

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

<p>In the Matter of the Petition of</p> <p>WASHINGTON WATER SERVICE COMPANY,</p> <p>Applicant,</p> <p>Seeking Commission Approval of Changes in Charges</p>	<p>DOCKET UW-230019</p> <p>ORDER 01</p> <p>APPROVING CHANGES IN CHARGES</p>
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BACKGROUND

- 1 On January 5, 2023, Washington Water Service Company (Washington Water or Company) filed tariff revisions with the Washington Utilities and Transportation Commission (Commission) requesting to add the Bethel Green Acres Water System (DOH WFI No. 05980) (Bethel or System) to its tariff as a new service. Washington Water further seeks to bring the System into the tariff at the Company’s current rates, and has petitioned to do so in its filing, instead of adopting the rates currently charged to Bethel’s customers.¹ Washington Water’s last general rate case became effective February 15, 2022.
- 2 Bethel Greenacres Water System is located in Southeast Pierce County and is owned by Bethel Greenacres Water Association, which is a privately owned Homeowners Association (HOA) with approximately 200 customers. The System provides water services at rates determined by the HOA. Currently the monthly base rate is \$41.25 and anything over 8,999 gallons costs an additional \$2.00 per 100 gallons used.
- 3 With its filing, Washington Water filed a petition (Petition) requesting the Commission allow the system to be brought under the current tariffed water rates listed as East Pierce (schedule 2.1). WAC 480-110-433(2)(c) requires the Company to adopt the rates Bethel is currently billing unless the Company receives Commission approval to charge different rates. Washington Water provided documentation showing the billing for all customers using up to 8,999 gallons will be reduced by an average of approximately \$15.38 per

¹ WAC 480-110-433(2)(a): When a regulated water company acquires a nonregulated water company or water system, the acquiring water company must file a separate tariff page indicating the name of the newly acquired company or system with the rates and charges that were in existence before the acquisition.

month. For customers using over 8,999 gallons, the average reduction in billing would be approximately \$339.72 per month.

4 Washington Water contends the customers were informed of the sale and, as owners of the system through the HOA, approved the sale by vote. The Company provided documentation showing the agreement between Bethel and the Company.

5 After reviewing the Company's request and supporting documentation, Staff agrees that allowing the system to come under Washington Water's current rates benefits the customers.

DISCUSSION

6 We agree with Staff that the Company has provided clear evidence the customers would benefit from adopting the current East Peirce (Schedule 2.1) rates in effect. We approve the rates to go into effect upon the effective date of the tariff incorporating Bethel into Washington Water's tariff.

FINDINGS AND CONCLUSIONS

7 (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.

8 (2) Washington Water is an investor-owned water company and is a public service company subject to Commission jurisdiction.

9 (3) Bethel is a water system privately-owned by a Homeowner's Association interested in selling itself to a public service company subject to Commission jurisdiction.

10 (4) Bethel held a meeting of its members, at which the members voted to sell the water system to Washington Water.

11 (5) Washington Water will acquire the water system assets of Bethel.

- 12 (6) WAC 480-110-425 requires water companies to notify customers and potential customers who may be affected by the water company's proposal 30-days prior to the requested effective date of changes in ownership or changes in terms and conditions of existing services.
- 13 (7) As a result of this sale and transfer of water system assets, Washington Water is required to adopt Bethel's rates into its tariff rates, unless the Commission authorizes different rates. WAC 480-110-433.
- 14 (8) Washington Water requests Commission approval to charge different rates than Bethel is currently charging, bringing Bethel customers under its current East Peirce (Schedule 2.1) tariff rates.
- 15 (9) This matter was brought before the Commission at its regularly scheduled meeting on February 9, 2023.
- 16 (10) The proposed change in rates would become effective February 10, 2023. For accounting purposes, the Company's accounting records will be transferred and effective on February 10, 2023.
- 17 (11) The application meets the requirements of RCW 80.12 and the rules and regulations of the Commission. WAC 480-110-433(2).
- 18 (12) After reviewing the Petition submitted by Washington Water Service Company in Docket UW-230019 on January 5, 2023, the Commission finds that approving rates other than currently charged by Bethel using the rates and charges of Washington Water's tariff is consistent with the public interest and concludes that it should be approved.

ORDER

THE COMMISSION ORDERS:

- 19 (1) The Commission approves Washington Water Service Company's request to apply the rates and charges in its tariff East Peirce (Schedule 2.1) to Bethel Greenacres Water System (DOH WFI No. 05980), to be effective on the date of the transfer, February 10, 2023.

- 20 (2) This Order shall not affect the Commission's authority over rates, services, accounts, valuations, estimates, or determination of costs, on any matters that may come before it. Nor shall this Order be construed as an agreement to any estimate or determination of costs, or any valuation of property claimed or asserted.
- 21 (3) The Commission retains jurisdiction over the subject matter and Washington Water Service Company to effectuate the provisions of this Order.

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

DATED at Lacey, Washington, and effective February 9, 2023.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

AMANDA MAXWELL
Executive Director and Secretary