

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

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|-------------------------------------|---|------------------------|
| In the Matter of the Application of |) | DOCKET NO. UW-041744 |
| |) | |
| HARBOR SPRINGS WATER CO., |) | ORDER NO. 01 |
| INC., |) | |
| |) | |
| Applicant, |) | |
| |) | ORDER REMOVING COMPANY |
| Requesting Removal from |) | FROM REGULATION AND |
| Commission Regulation. |) | CANCELLING TARIFF |
| |) | |

BACKGROUND

- 1 On July 30, 2004, East Gig Harbor Water District of Pierce County transferred the assets and took over operation and ownership of the Harbor Springs Water Co., Inc. This transfer occurred as a result of Eminent Domain proceedings litigated in Pierce County Superior Court. The water system provides water service to approximately 119 residential customers near Gig Harbor, in Pierce County.

- 2 On September 27, 2004, Harbor Springs Water Co., Inc., submitted a request for removal from regulation and canceling tariff. As a result of this investigation, Harbor Springs Water Co., Inc., is determined to no longer provide regulated water service. The Commission can remove a water company from regulation under the provisions of RCW 80.04.010. A water company cannot be removed from regulation except with the approval of the Commission. Removing Harbor Springs Water Co., Inc., from regulation will be consistent with the public interest, because the water system is now operated and owned by East Gig Harbor Water District, which is not regulated by the Commission.

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, rules, regulations, practices, accounts, securities, and transfers of public service companies, including water companies. *RCW 80.01.040; Chapter 80.04 RCW and Chapter 80.28 RCW.*

- 4 (2) Harbor Springs Water Co., Inc., is an investor-owned water company and is engaged in the business of providing water services within the state of Washington and as a public service company subject to the jurisdiction of the Commission under the provisions of Chapter 80 RCW.
- 5 (3) East Gig Harbor Water District is exempt from Commission regulation under 80.12.020 RCW and 36.96.010 RCW and is not subject to the jurisdiction of the Commission.
- 6 (4) This matter was brought before the Commission at its regularly scheduled meeting on October 13, 2004.
- 7 (5) From all indications, it appears to be in the public interest to grant the request of removal from regulation and cancel the corresponding tariff.

ORDER

THE COMMISSION ORDERS:

- 8 (1) Harbor Springs Water Co., Inc., is hereby determined not to be jurisdictional pursuant to the Commission Staff investigation and documents filed with the Commission.
- 9 (2) Harbor Springs Water Co., Inc., is removed from regulation by this Commission and its current tariff WN U-1 is cancelled as of the effective date of this Order.

- 10 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 this 13th day of October, 2004.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

CAROLE J. WASHBURN, Secretary