

Agenda Date: October 10, 2007
Item Number: A6

Docket: UW-071885
Company Name: Iliad Water Service, Inc.

Staff: Amy White, Regulatory Analyst
Dennis Shutler, Consumer Program Specialist

Recommendation

Take no action on this filing at this time.

Discussion

Today's presentation allows customers or other parties to comment on the proposed rates. No action is required by the commission. Staff will make its recommendation to the commission at a future open meeting.

On September 17, 2007, Iliad Water Service, Inc. (Iliad or company), filed for general rates of \$60,822 in annual revenue. This is an increase of \$32,324, which is a 143 percent increase in the base rate. The company made the filing to help cover increased operating costs. The company's annual report states Iliad serves 89 customers in the following three systems:

System Name	County	Nearest City	Customers
Alder Lake	Pierce	Elbe	39
Western Stavis	Kitsap	Silverdale	27
Cascade Crest	Snohomish	Marysville	23

Depending upon the system, customers pay either flat or metered rates. The company filed for flat and metered rates. Metered rates include a water allowance. Use blocks are included in the rate structure to help encourage conservation but the basic rate design has not changed. The company's last general rate increase was in August 1992 at the time of the company's initial tariff filing. The company notified customers of this increase by mail on September 17, 2007.

The commission received five comments on this filing: two customers of the Alder Lake system; two customers of Western Stavis; and one from a Cascade Crest customer. The customers are concerned about the size of the increase, water shortages happening concurrently with new customer hookups, poor customer service, and the seasonal nature of use on the Alder Lake system.

Rate Comparison

Monthly Rate, Alder Lake and Western Stavis	Current Rate Per 100 cf	Proposed Rate Per 100 cf
Flat Rate Service	\$23.13	\$56.19
Metered Rate Service – 500 cf allowance	\$23.13	\$56.19
Over Base allowance shown above	\$0.76	\$0.76
“Start of Development” Ready To Serve	\$11.57	\$44.63

Monthly Rate, Cascade Crest	Current Rate Per 100 cf	Proposed Rate Per 100 cf
Flat Rate Service	\$26.26	\$59.52
Metered Rate Service – 500 cf allowance	\$26.26	\$59.52
Over Base allowance shown above	\$0.76	\$0.76
“Start of Development” Ready To Serve	\$13.13	\$46.39

cf = cubic feet (1 cubic foot = 7.48 gallons of water)
All usage rates are per 100 cubic feet of water used

Commission staff has not yet completed its review of the company’s supporting financial documents, books and records.

Conclusion

Take no action on this filing at this time.