

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Removal from
Commission Regulation of

CANTERWOOD WATER COMPANY,
INC.,

Requesting Removal from Commission
Regulation

DOCKET UW-180726

ORDER 01

ORDER REMOVING COMPANY
FROM REGULATION; CANCELING
TARIFF AFTER TRANSFER TO
PENINSULA LIGHT COMPANY

BACKGROUND

- 1 On August 29, 2018, Peninsula Light Company (Peninsula Light) purchased the assets and assumed ownership of the Canterwood Water Company, Inc. (Canterwood Water). On August 29, 2018, Canterwood Water filed notice of the transfer of ownership of the water system assets owned by Canterwood Water to Peninsula Light. As such, Canterwood Water seeks to remove itself from regulation and to cancel its tariff. Canterwood Water provides water service to approximately 800 residential customers near Gig Harbor, Washington in Pierce County.
- 2 Peninsula Light is a not-for-profit member owned and locally governed cooperative electric and water utility that is not subject to regulation by the Commission. Since 1996, Peninsula Light has owned and operated several water systems. Prior to the sale and transfer of Canterwood's assets, Peninsula Light operated and managed Canterwood Water as its satellite management agent.
- 3 Commission staff (Staff) reviewed the filing and recommends that Canterwood Water be removed from regulation because it no longer provides regulated water service.

DISCUSSION

- 4 Pursuant to RCW 80.04.010, the Commission may remove a water company from regulation. Requests for removal from regulation require Commission approval. Based on Staff's investigation, we conclude that Canterwood Water no longer provides regulated water service. We also find that removing Canterwood Water from regulation is consistent with the public interest because the water system is now operated and owned by Peninsula Light, which has owned and operated several water systems and previously operated and managed Canterwood Water as its satellite management agent.

FINDINGS AND CONCLUSIONS

- 5 (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.
- 6 (2) Canterwood Water is an investor-owned water company and a public service company subject to Commission jurisdiction.
- 7 (3) The transfer of assets of Canterwood Water to Peninsula Light is exempt from Commission regulation under RCW 80.12.020 and RCW 36.96.010 and is not subject to Commission jurisdiction.
- 8 (4) This matter came before the Commission at its regularly scheduled meeting on October 19, 2018.
- 9 (5) After reviewing the information gathered in the investigation, and giving due consideration, the Commission finds it in the public interest to grant Canterwood Water's request for removal from regulation and to cancel the corresponding tariff.

ORDER

THE COMMISSION ORDERS:

- 10 (1) Canterwood Water Company, Inc., is no longer subject to Commission jurisdiction under RCW 80.04.110.
- 11 (2) Canterwood Water Company, Inc., is removed from regulation and its current tariff WN U-3 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 October 19, 2018.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK L. JOHNSON, Executive Director and Secretary