

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

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| WASHINGTON UTILITIES AND |) | DOCKET UW-141206 |
| TRANSPORTATION COMMISSION, |) | |
| |) | ORDER 02 |
| Complainant, |) | |
| |) | |
| v. |) | |
| |) | ORDER DISMISSING COMPLAINT |
| NORTH BAY WATER UTILITY |) | AND ORDER SUSPENDING TARIFF |
| CORPORATION, |) | REVISION; ALLOWING REVISED |
| |) | RATES TO BECOME EFFECTIVE |
| Respondent. |) | |
| | | |

BACKGROUND

- 1 On May 29, 2014, Northbay Water Utility Corporation (Northbay or company), filed a proposed general rate increase that would generate \$12,980 (15 percent) additional annual revenue, with a proposed effective date of July 1. The proposed increase would offset expenses to repair and maintain water system operations and recover added capital costs for filtration. Northbay also proposed increases to several ancillary charges. The Company provides water service to 216 residential customers on 47 water systems in Lewis and Thurston Counties. The Company’s last rate change was effective September 15, 2006.
- 2 On June 26, 2014, the Commission entered Order 01, Complaint and Order Suspending Tariff Revision pending an investigation to determine whether the revisions are fair, just, reasonable, and sufficient.
- 3 The Commission’s regulatory staff (Staff) reviewed the proposed rates and found the company had not supported the proposed revenues and rate design. Staff has now determined, that the Company’s books and records support the additional annual revenue requirement of \$12,980 (15 percent). Northbay filed revised tariff rates on August 22, 2014, removing the fourth usage block. The revised rate design splits the increase between the base charge and meter usage charges. The revised rates are less than or equal to the original rates proposed by the Company and noticed to customers.
- 4 Staff received comments from two customers opposed to the rate increase. The customers’ comments do not change staff’s opinion that the company’s financial information supports the revised revenue requirement, and that the revised rates and

charges are fair, just, reasonable, and sufficient. Staff's review shows that the expenses are reasonable and required as part of the company's operation.

FINDINGS AND CONCLUSIONS

- 5 (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.
- 6 (2) Northbay 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 August 28, 2014.
- 8 (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.
- 9 (5) After reviewing the revised tariff revision Northbay filed in Docket UW-141206 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-141206, dated June 26, 2014, and allow the revised rates and tariff revision filed on August 22, 2014, to become effective on September 1, 2014.

ORDER

THE COMMISSION ORDERS:

- 10 (1) Order 01, the Complaint and Order Suspending Tariff Revision, in Docket UW-141206, entered on June 26, 2014, is dismissed.
- 11 (2) The revised tariff revision Northbay Water Utility Corporation filed in this docket on August 22, 2014, shall become effective on September 1, 2014.

DATED at Olympia, Washington, and effective August 28, 2014.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

JEFFREY D. GOLTZ, Commissioner