

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION, Complainant, v. H&R WATERWORKS, INC. Respondent.	DOCKET UW-161035 ORDER 01 COMPLAINT AND ORDER SUSPENDING TARIFF
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BACKGROUND

- 1 On August 29, 2016, H&R Waterworks, Inc. (H&R Waterworks or Company) filed with the Washington Utilities and Transportation Commission (Commission) a proposed tariff revision, Rule 21, which would implement a water use budgeting program in service areas where water usage threatens to exceed the Company’s water rights. The Company proposes to implement conservation rates and install flow restrictors on connections belonging to customers who exceed their budgeted usage by more than 50 percent each billing period. The Company serves 4,115 customers on various systems in Thurston, Mason, Kitsap, Pierce, Lewis, and King Counties.
- 2 This matter originally came before the Commission at its regularly scheduled open meeting on September 22, 2016. A number of customers attended the open meeting and provided comments on the proposed tariff revisions. Following the open meeting, both the Company and Commission staff (Staff) have made changes to the proposed tariff revisions.
- 3 Staff issued data requests to the Company seeking additional information, and the Company has not yet responded. Because Staff has not completed its review, the Company has not demonstrated that its proposed tariff revisions are in the public interest.
- 4 Staff recommends suspending the filing to allow sufficient time for the Company to provide additional information and for Staff to review that information in detail.

DISCUSSION

- 5 The Commission agrees with Staff’s finding that H&R Waterworks has not yet demonstrated that the proposed tariff revisions are in the public interest. The

Commission, therefore, suspends the tariff filing for investigation and further proceedings to make that determination.

FINDINGS AND CONCLUSIONS

- 6 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, regulations, practices, and accounts of public service companies, including water companies.
- 7 (2) H&R Waterworks is a water company and a public service company subject to Commission jurisdiction.
- 8 (3) On August 29, 2016, H&R Waterworks filed a proposed tariff revision that would implement a water use budgeting program in service areas where water usage threatens to exceed the Company's water rights.
- 9 (4) H&R Waterworks has not yet demonstrated that the proposed tariff revisions are in the public interest.
- 10 (5) The Commission should investigate H&R Waterworks' accounts, practices, and activities, and should investigate and appraise various phases of the Company's operations to determine whether the proposed tariff revisions are in the public interest.
- 11 (6) H&R Waterworks bears the burden of proof to show that the proposed tariff revisions are in the public interest.

ORDER

THE COMMISSION ORDERS:

- 12 (1) The tariff revisions filed by H&R Waterworks, Inc., on August 29, 2016, are suspended.
- 13 (2) H&R Waterworks, Inc. must not change or alter the tariffs filed in this docket during the suspension period, unless authorized by the Commission.

- 14 (3) The Commission will institute an investigation of H&R Waterworks, Inc.'s books, accounts, practices, activities, and operations as described above, and may hold hearings at such times and places as may be required.

DATED at Olympia, Washington, and effective October 27, 2016.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

PHILIP B. JONES, Commissioner

ANN E. RENDAHL, Commissioner