

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Removal from)	DOCKET UW-121844
Commission Regulation of)	
)	ORDER 01
KALA POINT UTILITY)	
COMPANY,)	
)	
)	ORDER REMOVING COMPANY
)	FROM REGULATION; CANCELING
Requesting Removal from)	TARIFF AFTER TRANSFER TO
Commission Regulation)	WATER DISTRICT
.....)	

BACKGROUND

- 1 On September 26, 2012, Public Utility District No. 1 of Jefferson County purchased the assets and took over operation and ownership of the Kala Point Utility Company (Kala Point). On November 21, 2012, Kala Point filed notice of the transfer of ownership of the water system assets owned by Kala Point to Public Utility District No. 1 of Jefferson County. Kala Point seeks to remove itself from regulation and to cancel its tariff. Kala Point provides water service to 518 customers near Port Townsend, in Jefferson County.
- 2 As a result of a Staff investigation, the Washington Utilities and Transportation Commission (Commission) finds that Kala Point no longer provides regulated water service. The Commission may remove a water company from regulation under RCW 80.04.010. A water company cannot be removed from regulation without the Commission’s approval. Removing Kala Point, from regulation will be consistent with the public interest, because the water system is now owned and operated by Public Utility District No. 1 of Jefferson County, which is not subject to Commission jurisdiction.

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 the rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including water companies. RCW 80.01.040, RCW 80.04, RCW 80.08, RCW 80.12, RCW 80.16 and RCW 80.28.

- 4 (2) Kala Point is an investor-owned water company and a public service company subject to Commission jurisdiction.
- 5 (3) The transfer of assets of Kala Point to Public Utility District No. 1 of Jefferson County is exempt from Commission regulation under RCW 80.12.020 and RCW 36.96.010 and is not subject to Commission jurisdiction.
- 6 (4) This matter came before the Commission at its regularly scheduled meeting on December 27, 2012.
- 7 (5) After reviewing the information gathered in the investigation, and giving due consideration, the Commission finds it in the public interest to grant Kala Point's request for removal from regulation and to cancel the corresponding tariff.

ORDER

THE COMMISSION ORDERS:

- 8 (1) Kala Point Utility Company is no longer subject to Commission jurisdiction under RCW 80.04.110.
- 9 (2) Kala Point Utility Company, is removed from regulation by this Commission and its current tariff WN U-1 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 Olympia, Washington, and effective December 27, 2012.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Executive Director and Secretary