

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

| | | |
|----------------------------------|---|------------------------|
| In the Matter of the Petition of |) | |
| |) | DOCKET UW-110436 |
| OLYMPIC WATER AND SEWER, |) | |
| INC., |) | ORDER 02 |
| |) | |
| Petitioner, |) | |
| |) | |
| Seeking Exemption from the |) | ORDER GRANTING PARTIAL |
| Provisions of WAC 480-07-530 |) | EXEMPTION FROM RULE |
| Relating to Work Paper Filing |) | |
| Requirements |) | |
| |) | |

BACKGROUND

- 1 On March 7, 2014, Olympic Water and Sewer, Inc. (Olympic Water or Company), filed with the Washington Utilities and Transportation Commission (Commission) a petition requesting a partial exemption from WAC 480-07-530. The Company serves approximately 1,608 customers in Jefferson County. The Company’s last general rate increase became effective on May 22, 2008.

- 2 WAC 480-07-530 requires water companies to provide supporting work papers for the test period including but not limited to financial statements, restating and pro forma adjustments, usage statistics, schedule showing separation of revenues and expenses between regulated and non-regulated operations and information related to affiliated transactions.

- 3 WAC 480-07-505 defines a general rate increase as a three percent or more increase in gross annual revenue for activities regulated by the Commission. WAC 480-07-530 lists the minimum required information the Company must provide in a general rate increase filing. The Company provided information pertinent to the increase being requested but did not provide the remainder of the information required by the rule and requested an exemption from a portion of work paper filing requirements of WAC 480-07-530(4).

- 4 Although the filing meets the definition of a general rate increase filing, it is narrowly focused in support of a surcharge to recover the costs to drill Well No. 17 and to recover a share of the costs incurred to investigate site contamination related to Well No. 17.

5 Commission Staff (Staff) reviewed the request and, because the Company provided sufficient information to enable Staff to determine the costs associated with the Company's filing, recommended that the Commission grant Olympic Water's request for exemption.

DISCUSSION

6 The Commission concurs with Staff's recommendation. The purpose of the work paper filing requirements in WAC 480-07-530(4) is to provide the Commission with information to determine whether a proposed rate increase is fair, just, reasonable, and sufficient. Here, the Company has provided sufficient information to enable the Commission to make that determination, and providing the additional information the rule requires would be unnecessary and unduly burdensome. Accordingly, an exemption from this requirement for purposes of the filing in this docket is consistent with the public interest and the purposes underlying the rule and should be granted.

FINDINGS AND CONCLUSIONS

- 7 (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, and accounts of public service companies, including water companies.
- 8 (2) Olympic Water is engaged in the business of providing water services within the state of Washington and is a public service company subject to Commission jurisdiction.
- 9 (3) Olympic Water is subject to the filing requirements of WAC 480-07-530, for general rate increase proposals. The Company provided information pertinent to the increase being requested but did not provide the remainder of the information required by the rule and requested an exemption from a portion of work paper filing requirements of WAC 480-07-530(4).
- 10 (4) This matter came before the Commission at its regularly scheduled meeting on March 27, 2014.
- 11 (5) An exemption from general rate increase filing requirements set forth in WAC 480-07-530(4) for the filing in this docket is in the public interest and is consistent

with the purposes underlying the regulation and applicable statutes and should be granted.

ORDER

12 THE COMMISSION GRANTS Olympic Water and Sewer, Inc.'s request for an exemption from WAC 480-07-530(4), for purposes of the tariff revisions filed in Docket UW-110436 on March 10, 2014.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Olympia, Washington, and effective March 27, 2014.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING, Executive Director and Secretary