006, prehearing conference is cancelled.
- 13 (2) To provide adequate and appropriate protections that pro forma funds are spent for the purposes intended, Washington Water Service Company must maintain a regulatory liability account consistent with the conditions set forth in paragraph 6 of this order.

- 14 (3) The filed tariff filed in this docket on May 10, 2006, with the substitute tariff revisions filed on September 25, 2006, and September 27, 2006, shall become effective on September 28, 2006.

DATED at Olympia, Washington, and effective September 27, 2006.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK H. SIDRAN, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner