

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

WASHINGTON UTILITIES AND	)	DOCKET NO. UW-031671
TRANSPORTATION	)	
COMMISSION,	)	ORDER NO. 01
	)	
Complainant,	)	
	)	
v.	)	
	)	
Tall Timber Water Systems, LLC	)	
	)	COMPLAINT AND ORDER
Respondent.	)	SUSPENDING TARIFF REVISIONS
.....	)	

**BACKGROUND**

1 On October 14, 2003, Tall Timber Water Systems, LLC (Tall Timber Water or Company) filed with the Commission revisions to its currently effective Tariff WN U-1, designated as Third Revision Sheet 2 Canceling Second Revision Sheet No. 2, First Revision Sheet 3.1 Canceling Original Sheet No. 3.1, Second Revision Sheet 8 Canceling First Revision Sheet No. 8, Second Revision Sheet 12 Canceling First Revision Sheet No. 12, Fourth Revision Sheet 21 Canceling Third Revision Sheet No. 21, Forth Revision Sheet 22 Canceling Third Revision Sheet No. 22, First Revision Sheet 31 Canceling Original Sheet No. 31, and Original Sheet No. 35. The stated effective date is December 1, 2003.

2 This filing is to implement an increase in general rates in the amount of approximately \$97,902 (38 percent) of additional revenue per year. The company serves approximately 765 active customers on 81 water systems in Mason, Thurston, Lewis and Kitsap counties. The Company received its last general rate increase in 1996. The Company stated it is filing to increase rates to generate additional revenue due to changes in liability insurance, electrical power, and operational costs due to services provided by Utility Management Services. The Company states it has also experienced increased costs in general maintenance

due to aging infrastructure and increases water quality requirements. To help offset some cost the company has also filed to add several ancillary charges.

- 3 The filing would increase charges and rates for service provided by Tall Timber Water. Because those increases might injuriously affect the rights and interests of the public and Tall Timber Water has not demonstrated that the increases would result in rates that are fair, just and reasonable, the Commission suspends the tariff filing and will hold public hearings if necessary to determine whether the proposed increases are fair, just and reasonable.

#### 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, 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.*
- 5 (2) Tall Timber Water is a water company and is a public service company subject to the jurisdiction of the Commission.
- 6 (3) This matter was brought before the Commission at its regularly scheduled meeting on November 26, 2003.
- 7 (4) The tariff revisions filed by Tall Timber Water on October 14, 2003, would increase charges and rates for service provided by Tall Timber Water, and might injuriously affect the rights and interest of the public.
- 8 (5) Tall Timber Water has not yet demonstrated that the tariff revisions would result in rates that are fair, just, and reasonable.

- 9 (6) In order to carry out the duties imposed upon the Commission by law, and as authorized in RCW 80.04.130, the Commission believes it is necessary to investigate Tall Timber Water's books, accounts, practices and activities; to make a valuation or appraisal of Tall Timber Water's property; and to investigate and appraise various phases of Tall Timber Water's operations.
- 10 (7) As required by RCW 80.04.130 (2), Tall Timber Water bears the burden of proof to show that the proposed increases are fair, just and reasonable.
- 11 (8) Tall Timber Water may be required to pay the expenses reasonably attributable and allocable to such an investigation to the extent the requirements for such payment are in accordance with the provisions of Chapter 80.20 RCW.

### ORDER

#### THE COMMISSION ORDERS:

- 12 (1) The tariff revisions filed by Tall Timber Water Systems, LLC on October 14, 2003, are suspended.
- 13 (2) The Commission will hold hearings at such times and places as may be required.
- 14 (3) Tall Timber Water Systems, LLC, must not change or alter the tariffs filed in this docket during the suspension period, unless authorized by the Commission.

- 15 (4) The Commission will institute an investigation of Tall Timber Water Systems, LLC's books, accounts, practices, activities, property and operations as described above.
- 16 (5) Tall Timber Water Systems, LLC shall pay the expenses reasonably attributable and allocable to the Commission's investigation to the extent the requirements for such payment are in accordance with the provisions of Chapter 80.20 RCW.

DATED at Olympia, Washington, and effective this 26<sup>th</sup> day of November, 2003.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARILYN SHOWALTER, Chairwoman

RICHARD HEMSTAD, Commissioner

PATRICK J. OSHIE, Commissioner