

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Application of

WASHINGTON WATER SERVICE COMPANY

For an Accounting Order Authorizing Deferred Accounting
Treatment for Implementation of a Conservation Program

DOCKET NO. UW-230236

PETITION

Pursuant to WAC 480-07-370(3)(b), Washington Water Service Company (“Washington Water” or the “Company”) petitions the Washington Utilities and Transportation Commission (the “Commission”) for an order authorizing the deferred accounting treatment for costs pertaining to implementation of a conservation program proposed by the Company in the Docket proceeding noted above. Washington Water seeks to defer these costs from August 1, 2023 going forward, to track and preserve them for separate ratemaking treatment. The Company will file a proposal to amortize the deferred costs where the prudence of these costs will be reviewed.

In support of this Petition, Washington Water states as follows:

I. NAME OF PETITIONER

Washington Water is a water company and public service company doing business in the State of Washington and is subject to the regulatory authority of the Commission as to its rates, service, facilities, and practices.

II. COMMUNICATIONS

Communications regarding this Petition should be addressed to the service list for Docket UW-230236.

III. SUPPORT FOR THE PETITION

A) Legal Authority

The Commission is vested by the statute with the authority to regulate, among other things, the rates and accounts of public service companies, including water companies.¹ WAC 480-07-370(3)(b) allows public service companies to file petitions, including petitions for deferred accounting.² The Commission grants petitions for deferred accounting where “good cause” is shown.³

B) Factual Background

Washington Water filed a general rate case for its East Pierce and Legacy systems in April, 10, 2023. Included in this request is a proposed annual conservation program for Legacy and East Pierce totaling \$238,945 per year. During settlement between Washington Water, UTC Staff and Public Counsel, the parties agreed to the validity of the program. However, due to the uncertainty of the level of customer participation in the proposed program, the parties agreed to include only the amounts dedicated to public outreach and education in customer rates, and that Washington Water should file a petition for deferred accounting for the additional program costs.

C) Reasons for Deferral

As stated above, although the parties agree to the validity of the conservation program, there is uncertainty regarding the level of customer participation for the program.

D) Estimated Amounts Subject to Deferral

Washington Water estimates the annual conservation program, excluding public outreach and education, to total \$191,000. The parties have agreed that this would be the

¹ RCW 80.01.040, RCW 80.04.160, RCQ 80.28.020; see also *In the Matter of the Petition of Washington Water Service Company, Petitioner, For An Accounting Order to Defer Severe Weather Expenditure*, Docket UQ-072431, Order 01 (May 15, 2008).

² See UW-072431, Order 01 ¶ 8.

³ UW-072431, Order 01 ¶ 12.

maximum recoverable annual amount, excluding education, public outreach, and interest, that Washington Water would be able to seek recovery for.

E) Proposed Accounting

Beginning on August 1, 2023, and until Washington Water's next general rate case effective date, the Company proposes to account for the costs associated with Company's proposed conservation program by recording the deferral in a dedicated general ledger account.

IV. RELIEF REQUESTED

Washington Water requests authorization to defer the conservation program, as described above, plus prime rate plus 2% interest.

WHEREFORE, the Company respectfully requests that the Commission include an order for in Docket UW-230236 approving deferred accounting treatment for the conservation program, as described in this Petition.

Dated this 18th day of July 2023.

Yours Truly,

A handwritten signature in blue ink, appearing to read "Matt Brown", with a long horizontal flourish extending to the right.

Matt Brown, P.E.

General Manager, WWS