

Agenda Date: May 17, 2006  
Item Number: A3

**Docket:** UW-060583  
Company Name: Roche Harbor Water System

Staff: Jim Ward, Regulatory Analyst

### **Recommendation**

Allow the revised tariff revision filed by Roche Harbor Water System, in Docket UW-060583 to become effective May 18, 2006.

### **Discussion**

On April 17, 2006, Roche Harbor Water System, (Roche Harbor or company) filed a rate increase in the amount of 89,398 (38.6%) annually. On May 12, 2006, the company filed revised tariff rates that should produce an additional \$58,200 (25.1%) annually. The company serves approximately 497 customers on San Juan Island.

The company states that the reason for the filing is because it has not filed for a general rate increase in over ten years and the cost of providing water service has increased substantially over that time. The proposed rate design removes any water allowance with the basic charge.

The commission received no comments on this filing. Current, proposed, and revised rates are provided below along with a current capital recovery surcharge.

	Current	Proposed	Revised	Current Surcharge
Monthly Base Rate	\$25.00 (Includes first 5,000 gal of usage)	\$25.00 (Zero allowance)	\$25.00 (Zero allowance)	Capital Plant Recovery
0 – 5,000 gal	No charge	\$3.50 per 1,000 gal	\$1.80 per 1,000 gal	\$1.70 per 1,000 gal
5,000-10,000 gal	\$3.00 per 1,000 gal	\$5.50 per 1,000 gal	\$5.10 per 1,000 gal	\$4.25 per 1,000 gal
> 10,000 gal	\$5.50 per 1,000 gal	\$8.50 per 1,000 gal	\$7.90 per 1,000 gal	\$4.25 per 1,000 gal

gal = gallons

The company has demonstrated that the proposed rates are fair, just, and reasonable. Therefore, staff recommends that the commission allow the revised tariff revision filed by Roche Harbor Water System, in Docket UW-060583, to become effective May 18, 2006.