

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

SJM WATER SERVICES, INC.

Respondent.

DOCKET NO. UW-040414

MOTION TO DISMISS
COMPLAINT

1 Commission Staff hereby moves for an order dismissing the Commission's
complaint in Docket UW-040414 as to the reasonableness of the rates and charges of
SJM Water Services, Inc.

2 On May 6, 2004, the Commission initiated a special proceeding pursuant to
RCW 80.04.015 to determine whether SJM Water Services, Inc. is subject to
regulation under Chapter 80.28 RCW and WAC 480-110-255 and, if so, to require it
to comply with the statutes and rules that govern a jurisdictional water company.
In the same order, the Commission initiated a complaint proceeding pursuant to

RCW 80.04.110 and RCW 80.28.020 as to the reasonableness of the rates and charges being charged or collected by the Company.

3 A July 15, 2004, stipulation between Staff and the Company, accepted by the Commission in its Order No. 04, required SJM to file with the Commission an initial tariff on or before July 30, 2004, to be accompanied by the Company's 2003 financial data, customer count and, to the extent available, water usage data. The Stipulation further provided that the docket would remain open and that, after the Company filed its tariff, Staff could, as it deemed appropriate, either (1) move for dismissal of the proceeding if it concluded that the tariffed rates were just and reasonable, or (2) go forward with evidence to establish rates different than those set out in the Company's initial tariff if it concluded the tariffed rates were not just and reasonable.

4 SJM filed an initial tariff in accordance with Order No. 04 on July 26, 2004, to be effective July 27, 2004. The initial tariff stated a flat monthly rate of \$34.50 per month for customers without meters and for customers with meters installed a base rate of \$32.85 plus a usage rate of \$4.00 per hundred cubic feet. The company also provided its financial data for review by Staff.

5 After discussions with Staff, the Company subsequently filed, on October 29, 2004, in docket UW-041939 a second tariff to decrease the measured usage rate set out in its initial tariff. Under the new tariff the base rate remains \$32.85, but the

usage rate is reduced from \$4.00 to \$3.00 per hundred cubic feet. This decrease went into effect by operation of law effective December 1, 2004.

6 The results of Staff's analysis of the Company's financial information shows that the December 1, 2004, rates will produce revenues sufficient to provide an 8.14% return on the total rate base of \$118,248. Decl. of Kermode at ¶¶ 4, 5. Therefore, it is Staff's view that the present rates are fair, just, reasonable and sufficient. *Id.* at ¶ 5.

7 In accordance with the July 15, 2004, Stipulation of the parties, incorporated by reference into the Commission's July 19, 2004, Order No. 04, the Commission moves for dismissal of the Commission's complaint in this matter.

DATED this 4th day of April, 2005.

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