

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

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| WASHINGTON UTILITIES AND |) | DOCKET UW-070291 |
| TRANSPORTATION |) | |
| COMMISSION, |) | ORDER 04 |
| |) | |
| Complainant, |) | |
| |) | |
| v. |) | |
| |) | ORDER DISMISSING COMPLAINT |
| Canyon Village Water System, Inc., |) | AND ORDER SUSPENDING TARIFF |
| |) | REVISIONS; GRANTING TARIFF |
| Respondent |) | REVISIONS |
| |) | |

BACKGROUND

- 1 On February 9, 2007, Canyon Village Water System, Inc., (Canyon Village or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff WN U-1, designated as complete revision WN U-2. The stated effective date is April 1, 2007. This complete tariff revision updates the tariff format and language, increases rates, and changes rate design. The Company proposed increase was for an additional \$14,304 (26 percent) annually. On May 17, 2007, Staff and the Company negotiated revised rates that would increase annual revenues by approximately \$4,400 (12 percent).
- 2 Canyon Village notified its customers of the original increase by mail on March 1, 2007. The Commission received four customer comments as of May 23, 2007. All comments opposed the proposed \$14,304 (26 percent) increase.
- 3 On April 27, 2007, the Commission entered a Complaint and Order suspending the Tariff Revision. On May 23, 2007, the Commission approved revised rates on a temporary basis, to allow customers the opportunity to comment on the revised rates before determining whether the revision was fair, just, reasonable, and sufficient. The Commission allowed the revised rates to go into effect on a temporary basis June 1, 2007, subject to refund.
- 4 On May 30, 2007, Consumer Affairs staff sent every customer who commented on Canyon Village’s filing a letter advising them of Staff’s recommended revised rates. No customer has yet responded to Staff’s letter.

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 rates, regulations, practices, accounts, securities, and transfers of public service companies, including water companies. *RCW 80.01.040, RCW 80.04, RCW 80.28, RCW 80.08, and RCW 80.12.*
- 6 (2) Canyon Village is a water company and is a public service company subject to the jurisdiction of the Commission.
- 7 (3) This matter was brought before the Commission at its regularly scheduled meeting on June 27, 2007.
- 8 (4) The tariff revision filed by Canyon Village on February 9, 2007, and substitute pages filed on May 17, 2007, would increase charges and rates for service provided by Canyon Village.
- 9 (5) The Commission allowed the revised rates filed on May 17, 2007, to become effective June 1, 2007, on a temporary basis, subject to refund.
- 10 (6) On May 30, 2007, Consumer Affairs staff sent all customers who previously commented on Canyon Village's proposed tariff changes a letter advising them of the Staff revised rate recommendation. Customers have now had an opportunity to comment on the revised rates. No comments have been received about the revised rates.
- 11 (7) Canyon Village has demonstrated that it requires additional revenue and revised rates, now in effect on a temporary basis, are fair, just, reasonable and sufficient, and should become effective permanently.

ORDER

THE COMMISSION ORDERS:

- 12 (1) The Complaint and Order Suspending Tariff the Revision in Docket UW-070291 dated April 27, 2007, is dismissed.
- 13 (2) The revised rates filed by Canyon village Water System, Inc., on May 17, 2007, that reflect staff recommended levels are approved to become effective July 1, 2007, on a permanent basis.

DATED at Olympia, Washington, and effective June 27, 2007.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK H. SIDRAN, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner