

Agenda Date: September 28, 2011
Item Number: A1

Docket: UW-111303
Company Name: Basin Water Sources, Inc.

Staff: Jim Ward, Regulatory Analyst
Pam Smith, Consumer Protection Staff

Recommendation

Issue a Complaint and Order Suspending the Tariff Revisions filed by Basin Water Sources, Inc., on July 20, 2011.

Discussion

On July 20, 2011, Basin Water Sources, Inc. (Basin or company) filed with the Utilities and Transportation Commission (commission) a general rate case filing that would generate \$10,525 (10 percent) additional annual revenue. The stated effective date is October 1, 2011. The tariff reissuance, as WN U-2, updates tariff language, increases general rates and implements several new ancillary charges. The filing was prompted by costs for company operations exceeding revenues. It proposes to increase all charges to all customers by 10 percent to its unmetered service rate. The company had its last general rate case in August 2007. The company serves about 392 customers (all non-metered) near Moses Lake, in Grant County.

Using the proposed rates, a residential customer would pay \$2.65 (10 percent) more than the current rates (see “Average Bill Comparison” table below). Current and proposed rates are shown below for the general rate increase.

Rate Comparison

Monthly Rate	Current Rate	Proposed Rate
Each Domestic Service	\$26.52	\$29.17
Each Commercial Service	\$42.94	\$47.23
Trailer Lot (less than 60 feet)	\$8.74	\$9.62
Trailer Lot (greater than 60 feet)	\$16.73	\$18.40
Trailer Lot (Wash House)	\$58.02	\$63.82
Garden Space / Extra Lots	\$30.89	\$33.98
Apartment – Each Unit	\$11.38	\$12.52
Duplex – Each unit	\$31.03	\$34.13

Average Bill Comparison

Average Company Wide	Current Rate	Proposed Rate
Residential	\$26.52	\$29.17
Commercial	\$42.94	\$47.23
Change from current rate		10%

Ancillary Charge Comparison

Charge	Current Rate	Proposed Rate
Disconnect Visit	NA	\$25.00
Reconnect Visit	\$25.00	\$25.00
Service Visit	NA	\$25.00
Late Charge (Unpaid Balance or Minimum)	NA	2% or \$1.00
Account Set Up	NA	\$25.00
NSF Check Charge	\$5.00	\$25.00
Damage and Repair	NA	Time & Material

Commission staff has not completed its review of the company's supporting financial documents, books and records. The company responded electronically to outstanding data requests on September 13 with hard copy exhibits to follow and staff has not yet completed our review. Therefore, the company has not yet demonstrated that the proposed rates are fair, just, reasonable and sufficient.

Customer Comments

On July 15, 2011, the company notified its customers of the proposed rate increase by mail. No comments were received. Customers were notified that they may access documents pertinent to this rate case on the commission's website, and that they may contact Pam Smith at 1-888-333-WUTC (9882) or psmith@utc.wa.gov with questions or concerns.

Conclusion

Issue a Complaint and Order Suspending the tariff revisions filed by Basin Water Sources, Inc., on July 20, 2011.