

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

WASHINGTON UTILITIES AND)	DOCKET UW-080312
TRANSPORTATION COMMISSION,)	
)	ORDER 02
Complainant,)	
)	
v.)	
)	ORDER DISMISSING COMPLAINT
OLYMPIC WATER & SEWER, INC.,)	AND ORDER SUSPENDING TARIFF
)	REVISIONS; ALLOWING TARIFF
Respondent.)	REVISIONS
.....)	

BACKGROUND

- 1 On February 15, 2008, Olympic Water & Sewer, Inc., (Olympic Water or Company), filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff WN U-2, designated as First Revision of Sheet No. 13, Replacing Original Sheet No. 13 and First Revision of Sheet No. 22, Replacing Original Sheet No. 22. This filing is a general rate increase and removes the 600 cubic feet of water allowance currently included with the base charge.
- 2 On April 10, 2008, the Commission entered a Complaint and Order Suspending Tariff Revisions pending an investigation to determine whether the revisions are fair, just, reasonable and sufficient.
- 3 Commission Staff’s review of the Company’s supporting financial documents, books and records revealed that the proposed rates were excessive. Staff and the Company agreed to a revised revenue requirement and a revised rate design.
- 4 On April 4, 2008, the Company filed revised rates at the Staff recommended levels. The Commission suspended the rates and allowed the revised rates to become effective on a temporary basis, subject to refund, to allow customers the opportunity to comment on the revised rates. Staff sent every customer who commented on the original filing a letter advising them of revised rates. One customer responded to Staff’s letter. The customer asked for an explanation of why the Commission approved the rate increase when the order states that the Company has not demonstrated that the rates are fair, just, and reasonable. Staff responded that although Olympic has not yet demonstrated that the tariff revisions would ultimately result in rates that are fair, just, reasonable and sufficient, the Commission found it reasonable, based on Staff’s analysis, to approve the

revised rates to become effective April 22, 2008, on a temporary basis, subject to refund. The Commission suspended the revised rates to give customers notice of, and an opportunity to comment on, the revised rates. Allowing the revised rates to become effective on a temporary basis, subject to refund, protects both the customers and the Company.

- 5 Staff's review shows that the revised rates and charges are fair, just, reasonable and sufficient.

FINDINGS AND CONCLUSIONS

- 6 (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.*
- 7 (2) Olympic Water is a water company and a public service company subject to Commission jurisdiction.
- 8 (3) This matter came before the Commission at its regularly scheduled meeting on May 15, 2008.
- 9 (4) The tariff revisions presently under suspension are fair, just, reasonable and sufficient because the Company has supported the necessary revenue. Additional time has been provided to allow customers an opportunity to review the revised rate design.
- 10 (5) After reviewing the tariff revisions Olympic Water filed in Docket UW-080312 and giving due consideration, the Commission finds it is consistent with the public interest to dismiss the Complaint and Order Suspending Tariff Revisions in Docket UW-080312, dated April 10, 2008, and allow the tariff revisions to Tariff WN U-2 to become effective on May 22, 2008.

ORDER

THE COMMISSION ORDERS:

- 11* (1) The Complaint and Order Suspending Tariff Revisions in Docket UW-080312, entered on April 10, 2008, is dismissed.
- 12* (2) The tariff revisions Olympic Water & Sewer, Inc., filed in this docket on April 4, 2008, shall become effective on May 22, 2008.

DATED at Olympia, Washington, and effective May 15, 2008.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK H. SIDRAN, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner