

Agenda Date: November 24, 2004

Item Number: **A1**

**Docket:** **UW-041830**

Company Name: Iliad Water Service, Inc.

Staff: Danny Kermodé, Regulatory Analyst

**Recommendation:**

Issue a Complaint and Order Suspending the Tariff Revision filed by Iliad Water Service, Inc., in Docket UW-041830.

**Discussion:**

Iliad Water Service, Inc., is a regulated water company in Kitsap County that services approximately 59 customers on three water systems.

On October 11, 2004, Iliad Water Service, Inc., (Iliad Water or Company) filed with the Commission a tariff that proposes to assess the customers of its Alder Lake Community water system a one-time charge of \$3,265.00 for the costs associated with installing a water chlorination system.

Staff requested additional information from the Company. A response was received from the Company early this week. Staff is currently reviewing the information provided.

The Commission received one letter from a customer opposed to the assessment. The customer says people on this water system are not wealthy and will not be likely to have \$3,265.00 to pay up front, leaving only the option of paying a "usurious" 11% interest rate. The customer also questions whether the Company has received bids on the work that is to be done.

**Conclusion**

The Company has not yet demonstrated that the proposed assessment is fair, just, and reasonable. Therefore, Staff recommends that the Commission issue a Complaint and Order Suspending the Tariff Revision filed by Iliad Water Service, Inc., in Docket UW-041830.