

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Application of  
  
CANYON VILLAGE WATER SYSTEM,  
INC.  
  
Applicant,  
  
For the Sale and Transfer of Assets to  
Canyon Ranch Water, LLC

DOCKET UW-250023  
  
ORDER 01  
  
GRANTING APPLICATION FOR  
SALE AND TRANSFER OF ASSETS;  
ADOPTING TARIFF

**BACKGROUND**

- 1 On December 30, 2024, Canyon Village Water System, Inc. (Canyon Village or Company) and Canyon Ranch Water, LLC (Canyon Ranch) filed with the Washington Utilities and Transportation Commission (Commission) an application for sale and transfer of assets pursuant to Revised Code of Washington (RCW) 80.12 (Application).
- 2 The Company serves approximately 310 customers in Benton County, Department of Health system ID#05801 V.
- 3 The Company explained several benefits of the sale and transfer of assets. First, Canyon Ranch desires to own and operate water systems on an ongoing basis and Canyon Village current owners no longer desire to own and operate the water system. Second, Canyon Ranch has expanded financial resources, local ownership, increased staff and Canyon Village owner wishes to retire and has no succession plan. Canyon Ranch performed a review outlined in the Application, submitting that there is “no harm” to Canyon Village customers.
- 4 The Company notified its customers of the sale and transfer of assets in a mailing on January 27, 2025. Canyon Ranch represents that the transaction does not include an acquisition adjustment and will not include costs of acquisition in future rate cases. The effective date for accounting purposes will be March 1, 2025.
- 5 Pursuant to RCW 80.12.020 and Washington Administrative Code (WAC) 480-143- 170, applicants proposing a transaction of this sort must “at least demonstrate no harm to the public interest.”<sup>1</sup> The Commission also looks to the new Company’s financial and

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<sup>1</sup> *In Re Application of PacifiCorp and Scottish Power, LLC*, Docket UE-981627, Third

managerial fitness to run the operations.<sup>2</sup>

6 Commission staff (Staff) has reviewed the application and determined that the  
Companies have sufficiently demonstrated there are substantial benefits to the transfer.  
Accordingly, Staff recommends the Commission grant the Companies' Application.

### DISCUSSION

7 We agree with Staff's recommendation and approve the Application. Based on Staff's  
review, it appears the transaction exceeds the "no harm" standard and will be in the  
public interest. We note that this Order approves only the sale and transfer of assets, and  
neither approves nor disapproves the reasonableness of the purchase price or any fees,  
charges, rates, or accounting allocations related to the transaction. The Commission  
reserves the right to review those fees, rates, or accounting allocations in a future rate  
proceeding.

### FINDINGS AND CONCLUSIONS

- 8 (1) The Commission is an agency of the State of Washington vested by statute with  
the authority to regulate the rates, rules, regulations, practices, accounts,  
securities, transfers of property, and affiliated interests of public service  
companies, including water companies.
- 9 (2) Canyon Village is an investor-owned water company and is a public service  
company subject to Commission jurisdiction.
- 10 (3) Canyon Ranch is an investor-owned water Company and is a public service  
company subject to Commission jurisdiction.
- 11 (4) The Company notified its customers of the sale and transfer of assets in a mailing  
on January 27, 2025.
- 12 (5) Canyon Ranch will acquire the water system assets of Canyon Village.
- 13 (6) As a result of this sale and transfer of water systems assets, Canyon Ranch will

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Supplemental Order on Prehearing Conference at 2-3 (April 2, 1999).

<sup>2</sup> *Id.*

adopt Canyon Village rates into its tariff rates.

- 14 (7) This matter was brought before the Commission at its regularly scheduled meeting on February 28, 2025.
- 15 (8) The transfer and tariff rate adoption will have an effective date of March 1, 2025. For accounting purposes, the Company's accounting records will be considered transferred and effective on March 1, 2025.
- 16 (9) The Application meets the requirements of RCW 80.12 and the rules and regulations of the Commission. See WAC 480-143.
- 17 (10) As Canyon Village will no longer provide water service, it should be removed from regulation as of the effective date of the transfer.
- 18 (11) After reviewing the Application Canyon Village filed in Docket UW-250023 on December 30, 2024, and giving due consideration, the Commission finds that the Application of the Sale and Transfer of Assets by Canyon Village to Canyon Ranch is consistent with, and demonstrates no harm to, the public interest and should be approved.

### **ORDER**

#### **THE COMMISSION ORDERS:**

- 19 (1) The Commission authorizes the Sale and Transfer of the assets of Canyon Village to Canyon Ranch Water, LLC, consistent with the joint application filed on December 30, 2024, and consistent with RCW 80.12.020. No material change, revision, or amendment to the joint application and agreement shall become effective without the Commission's prior written approval.
- 20 (2) The Commission approves Canyon Ranch Water, LLC, adoption of the tariffs of Canyon Village, effective on the date of the transfer, March 1, 2025.
- 21 (3) Canyon Village Water System, Inc., is hereby removed from Commission regulation effective March 1, 2025.
- 22 (4) This Order shall not affect the Commission's authority over rates, services, accounts, valuations, estimates, or determination of costs, on any matters that may come before it. Nor shall this Order be construed as an agreement to any estimate

or determination of costs, or any valuation of property claimed or asserted.

- 23 (5) The Commission retains jurisdiction over the subject matter and Canyon Village Water System, Inc., and Canyon Ranch Water, LLC, to effectuate the provisions of this Order.

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

DATED at Lacey, Washington, and effective February 28, 2025.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

JEFF KILLIP  
Executive Director and Secretary