

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

WASHINGTON WATER SUPPLY,  
INC.,

Respondent.

DOCKET UW-230997

ORDER 05

GRANTING MOTION TO AMEND  
SURCHARGE

**BACKGROUND**

- 1 On July 12, 2023, Washington Water Supply, Inc. (Washington Water or Company) filed with the Washington Utilities and Transportation Commission (Commission) a tariff revision in Docket UW-230598. The revision included a surcharge of \$60 per month to 42 customers for the recovery of purchased water expenses due to well issues and high summer usage on the Echo Glenn water system located in Maple Valley.
- 2 On May 30, 2024, the parties filed a Settlement Stipulation and Agreement (Settlement), which was agreed to by all the parties and resolved all of the issues relating to the surcharge for costs related to hauling water.
- 3 The parties also filed testimony from Washington Water and Staff and agreed that the Settlement may be considered on the paper record.<sup>1</sup>
- 4 On June 14, 2024, the Commission approved the Agreement in Order 04.
- 5 The Settlement Agreement and Order 04 allowed the surcharge to go into effect in June of 2024 and run through December of 2024.<sup>2</sup>

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<sup>1</sup> *WUTC v. Washington Water Supply, Inc.*, Docket UW-230997, Settlement Stipulation and Agreement, 4, ¶ 12 (May 30, 2024).

<sup>2</sup> *See*, Appendix A, Order 04.

- 6 On September 30, 2024, Washington Water filed a Motion to Amend Surcharge (Motion) requesting the Commission allow the Company to implement the surcharge and begin implementing the surcharge upon the Commission granting the Company’s Motion.<sup>3</sup>
- 7 In its Motion, the Company states that surcharge implementation was delayed in June because the Company wanted to ensure that rehabilitation of the well was effective and performance was sufficient through the summer, before billing customers any additional fees.<sup>4</sup>
- 8 Washington Water also argues the Commission has statutory authority to amend the Settlement Agreement to allow delayed implementation and case law supports the Commission’s authority to do so.
- 9 On October 7, 2024, Staff filed a Response to Washington Water Supply, Inc.’s Motion to Amend Surcharge (Response to Motion) stating that although Staff has concerns over the Company’s request, they do not object.<sup>5</sup>
- 10 Staff asserts that pursuant to Washington Administrative Code (WAC) 480-07-870(1)(d), the Commission has authority to amend Order 04.

### DISCUSSION

- 11 WAC 480-07-870(1)(d) states the Commission may amend an Order for “any good and sufficient cause that the Commission did not consider or determine in the order.” As Staff points out in their Response to Motion, neither Staff or the Commission contemplated that Washington Water would not or did not want to begin collecting the surcharge until after the summer was over.
- 12 After reviewing the record, we agree with Staff and the Company. The Settlement Agreement did not specify the dates on which a surcharge must be implemented, and accordingly, we will amend Order 04 to allow the Company to begin implementing the surcharge at this time.
- 13 However, we also agree with Staff that if the Company is going to implement the surcharge, it should be done promptly. Accordingly, we find the Company shall begin implementing the surcharge on February 1, 2025, on the conditions that Washington

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<sup>3</sup> Motion to Amend Surcharge, 2:22-3:24 (Sep. 30, 2024) (Motion).

<sup>4</sup> Motion, at 2:27-3:5.

<sup>5</sup> Staff’s Response to Washington Water Supply, Inc.’s Motion to Amend Surcharge, ¶ 18 (Oct. 7, 2024) (Response to Motion).

Water shall send notice to customers that adequately explains the Company's actions 30 days prior to collection of the surcharge and shall file confirmation that the notice was sent with the Commission, to include the date sent and method by which the notice was sent.

14 We find that this amendment is in the public interest, honors the settlement, and is based on circumstances the Commission did not consider in Order 04. Further, the Commission finds that this amendment does not change the Commission's finding in Order 04, that approval and adoption of the Settlement Agreement is in the public interest, that the Settlement Agreement is supported by an appropriate record, and that approving the agreement is lawful.

### **FINDINGS AND CONCLUSIONS**

- 15 (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.
- 16 (2) Washington Water is a water company and a public service company subject to Commission jurisdiction.
- 17 (3) Washington Water filed a proposed surcharge for its Echo Glenn water customers on December 8, 2023.
- 18 (4) The Commission suspended the proposed surcharge on January 11, 2024, pending investigation and hearing.
- 19 (5) On May 30, 2024, the parties filed a Settlement Agreement that, if approved, would resolve all pending issues in the proceeding.
- 20 (6) On June 14, 2024, the Settlement was approved by the Commission as a reasonable resolution of the issues presented in this matter.
- 21 (7) On September 30, 2024, Washington Water filed a Motion to Amend the Surcharge, to begin collecting the surcharge later than contemplated in the Settlement.
- 22 (8) Staff does not oppose the amendments proposed by Washington Water.

- 23 (9) Pursuant to WAC 480-07-870(1)(d), the Commission finds good cause to amend the Settlement to allow Washington Water to collect the surcharge, subject to the following conditions:
1. Washington Water shall begin collecting the surcharge contemplated in the Settlement approved in Order 04 of this Docket starting February 1, 2025, and ending six months after, consistent with the Settlement;
  2. Washington Water shall notify customers of the surcharge, at least 30 days prior to February 1, 2025, adequately explaining the Company's actions;
  3. Washington Water shall file confirmation that the notice was sent, including the date sent and the method by which notice was provided.
- 24 (7) Approval and adoption of the Settlement remains lawful, supported by an appropriate record, and continues to be in the public interest.
- 25 (8) Washington Water should be authorized to file a revised Surcharge, subject to the conditions of this Order, if necessary.

### ORDER

#### THE COMMISSION ORDERS:

- 26 (1) The Motion filed by Washington Water Supply, Inc. on September 30, 2024, is GRANTED, subject to the conditions in paragraph 23 of this Order.
- 27 (2) Washington Water Supply, Inc. is authorized to make a compliance filing including such new and revised surcharge tariff sheets as are necessary to implement the requirements of this Order within ten (10) days of the effective date of this Order.
- 28 (3) The Commission Secretary is authorized to accept a filing that complies with the requirements of this Order.

DATED at Lacey, Washington, and effective December 16, 2024.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

/s/ Connor Thompson  
CONNOR THOMPSON  
Administrative Law Judge

### NOTICE TO PARTIES

This is an Initial Order. The action proposed in this Initial Order is not yet effective. If you disagree with this Initial Order and want the Commission to consider your comments, you must take specific action within the time limits outlined below. If you agree with this Initial Order, and you would like the Order to become final before the time limits expire, you may send a letter to the Commission, waiving your right to petition for administrative review.

WAC 480-07-610(7) provides that any party to this proceeding has twenty-one (21) days after the entry of this Initial Order to file a *Petition for Review*. What must be included in any Petition and other requirements for a Petition are stated in WAC 480-07-610(7)(b). WAC 480-07-610(7)(c) states that any party may file a *Response* to a Petition for review within seven (7) days after service of the Petition.

WAC 480-07-830 provides that before entry of a Final Order any party may file a Petition to Reopen a contested proceeding to permit receipt of evidence essential to a decision, but unavailable and not reasonably discoverable at the time of hearing, or for other good and sufficient cause. No Answer to a Petition to Reopen will be accepted for filing absent express notice by the Commission calling for such answer.

RCW 80.01.060(3) provides that an Initial Order will become final without further Commission action if no party seeks administrative review of the Initial Order and if the Commission fails to exercise administrative review on its own motion.

Any Petition or Response must be electronically filed through the Commission's web portal as required by WAC 480-07-140(5). Any Petition or Response filed must also be electronically served on each party of record as required by WAC 480-07-140(1)(b).