

Agenda Date: June 11, 2009
Item Number: A1

Docket: UW-090681
Company Name: Pioneer Water Company, Inc.

Staff: Jim Ward, Regulatory Analyst
Dennis Shutler, Consumer Protection Staff

Recommendation

Take no action, allowing the proposed rates to become effective June 15, 2009, by operation of law.

Discussion

On May 5, 2009, Pioneer Water Company, Inc. (Pioneer Water or company) filed a general rate increase that proposes to generate \$14,400 (20 percent) additional annual revenue. The company serves about 149 customers, near Otis Orchards, east of Spokane in Spokane County. The proposed rates are prompted by increased cost of operations, such as supplies, electrical power, labor, laboratory fees and increased governmental fees. The proposed effective date is June 15, 2009. The company's last rate increase was more than seven years ago and prior to the Utilities and Transportation Commission (commission) regulating the company in November 2004.

On April 24, 2009, the company notified its customers of the rate increase by mail.

Customer Comments

No customer comments have been received on this filing.

Rate Comparison

Monthly Rate	Current Rate	Proposed Rate
3/4 inch meter with zero allowance	\$25.00	\$25.00
0 – 8,000 gallons (per 1,000 gallons)	\$.75	\$.95
8,000-30,000 gallons (per 1,000 gallons)	\$.75	\$1.15
Over 30,000 gallons (per 1,000 gallons)	\$.75	\$1.25
1 inch meter with zero allowance	\$41.75	\$41.75
0 – 13,360 gallons (per 1,000 gallons)	\$.75	\$.95
13,360-50,100 gallons (per 1,000 gallons)	\$.75	\$1.15
Over 50,100 gallons (per 1,000 gallons)	\$.75	\$1.25

Average Monthly Bill Comparison

Average Monthly Usage: 20,204 Gallons	Current Rate	Proposed Rate
Base Charge – Zero Allowance	\$25.00	\$25.00
8,000 Gallons	\$6.00	\$7.60
12,204 Gallons	\$9.15	\$14.03
Average Monthly Bill	\$40.15	\$46.63
Increase From Current Rates		(16.1%)

Commission staff has completed its review of the company's supporting financial documents, books and records. Staff's review shows that the expenses are reasonable and required as part of the company's operations and the proposed rates and charges are fair, just, reasonable and sufficient.

Conclusion

Take no action, allowing the proposed rates to become effective June 15, 2009, by operation of law.