**BEFORE THE WASHINGTON**

**UTILITIES AND TRANSPORTATION COMMISSION**

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| WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,  Complainant,  v.  SEA VIEW WATER, LLC,  Respondent.  . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . | ) ) ) ) ) ) ) ) ) ) ) | DOCKET UW-141134  ORDER 02  ORDER DISMISSING COMPLAINT AND ORDER SUSPENDING TARIFF REVISION; ALLOWING REVISED RATES TO BECOME EFFECTIVE |

## **BACKGROUND**

1. On May 23, 2014, Sea View Water, LLC (Sea View or Company) filed with the Washington Utilities and Transportation Commission (Commission) revision to its currently effective Tariff WN U-1, designated as Second Revision of Sheet No. 21 canceling First Revision Sheet No. 21. The tariff revision would generate approximately $18,000 (31.5 percent) in additional annual revenue. The Company’s filing was prompted by increases in operating costs over the last seven years, including costs for repairing and replacing infrastructure. Sea View provides water service to 190 residential customers on Whidbey Island in Island County. The Company’s last rate increase was effective September 1, 2008.
2. On June 26, 2014, the Commission entered Order 01, Complaint and Order Suspending Tariff Revision pending an investigation to determine whether the revision is fair, just, reasonable, and sufficient.
3. After review, Staff found the proposed rates would generate excessive revenues. Staff determined that the Company’s books and records support a lower revenue requirement of $13,742 (23.7 percent) additional annual revenue. Staff and the Company have agreed to a revised rate design that will generate the $13,742 additional annual revenue and split the increase between the base charge and meter usage charges.
4. On July 9, 2014, the Company filed revised rates at Staff-recommended levels.

**FINDINGS AND CONCLUSIONS**

1. (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, rules, 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.
2. (2) Sea View is a water company and a public service company subject to Commission jurisdiction.
3. (3) This matter came before the Commission at its regularly scheduled meeting on August 14, 2014.
4. (4) The tariff revision presently under consideration is fair, just, reasonable, and sufficient because the Company has demonstrated the need for additional annual revenue and for revision of the Company’s rate structure.
5. (5) After reviewing the revised tariff revision Sea View filed in Docket UW-141134 and giving due consideration, the Commission finds it is consistent with the public interest to dismiss the Complaint and Order Suspending Tariff Revision in Docket UW-141134, dated June 26, 2014, and allow the revised tariff revision to Tariff WN U-1, filed on July 9, 2014, to become effective on September 1, 2014.

## **O R D E R**

**THE COMMISSION ORDERS:**

1. (1) Order 01, the Complaint and Order Suspending Tariff Revision, in Docket UW-141134, entered on June 26, 2014, is dismissed.
2. (2) The tariff revision Sea View Water, LLC filed in this docket on July 9, 2014, shall become effective on September 1, 2014.

DATED at Olympia, Washington, and effective August 14, 2014.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

JEFFREY D. GOLTZ, Commissioner