

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

WASHINGTON UTILITIES AND	)	DOCKET UW-040651
TRANSPORTATION	)	
COMMISSION,	)	ORDER 04
	)	
Complainant,	)	
	)	
v.	)	
	)	
CANTERWOOD WATER	)	
COMPANY, INC.,	)	
	)	COMPLAINT AND ORDER
Respondent.	)	SUSPENDING TARIFF REVISION
.....	)	

**BACKGROUND**

- 1 On January 30, 2006, Canterwood Water Company, Inc., (Canterwood) filed with the Commission a revision to its currently effective Tariff WN U-3, designated as the second revision to Sheet No. 22. The stated effective date is February 27, 2006.
  
- 2 Because the filing might injuriously affect the rights and interests of the public and Canterwood has not demonstrated that the proposed rates would result in rates that are fair, just and reasonable. Therefore, the Commission suspends the tariff filing and will hold public hearings if necessary to determine whether the proposed increases are fair, just and reasonable.

**FINDINGS AND CONCLUSIONS**

- 3 (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, Chapter 80.04 RCW, Chapter 80.28 RCW, Chapter 80.08 RCW, and Chapter 80.12 RCW.*
  
- 4 (2) Canterwood is a water company and is a public service company subject to the jurisdiction of the Commission.

- 5 (3) This matter was brought before the Commission at its regularly scheduled meeting on February 22, 2006.
- 6 (4) The tariff revision filed by Canterwood on January 27, 2006, might injuriously affect the rights and interest of the public.
- 7 (5) Canterwood has not yet demonstrated that the tariff revision would result in rates that are fair, just and reasonable.
- 8 (6) In order to carry out the duties imposed upon the Commission by law, and as authorized in RCW 80.04.130, the Commission believes it is necessary to investigate Canterwood's books, accounts, practices and activities; to make a valuation or appraisal of Canterwood's property; and to investigate and appraise various phases of Canterwood's operations.
- 9 (7) As required by RCW 80.04.130 (4), Canterwood bears the burden of proof to show that the proposed tariff revision is fair, just and reasonable.
- 10 (8) The Commission must determine rates or charges that are just, reasonable and compensatory under RCW 80.28.020.
- 11 (9) Canterwood may be required to pay the expenses reasonably attributable and allocable to such an investigation to the extent the requirements for such payment are in accordance with the provisions of Chapter 80.20 RCW.
- 12 (10) The issues include whether the proposed tariff revision is fair, just, reasonable, sufficient, and in the public interest. These issues may include consideration of alternative rate design or structure. Also at issue is whether the Company's existing rates are fair, just, reasonable and sufficient. In Accordance with the provisions of RCW 80.04.130, Canterwood bears the burden of proof to show that the proposed tariff revision is just and reasonable.

**ORDER**

THE COMMISSION ORDERS:

- 13 (1) The tariff revision filed on January 30, 2006, is suspended.
- 14 (2) The Commission will hold hearings at such times and places as may be required.
- 15 (3) Canterwood Water Company, Inc., must not change or alter the tariffs filed in this docket during the suspension period, unless authorized by the Commission.
- 16 (4) The Commission will institute an investigation of Canterwood Water Company, Inc.'s books, accounts, practices, activities, property and operations as described above.
- 17 (5) Canterwood Water Company, Inc., shall pay the expenses reasonably attributable and allocable to the Commission's investigation to the extent the requirements for such payment are in accordance with the provisions of Chapter 80.20 RCW.
- 18 (6) Nothing in this Order is intended to modify any provision of Accounting Order 01 issued in this Docket which is still in effect.

DATED at Olympia, Washington, and effective February 22, 2006.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK H. SIDRAN, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner