

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

ILIAD WATER COMPANY, LLC,

Respondent.

DOCKET UW-161155

ORDER 01

COMPLAINT AND ORDER
SUSPENDING TARIFF REVISION

BACKGROUND

- 1 On October 21, 2016, Iliad Water Company, LLC, (Iliad Water or Company) filed with the Washington Utilities and Transportation Commission (Commission) a revision to its currently effective Tariff WN U-1, designated as Sheet No. 2.1, S-1, W-1, W-2, W-3, W-4, W-5, W-5.1, W-5.2, W-6, W-6.1, W-6.2, W-7, W-8. The stated effective date is January 1, 2017. The tariff revision would increase the monthly base rate for each customer to \$82.65.
- 2 Iliad Water proposes to increase charges and rates for service by approximately \$318,300 or 143 percent. Because those increases might injuriously affect the rights and interests of the public and Iliad Water 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.

DISCUSSION

- 3 The Company's proposed tariff revisions raise issues that warrant further investigation to determine whether they are in the public interest. As authorized under RCW 80.04.130, the Commission suspends the tariff revisions pending the outcome of that investigation.

FINDINGS AND CONCLUSIONS

- 4 (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.

5 (2) Iliad Water 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 December 22, 2016.

7 (4) The tariff revision Iliad Water filed on October 21, 2016, would increase charges and rates for service provided by Iliad Water, and might injuriously affect the rights and interest of the public.

8 (5) Iliad Water has not yet demonstrated that the tariff revision would result in rates that are fair, just, reasonable, and sufficient.

9 (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 Iliad Water's books, accounts, practices and activities; to make a valuation or appraisal of Iliad Water's property; and to investigate and appraise various phases of Iliad Water's operations.

10 (7) As required by RCW 80.04.130(4), Iliad Water bears the burden of proof to show that the proposed increases are fair, just, reasonable, and sufficient.

11 (8) Iliad 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:

12 (1) The tariff revision Iliad Water Company, LLC filed on October 21, 2016, is suspended.

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

- 14 (3) Iliad Water Company, LLC must not change or alter the tariffs filed in this docket during the suspension period, unless authorized by the Commission.
- 15 (4) The Commission will institute an investigation of Iliad Water Company, LLC's books, accounts, practices, activities, property, and operations, as described above.
- 16 (5) Iliad Water Company, 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 December 22, 2016.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

ANN E. RENDAHL, Commissioner