

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

In the Matter of the Application of)	DOCKET UW-060943
)	
GAMBLE BAY WATER, INC.,)	ORDER 01
)	
Applicant,)	ORDER GRANTING APPLICATION
)	FOR SALE AND TRANSFER OF
)	ASSETS, REMOVING COMPANY
Requesting Removal from)	FROM REGULATION AND
Commission Regulation)	CANCELING TARIFF
.....)	

BACKGROUND

- 1 On March 26, 2004, Gamble Bay Water, Inc., (Gamble Bay) sent a notice to the Department of Health (DOH) and customers of the Rimrock Water System (Rimrock) that it would discontinue service by March 26, 2005. At that time, Gamble Bay served 286 customers on 13 water systems. The owners of Gamble Bay were leaving the utility business and were selling their water systems. All water systems except Rimrock were sold to other entities. On March 24, 2005, Rimrock was placed into receivership by the Snohomish County Superior Court. Since that time Snohomish County and DOH have worked to find an owner for the water system. Many customers have found other sources of water for their own use. The remaining Rimrock customers formed the Peoples Creek Water Group.

- 2 On March 31, 2006, Snohomish County Superior Court issued an Order Authorizing Implementation of Plan for Disposition of Public Water System. That Order determined the Peoples Creek Water Group should acquire and operate Rimrock. Peoples Creek Water Group purchased the assets and took over operation and ownership of Rimrock.

- 3 On June 8, 2006, the Gamble Bay filed a letter of sale and transfer of assets pursuant to the provisions of Chapter 80.12 RCW and asked to be removed from regulation. After Commission investigation, Gamble Bay 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 Gamble Bay from regulation will be consistent with the public interest, because the last water system is now operated and owned by Peoples Creek Water Group, which is a public entity.

FINDINGS AND CONCLUSIONS

- 4 (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; Chapter 80.28 RCW; Chapter 80.08 RCW and Chapter 80.12 RCW.*
- 5 (2) Gamble Bay Water, Inc., is an investor-owned water company and is a public service company subject to the jurisdiction of the Commission.
- 6 (3) Peoples Creek Water Group, a Washington non-profit corporation, is approved as the entity that should acquire ownership and operation of the Rimrock Water System by Snohomish County Superior Court in Order No. 05-2-07326-6. As a non-profit corporation serving the owners of the water system, Peoples Creek Water Group is not subject to the jurisdiction of the Commission.
- 7 (4) This matter was brought before the Commission at its regularly scheduled meeting on June 28, 2006.
- 8 (5) From all indications, it appears to be in the public interest to grant Gamble Bay Water, Inc's request for sale and transfer of assets to the Peoples Creek Water Group and to remove Gamble Bay Water, Inc., from regulation and cancel its tariff.

ORDER

THE COMMISSION ORDERS:

- 9 (1) The Commission authorizes the Sale and Transfer consistent with the joint application in accordance 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.
- 10 (2) Gamble Bay Water, Inc., is hereby determined not to be jurisdictional pursuant to the Commission Staff investigation and documents filed with the Commission.

- 11 (3) Gamble Bay Water, Inc., is removed from regulation by this Commission and its current Tariff WN U-2 is cancelled 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 Olympia, Washington, and effective June 28, 2006.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

CAROLE J. WASHBURN, Executive Secretary