

BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of)	DOCKET UW-121468
)	
PARKLAND WATER SYSTEM,)	ORDER 01
INC.,)	
)	
Seeking Removal from)	ORDER APPROVING PETITION
Regulation Under the Provisions of)	FOR REMOVAL FROM
RCW 80.04.010(30)(e))	REGULATION
.....)	

BACKGROUND

- 1 On September 6, 2012, Parkland Water System, Inc. (Parkland or Company), filed a petition to be removed from regulation. The Company states that it currently charges less than the revenue threshold to become regulated and it does not intend to charge more than the revenue threshold to become regulated in the future.

- 2 RCW 80.04.010(30)(e) provides that a water company may petition the Commission for removal from regulation if the number of customers falls below one hundred or the average annual revenue per customer falls below three hundred dollars. The Commission interprets the three hundred dollar “threshold” in RCW 80.04.010(30)(e) to remove a water company from regulation is subject to the same adjustment as the three hundred dollar “threshold” in RCW 80.04.010(30)(b) for a water company to become regulated. The current revenue threshold to become regulated is \$557 average annual revenue per customer, as set forth in WAC 480-110-255(1)(b), effective September 9, 2012. The Commission is authorized to maintain continued regulation if it finds that the public interest so requires.

- 3 The Company serves eight connections on a single water system located near Olympia in Thurston County. The Company became regulated effective October 14, 1992, and the Company’s original rates remain in effect today. Parkland is considered a Group B water system according to the Department of Health and does not have any violations for quality of water service in the past five years.

4 The Company notified its customers by letter on September 11, 2012, telling them of its request to be removed from regulation and advising them how to provide comments to the Commission. The Commission has received no customer comments.

5 Because the Company charges less than the revenue threshold to become regulated and states that, in the future, it does not intend to charge more than the revenue threshold to become regulated, Staff recommends that the Commission approve Parkland's petition to be removed from regulation.

FINDINGS

6 RCW 80.04.010(30)(e) provides that a water company may petition the Commission for removal from regulation if the number of customers falls below one hundred or the average annual revenue per customer falls below three hundred dollars. The Commission is authorized to maintain continued regulation if it finds that the public interest so requires.

7 The Commission interprets the three hundred dollar "threshold" in RCW 80.04.010(30)(e) to remove a water company from regulation is subject to the same adjustment as the three hundred dollar "threshold" in RCW 80.04.010(30)(b) for a water company to become regulated. The current revenue threshold is \$557 average annual revenue per customer, as set forth in WAC 480-110-255(1)(b), which became effective on September 9, 2012.

8 The Company charges less than the revenue threshold to become regulated and states that, in the future, it does not intend to charge more than the revenue threshold to become regulated.

9 WAC 480-110-433(4) states "If a company or water system was previously subject to commission jurisdiction and once again becomes jurisdictional, the company must file a tariff with the rates and charges in effect at the time the company was last removed from regulation."

10 This matter came before the Commission at its regularly scheduled open meeting on
October 11, 2012. The Commissioners, having determined the following order to be
consistent with the public interest entered the following order and related provisions.

CONCLUSIONS OF LAW

- 11 (1) The Washington Utilities and Transportation Commission has jurisdiction
over the subject matter of this petition.
- 12 (2) Parkland Water System, Inc., is subject to the provisions of Chapter 80.04
RCW requiring water companies to file a petition for removal from regulation.
- 13 (3) The petition filed by Parkland Water System, Inc., for removal from
regulation is in the public interest because the Company intends to maintain
its rates below the jurisdictional threshold that would make the Company
subject to regulation by the Commission.
- 14 (4) Subject to the conditions in this Order and WAC 480-110-433(4), rates are no
longer regulated by this Commission.

ORDER

THE COMMISSION ORDERS:

- 15 (1) The petition filed by Parkland Water System, Inc., to be removed from
regulation under the provisions of RCW 80.04.010(30)(e) is approved.
- 16 (2) The Commission has authority to set rates at the level prior to removal from
regulation should Parkland Water System, Inc.'s, revenues exceed the
jurisdictional threshold as provided in WAC 480-110-255(1)(b).

The Commissioners, having determined this Order to be consistent with the public
interest, directed the Executive Secretary to enter this Order.

DATED at Olympia, Washington, and effective October 11, 2012.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Executive Director and Secretary