

Service Date: January 6, 2019

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of Determining the Proper
Carrier Classification of:

SUNRISE ACRES WATER SERVICES,
LLC

DOCKET UW-180886

ORDER 01

ORDER INSTITUTING SPECIAL
PROCEEDING; SUBPOENA;

AND

NOTICE OF HEARING
(Set for February 4, 2019,
at 1:30 p.m.)

I. INTRODUCTION

- 1 The Washington Utilities and Transportation Commission (Commission), pursuant to RCW 80.04.015, institutes this special proceeding on its own motion to determine whether Sunrise Acres Water Services, LLC (“Company” or “Sunrise Acres”) is subject to regulation under chapter 80.28 RCW and is performing any act requiring approval of the Commission without securing such approval.
- 2 As a result of a Commission Staff investigation, the Commission believes that Sunrise Acres may be engaged in business as a water company, as defined by RCW 80.04.010 and WAC 480-110-255, without having filed a tariff as required by RCW 80.28.050 and WAC 480-110-433.
- 3 Pursuant to RCW 80.04.15, upon proof of these allegations, the Commission is authorized to issue such orders as may be necessary to require Sunrise Acres to comply with Title 80 RCW and the Commission’s rules adopted under that title.
- 4 The significant findings of Commission Staff’s investigation, which remain to be proved in this formal proceeding, are as follows:
- 5 (1) Sunrise Acres owns, controls, and manages a water system for the purpose of providing water service to the public for hire in Benton County, Washington.
- 6 (2) Sunrise Acres has 39 customers and is owned and controlled by Tom Harrison, who is the sole governing individual.
- 7 (3) Sunrise Acres has not filed a tariff with the Commission.

- 8 (4) Water companies are exempt from the Commission’s jurisdiction if they have fewer than 100 customers and receive average annual per-customer revenue of less than \$557. RCW 80.04.010(30)(b) and WAC 480-110-255. However, RCW 80.04.010(30)(b) states, “The measurement of customers and revenues must include all portions of water companies having common ownership or control, regardless of location or corporate form.” Commission rules define “control” to mean that “the water system operator or manager has discretion over the property or finances or operations of a water company which is normally exercised by an owner.” WAC 480-110-235.
- 9 (5) Tom Harrison owns and controls two other Commission regulated water companies in addition to Sunrise Acres: Harrison-Ray Water Company (Harrison-Ray) and Harrison Water Company/Kiona, LLC (Kiona), which have 242 customers and 213 customers respectively.
- 10 (6) Insofar as Tom Harrison commonly owns and controls Sunrise Acres, Harrison-Ray, and Kiona, the calculation of the number of Sunrise Acres’ customers must include the customers of all three of these companies to determine the Commission’s jurisdiction over Sunrise Acres. Consequently, for the purpose of determining the Commission’s jurisdiction over Sunrise Acres, the Company has 494 customers and is therefore subject to the Commission’s jurisdiction.

II. ORDER, SUBPOENA, AND NOTICE OF HEARING

11 The hearing in this matter will be conducted pursuant to Part IV of the Administrative Procedure Act (APA), chapter 34.05 RCW. The Commission has jurisdiction to institute a special proceeding to determine whether Sunrise Acres is subject to regulation under chapter 80.28 RCW and is performing any act requiring Commission approval without having secured such approval, pursuant to RCW 80.01.040 and RCW 80.04.015. In addition to the foregoing statutes, this matter involves Title 80 RCW, including but not limited to RCW 80.01.040, RCW 80.04.010, RCW 80.04.020, and RCW 80.28.050. This matter also involves the administrative rules set forth in chapters 480-110 and 480-07 WAC.

12 **IT IS HEREBY ORDERED That Tom Harrison appear before the Commission in this special proceeding conducted under the authority of RCW 80.04.015 at 1:30 p.m. on Monday, February 4, 2019, in Room 206, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington to give testimony and evidence under oath as to Sunrise Acres’ ownership and operations. Tom Harrison shall appear at the time and place set forth above unless the Executive Director and**

Secretary of the Commission, by notice of hearing, specifies a different time and place. This is ordered pursuant to the subpoena powers granted in RCW 34.05.446, RCW 80.01.060(1), RCW 80.04.015, and RCW 80.04.020.

13 THE COMMISSION FURTHER ORDERS that, pursuant to RCW 34.05.446 and RCW 80.04.015, Tom Harrison bring to the special proceeding:

- (1) Records of all revenues (monthly or otherwise) received from each customer of the Sunrise Acres water system since August 1, 2017, including but not limited to, statements, invoices, and/or billing notices for water service, including usage information, service rates, and customer payments.
- (2) Records reflecting the current ownership of Sunrise Acres.

14 NOTICE IS FURTHER GIVEN THAT ANY PARTY WHO FAILS TO ATTEND OR PARTICIPATE IN THE HEARING SET BY THIS NOTICE, OR ANY OTHER STAGE OF THIS PROCEEDING, MAY BE HELD IN DEFAULT IN ACCORDANCE WITH RCW 34.05.440 AND WAC 480-07-450.

15 If a limited English-speaking or hearing-impaired party needs an interpreter, a form is attached to this notice to be filled out and returned as indicated, so that a qualified interpreter may be appointed at no cost to the party or witness.

16 The names and mailing addresses of all parties and their known representatives are shown as follows:

Respondent: Sunrise Acres Water Services, LLC
PO Box 2818
Pasco, WA 99302-2818

Representative: Tom Harrison
PO Box 2818
Pasco, WA 99302-2818

Commission: Washington Utilities and
Transportation Commission
1300 S. Evergreen Park Drive S.W.
P.O. Box 47250
Olympia, WA 98504-7250
(360) 664-1160

Representative: Harry Fukano
Assistant Attorney General
1400 S. Evergreen Park Drive S.W.
P.O. Box 40128
Olympia, WA 98504-0128
(360) 664-1225

- 17 Administrative Law Judge Nelli Doroshkin, from the Utilities and Transportation Commission's Administrative Law Division, 1300 S. Evergreen Park Drive S.W., Olympia, Washington 98504-7250, is designated to preside at the hearing of these matters.

DATED at Olympia, Washington, and effective January 2, 2019.

Rayne Pearson
Administrative Law Judge
Director, Administrative Law Division

Inquiries should be addressed to:

Executive Director and Secretary
Washington Utilities and
Transportation Commission
Richard Hemstad Building
1300 S. Evergreen Park Drive S.W.
P. O. Box 47250
Olympia, WA 98504-7250
(360) 664-1160

NOTICE

PLEASE NOTE: The hearing facilities are accessible to interested people with disabilities; that smoking is prohibited; and, if limited English-speaking or hearing-impaired parties or witnesses are involved in a hearing and need an interpreter, a qualified interpreter will be appointed at no cost to the party or witness.

The information needed to provide an appropriate interpreter or other assistance should be stated below and returned to Washington Utilities and Transportation Commission, Attention: Mark Johnson, 1300 S. Evergreen Park Drive SW, P.O. Box 47250, Olympia, WA 98504-7250. (PLEASE SUPPLY ALL REQUESTED INFORMATION)

Docket: _____

Case Name: _____

Hearing Date: _____ Hearing Location: _____

Primary Language: _____

Hearing Impaired: (Yes)_____ (No)_____

Do you need a certified sign language interpreter?

Visual_____ Tactile_____

Other type of assistance needed: _____

English-speaking person who can be contacted if there are questions:

Name: _____

Address: _____

Phone No.: (____)_____