

Agenda Date: February 26, 2009
Item Number: A6

Docket: UW-090155
Company Name: Marbello Water Company, Inc.

Staff: Amy White, Regulatory Analyst
Dennis Shutler, Consumer Protection Staff

Recommendation

Take no action, thereby allowing the proposed rates to become effective March 1, 2009, by operation of law.

Discussion

On January 28, 2009, Marbello Water Company, Inc., (Marbello or company), filed with the Washington Utilities and Transportation Commission (commission) tariff revisions that would increase the rate for water usage from \$2.97 per 100 cubic feet to \$ 3.13 per cubic feet. The filing is prompted by the City of Monroe raising its rates 5.5 percent for water usage effective January 1, 2009. Marbello, which purchases its water from the City of Monroe, serves 97 customers near the City of Monroe, located in Snohomish County. The change will generate \$1,568 (2.5 percent) in annual additional revenue.

Staff inquired of the company whether it intends to pursue an alternate water source as the City of Monroe has consistently raised its rates over the past two years. The company responded: “At one time, the company did have a well. However, the well did not produce sufficient quantities of water to support the customer base. The hydrology of the area makes it unlikely to produce sufficient water. It is also unlikely that DOE and DOH would permit the drilling of multiple low-producing wells and that would then require large quantities of storage. Thus, even if DOE and DOH approval could be obtained, which is unlikely, the capital costs and operating costs for multiple low-producing wells and massive storage means that the City is the only viable source of water for the foreseeable future.”

Marbello notified its customers of the rate increase by mail on January 28, 2009. The commission has received no customer comments on this filing as of February 23, 2009.

Rate Comparison

Monthly Rate	Current Rate	Proposed Rate
Water Usage per 100 cubic feet plus utility taxes	\$2.97	\$3.13

Average Customer Charge Comparison

Average Monthly Usage 684 gallons	Current Rate	Proposed Rate
Base Rate	\$30.00	\$30.00
0-684 gallons	\$20.31	\$21.40
Average Monthly Bill	\$50.31	\$51.40
		(2.2%)

Commission staff has completed its review of the company's supporting documents. The rate increase was supported by the information provided and the proposed rates are fair, just, reasonable and sufficient.

Conclusion

Take no action, thereby allowing the proposed rates to become effective March 1, 2009, by operation of law.