Service Date: April 8, 2021

# BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Removal from Commission Regulation of

PATTISON WATER COMPANY, INC.,

Requesting Removal from Commission Regulation

**DOCKET UW-210174** 

ORDER 01

REMOVING COMPANY FROM REGULATION; CANCELING TARIFF AFTER TRANSFER TO WATER DISTRICT

## **BACKGROUND**

- On March 1, 2021, Public Utility District No. 1 of Thurston County purchased the assets and took over operation and ownership of the Pattison Water Company, Inc. (Pattison Water or Company). On March 15, 2021, Pattison Water filed notice for the transfer of ownership of its water system assets to Public Utility District No. 1 of Thurston County. Pattison Water seeks to remove itself from regulation and to cancel its tariff. The Company provides water service to approximately 1,600 customers near Lacey in Thurston County. Pattison Water Company provided water service to Pattison Water system ID # 665785 and Colonial Manor water system ID # 14065D.
- 2 Under RCW 80.12.020, public service companies, including water companies, are not required to seek and obtain Commission authorization to transfer assets to a public utility district, as that term is defined in RCW 39.96.010(1). Public Utility District No. 1 of Thurston County meets the definition of a "public utility district." The transaction itself is thus exempt from Commission regulation. Nevertheless, RCW 80.04.010 requires a regulated water company to obtain Commission approval to remove itself from Commission regulation and cancel its tariff.
- Commission staff (Staff) reviewed the filed documents filed by the Company and concluded that Pattison Water no longer provides water service subject to Commission regulation. Accordingly, Staff recommends the Commission approve the Company's request to remove Pattison Water from regulation. Staff believes that removing the Company from regulation is consistent with the public interest because the water systems are now operated and owned by Public Utility District No. 1 of Thurston County, which is not regulated by the Commission.

#### **DISCUSSION**

We approve Pattison Water's request to be removed from regulation. We agree with Staff that approving the request is consistent with the public interest because the Company transferred all its assets to a public utility district that is not subject to Commission regulation. Accordingly, Pattison Water no longer provides water service regulated by the Commission and should thus be removed from regulation.

#### FINDINGS AND CONCLUSIONS

- 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.
- 6 (2) Pattison Water is an investor-owned water company and a public service company subject to Commission jurisdiction.
- Pattison Water's transfer of its assets to Public Utility District No. 1 of Thurston County is exempt from Commission regulation under RCW 80.12.020 and RCW 36.96.010.
- 8 (4) Public Utility District No. 1 of Thurston County is not subject to Commission jurisdiction.
- 9 (5) This matter came before the Commission at its regularly scheduled meeting on April 8, 2021.
- 10 (6) After reviewing the information gathered in the investigation, and giving due consideration, the Commission finds it in the public interest to grant Pattison Water's request to be removed from regulation and to cancel the Company's tariff.

## **ORDER**

## THE COMMISSION ORDERS:

11 (1) Pattison Water Company, Inc., no longer operates a water company subject to Commission jurisdiction.

12 (2) Pattison Water Company, Inc., is removed from regulation by the Commission and its current tariff WN-U 02 is canceled as of the effective date 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 April 8, 2021.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK L. JOHNSON, Executive Director and Secretary