

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of  
  
OLYMPIC WATER AND SEWER,  
INC.,  
  
Petitioner,  
  
For Approval of a Surcharge for Cost  
Recovery of Water Treatment Project

DOCKET UW-190160  
  
ORDER 03  
  
GRANTING MOTION FOR  
CONTINUANCE

**BACKGROUND**

- 1 On April 14, 2022, the Washington Utilities and Transportation Commission (Commission) entered Order 02, Approving Surcharge Subject to Conditions (Order 02), in this Docket. Order 02 authorized Olympic Water and Sewer, Inc., (Olympic Water or Company) to reduce a surcharge approved in 2019 to recover 70 percent of the costs related to a water treatment plant project. The surcharge reduction was granted subject to several conditions, including a requirement that Olympic Water file a general rate case to become effective no later than May 1, 2023.
- 2 Consistent with the requirements in Order 02, Olympic Water filed a general rate case on February 24, 2023, in Docket UW-230132 with an effective date of May 1, 2023. The Company notified its customers of the proposed rate increase by mail on March 15, 2023.
- 3 On April 14, 2023, Olympic Water filed with the Commission a Motion for Continuance (Motion). In its Motion, the Company requests to extend the effective date of its rate increase until June 19, 2023, to provide additional time for the Company to file all work papers required by Commission rules.
- 4 Staff reviewed the Company's Motion and recommends granting the Company's request for continuance. WAC 480-07-530(4)(h) requires water companies to include with any general rate case filing a schedule showing the separation of revenues and expenses between regulated and nonregulated operations. When the Company did not provide this schedule with its initial filing, Staff instead reviewed the general ledger from Olympic Water's accounting system for its water operations, which is separate from the system used for its wastewater operations. Staff reviewed only the regulated operations from the

general ledger and verified that the correct allocations were used for shared costs, such as overhead, and verified that the allocations were correctly applied to calculate the revenue requirement. Staff also reviewed time schedules that clearly delineated how many hours of labor were billed to each portion of the Company's operations.

5 Although Staff believes that its review was thorough and adequate, it recognizes that the Company's filing technically failed to comply with the requirements of WAC 480-07-530(4)(h). Accordingly, Staff supports the Company's Motion to provide additional time for the Company to submit the required workpapers and for interested persons to review the record in its entirety.

### DISCUSSION

6 We grant Olympic Water's Motion to continue the deadline established by Order 02 until June 19, 2023.

7 WAC 480-07-385 permits an affected party to request a continuance of any deadline established by a Commission order provided such a request is made at least five business days prior to the deadline at issue. Here, Olympic Water filed its request on April 17, 2023, which is nine business days prior to the May 1 deadline. The Commission will grant a continuance if the requesting party demonstrates good cause for the continuance and the continuance will not prejudice any party or the Commission.

8 Although we recognize that Staff completed a thorough review of the Company's operations, all workpapers must be filed consistent with WAC 48-07-530(4) absent an exemption from those requirements. Accordingly, we agree with Staff that good cause exists to grant the Motion because it will allow Olympic Water time to file all required workpapers and afford interested persons the opportunity to review the Company's complete filing. Nor will granting the continuance, which is less than 60 days, prejudice any party or the Commission. On the contrary, it will ensure full transparency, and is thus consistent with the public interest. Going forward, the Company must file with any general rate case all workpapers required by Commission rules.

### FINDINGS AND CONCLUSIONS

9 (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.

- 10 (2) Olympic Water is a water company and a public service company subject to Commission jurisdiction.
- 11 (3) WAC 480-07-530(4)(h) requires water companies to file with any general rate case a schedule showing the separation of revenues and expenses between regulated and nonregulated operations.
- 12 (4) Olympic Water filed a general rate case on February 24, 2023, that did not include the schedule required by WAC 480-07-530(4)(h).
- 13 (5) The original proposed effective date for the Company's general rate case filing in Docket UW-230132 was May 1, 2023, as required by Order 02 in this Docket.
- 14 (6) Under WAC 480-07-385(2)(a), any party may request by oral or written motion a continuance of a deadline established by Commission order. The Commission will grant a continuance if the requesting party demonstrates good cause for the continuance and the continuance will not prejudice any party or the Commission.
- 15 (7) On April 17, 2023, Olympic Water filed a Motion for Continuance requesting that the Commission allow the Company to file a general rate case with an effective date no later than June 19, 2023.
- 16 (8) This matter came before the Commission at its regularly scheduled meeting on April 27, 2023.
- 17 (9) After reviewing Olympic Water's Motion and giving due consideration to all relevant matters and for good cause shown, the Commission finds that the continuance will not prejudice any party or the Commission and that it should be granted.

**ORDER**

**THE COMMISSION ORDERS:**

- 18 (1) Olympic Water and Sewer, Inc.'s, Motion for Continuance is granted. Olympic  
Water and Sewer, Inc., must file a general rate case with an effective date no later  
than June 19, 2023.
- 19 (2) The Commission retains jurisdiction over the subject matter and Olympic Water  
and Sewer, Inc., 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 April 27, 2023.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

AMANDA MAXWELL  
Executive Director and Secretary