Agenda Date: July 28, 2004 Item Number: A1

Docket:	UW-041181
Company Name:	Marbello Water Co., Inc.
Staff:	Danny Kermode, Regulatory Analyst

Recommendation:

Issue a Complaint and Order Suspending the Tariff Revisions filed by Marbello Water Co., Inc., in Docket UW-041181.

Discussion:

On June 28, 2004, Marbello Water Company, (Marbello Water or Company) filed to revise its tariff to reflect a general rate increase. The filing would generate an additional \$3,574 (4.6%) annually. The Company serves approximately 94 active customers Snohomish County. This is the Company's first rate filing since filing its initial tariffs on March 31, 2004.

The Commission received comments from seven customers, all opposed to the filing. Customers mentioned problems with customer service prior to the Company becoming regulated. Staff will investigate customer service issues on a going-forward basis. One customer mentioned a water pressure problem, which Staff has referred to the Department of Health.

The current and proposed rates are provided below:

Monthly Rate	Current Proj	posed
Metered Rate Service Base	\$ 32.85	\$ 43.37
(Zero water in base)		
Per 100 cubic foot .	\$ 4.00	\$ 1.84

Conclusion

The Company has not yet demonstrated that the proposed rates are fair, just, and reasonable. Therefore, Staff recommends that the Commission issue a Complaint and Order Suspending the Tariff Revisions filed by Marbello Water Co., Inc., in Docket

Docket No. UW-041182 July 28, 2004 Page 2

UW-041181.