

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND)	
TRANSPORTATION)	DOCKET UW-141114
COMMISSION,)	
)	
Complainant,)	ORDER 01
)	
v.)	
)	
AQUARIUS UTILITIES, LLC)	
)	COMPLAINT AND ORDER
Respondent.)	SUSPENDING TARIFF
.....)	

BACKGROUND

- 1 On May 20, 2014, Aquarius Utilities, LLC (Aquarius or Company), filed with the Washington Utilities and Transportation Commission (Commission) a proposed general rate increase that would generate \$72,630 (15.9 percent) additional annual revenue. The Company seeks this rate increase to cover increases in operating expenses – mainly labor, insurance, property taxes and bank charges – and to recover the cost of capital expenditures not covered by the Company’s recent Drinking Water State Revolving Fund loans. The Company also proposes to increase several ancillary charges and to implement a new Service Connection Removal Fee of \$200. The proposed effective date is June 20, 2014. Aquarius provides water service to 916 customers on various water systems located in Mason, Kitsap and Clallam Counties. The Company’s last rate change was effective October 13, 2009.
- 2 The Commission’s regulatory staff (Staff) reviewed the Company’s filing. The Company has not responded to Staff’s data requests, and Staff has determined that Aquarius has not yet demonstrated it needs additional revenue and that the proposed rates are fair, just, reasonable and sufficient. Accordingly, Staff recommends that the Commission suspend and investigate the tariff revisions.

DISCUSSION

3 Aquarius has not demonstrated that the proposed tariff revisions would result in rates
that are fair, just, reasonable, and sufficient. The Commission, therefore, suspends
the tariff filing for investigation and further proceedings to make that determination.

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, and accounts of public service companies, including
water companies.
- 5 (2) Aquarius is a water company and a public service company subject to
Commission jurisdiction.
- 6 (3) On May 20, 2014, Aquarius filed a proposed general rate increase that would
generate \$72,630 (15.9 percent) additional annual revenue.
- 7 (4) The tariff revisions Aquarius filed on May 20, 2014, would increase rates for
water service provided by the Company.
- 8 (5) Aquarius has not yet demonstrated that the tariff revisions would result in rates
that are fair, just, reasonable, and sufficient.
- 9 (6) To determine whether the tariff revisions would result in rates that are fair,
just, and reasonable, the Commission should investigate Aquarius' accounts,
practices, and activities, and should investigate and appraise various phases of
the Company's operations.
- 10 (7) Aquarius bears the burden of proof to show that the proposed increases are
fair, just, reasonable, and sufficient.

ORDER

THE COMMISSION ORDERS:

- 11 (1) The tariff revisions filed by Aquarius Utilities, LLC, on May 20, 2014, are
suspended.
- 12 (2) Aquarius Utilities, LLC, must not change or alter the tariffs filed in this docket
during the suspension period, unless authorized by the Commission.
- 13 (3) The Commission will institute an investigation of Aquarius Utilities, LLC's
books, accounts, practices, activities, and operations as described above, and
may hold hearings at such times and places as may be required.

DATED at Olympia, Washington, and effective June 12, 2014.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

JEFFREY D. GOLTZ, Commissioner