

Agenda Date: January 27, 2011
Item Number: A2

Docket: UW-110050
Company Name: Rainier View Water Co., Inc.

Staff: Jim Ward, Regulatory Analyst

Recommendation

Issue a Complaint and Order Suspending the Contract filed by Rainier View Water Co., Inc., on January 4, 2011.

Discussion

On January 4, 2011, Rainier View Water Co., Inc., (Rainier View or company), filed a contract to provide water service to an Accessory Dwelling Unit (ADU) to become effective February 4, 2011. This is the first contract that the company has filed for this type of unit and the charges set forth in the contract are not published in the company's tariff. The company serves about 16,650 residential and upsize meter customers in Pierce County.

For many years, the company has collected facilities charges from new customers by contract. Facilities charges are charged to new customers so that new customers pay water system costs associated with growth, such as new source, additional storage and treatment, etc. Facilities charges are treated as contributions-in-aid-of-construction (CIAC). The Developer Contingency Charge and Supplemental Developer Fee are the same as previously charged in other contracts.

Staff asked the company to publish the facilities charges in its tariff to avoid the need for a separate contract with each new customer. Although the company filed proposed facilities charges in Docket UW-110054, also considered at this open meeting, the proposed facilities charges are higher than the company has been charging by contract. Staff has not received responses to data requests in that docket and recommends the commission issue a complaint and suspend the proposed facilities charges.

Customer Comments

Since this contract involves only one customer and the one customer is a party to the contract no notice was sent to any other customers.

Staff has not yet received responses from the company to data requests in this docket. Therefore, the company has not demonstrated the need for this contract and that the charges contained in it are fair, just, reasonable and sufficient.

Conclusion

Issue a Complaint and Order Suspending the Contract filed by Rainier View Water Co., Inc., on January 4, 2011.