

Agenda Date: May 23, 2024
Item Number: A2

Docket: UW-240203
Company Name: Roche Harbor Water Company

Staff: Byron Davis, Regulatory Services
Melissa Castaneda-Kerson, Consumer Protection

Recommendation

Take no action, thereby allowing the tariff pages filed by the Roche Harbor Water Company filed on March 3, 2024, to become effective June 1, 2024, by operation of law.

Background

On March 3, 2024, Roche Harbor Water Company (Roche Harbor or Company) filed with the Utilities and Transportation Commission (Commission) a tariff revision that would generate approximately \$89,000 (13.4 percent) additional annual revenue. The Company serves 634 customers located in Friday Harbor in San Juan County. The Company's last general rate increase became effective May 1, 2021.

Discussion

The filing is a result of additional increased expenses for insurance, taxes, wages, power, water system, and chemical treatment cost. The filing includes almost \$400,000 of capital improvements, including replacing a water main. The Company also increased their wholesale water cost which supports contractors working in outlying areas in San Juan County area. The Company has proposed increases in their ancillary charges: Disconnection Visit Charge, Reconnection Charge, NSF charge, and Backflow Assembly. All these charges will be increased from \$75 to \$85 except for NSF charge. The NSF charge will be increased from \$25 to \$35. The Company will be adding a new service, After hours Reconnection Charge, with a proposed rate of \$135.00. Commission staff (Staff) believes that the increases to ancillary services are fair, just, and reasonable.

Staff found in its review that the Company supported the requested revenue requirement and proposed rate structure.

General Comments

On March 22, 2024, the Company notified its customers of its proposed increase for water service. Staff received no comments. If customers have any questions regarding this filing, they can reach Melissa Castaneda-Kerson at Melissa.castaneda-kerson@utc.wa.gov or 1-888-333-9882.

Rate Comparison

Current block	Current Rate	Proposed Rate	Percentage Increase
Base Charge *	\$38.40	\$44.25	15.2%
Block 1 0-5000 cubic feet	\$5.52	\$7.27	31.7%
Block 2 5001-10,000 cubic feet	\$10.44	\$14.69	40.7%
Block 3 >10,001 cubic feet	\$13.08	\$17.33	32.5%

* for 5/8 connection; other base rates available in tariff.

Average Monthly Bill Comparison

Average Monthly Usage 884 cubic feet	Current Rate	Proposed Rate	Percentage Increase
Base Charge	\$38.40	\$44.25	15.2%
Average Monthly Bill	\$61.53	\$74.72	21.4%
Average Bill Increase		\$13.18	21.4%

Conclusion

Commission staff has completed its review of the Company's supporting financial documents, books, and records. Staff's review shows that the proposed filing is reasonable and required as part of the Company's operations.

Therefore Staff recommends the Commission take no action, thereby allowing the tariff pages filed by the Roche Harbor Water Company on March 3, 2024, to become effective June 1, 2024, by operation of law.