

Agenda Date: January 26, 2012
Item Number: A4

Docket: UW-112182
Company Name: Betty Lu Miller d/b/a Northwest Water System

Staff: Jim Ward, Regulatory Analyst
John Cupp, Consumer Protection Staff

Recommendation

Issue a Complaint and Order Suspending the Tariff Revisions filed by Betty Lu Miller d/b/a Northwest Water System on December 20, 2011.

Discussion

On December 20, 2011, Betty Lu Miller d/b/a Northwest Water System (Northwest Water System or company), filed with the Utilities and Transportation Commission (commission) a general rate case filing that would generate \$1,736 (6.4 percent) additional annual revenue. The filing is prompted by an increase in the cost to purchase water from the City of Everett. The company serves 40 customers on a water system located near Everett in Snohomish County. The proposed effective date is February 1, 2012. The company's last general rate increase was February 1, 2010.

Using the proposed rates, a customer using 564 cubic feet of water (the company-wide average) would pay \$3.61 (5.8 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 Rates	Current Rate	Proposed Rate
Base Rate	\$33.15	\$35.07
Usage 0 – 1,200 cubic feet ¹	\$0.04658	\$0.04928
Usage over 1,200 cubic feet ¹	\$0.07558	\$0.07996

1 - Based on per cubic foot or fraction thereof.

Average Bill Comparison

Average Usage (Monthly Bill)	Current Rate	Proposed Rate
Base Rate	\$33.15	\$35.07
Usage of 564 Cubic Feet	\$26.27	\$27.79
Excise Tax (5.029 %)	\$2.99	\$3.16
Total	\$62.41	\$66.02
Change from current rate	\$3.61	5.8%

Commission staff has not completed its review of the company's supporting financial documents, books and records. The company has not responded to outstanding data requests

from January 9, 2012. Therefore, the company has not yet demonstrated that the proposed rates are fair, just, reasonable and sufficient.

Customer Comments

On December 19, 2011, the company notified its customers of the proposed rate increase by mail. No customer comments have been received.

Conclusion

Issue a Complaint and Order Suspending the tariff revisions filed by Betty Lu Miller d/b/a Northwest Water System on December 20, 2011.