

Agenda Date: March 28, 2007
Item Number: A2

Docket: UW-070291
Company Name: Canyon Village Water System, Inc.

Staff: Jim Ward, Regulatory Analyst
John Cupp, Consumer Program Specialist

Recommendation

Issue a Complaint and Order Suspending the Tariff Revision filed by Canyon Village Water System, Inc.

Discussion

On February 9, 2007, Canyon Village Water System, Inc., (Canyon Village or company) filed for general rates for \$14,304 (26 percent) of additional revenue per year. The company serves 85 customers near Kennewick located in Benton County. The company made the filing to help cover increased operational costs and capital improvement expenses.

The company added several new ancillary charges. The rate design will provide a zero water allowance with the base meter charge to help encourage water conservation. The company's last general rate increase was September of 1997.

Four customers commented on this filing. Three are opposed to the company's proposed increase. One customer feels the company may need an increase, but should get one based on actual costs, not cost-of-living data. Several customers mentioned that their bills do not show meter readings and usage amounts. Staff is working with the company to make sure future bills comply with commission rules. Customers are responding to the rate increase notice mailed on March 1, 2007. Below are current and proposed rates:

Monthly Rate	Current Rate	Proposed Rate
5/8 " Meter Includes 600 cf	\$36.00	NA
Over Base allowance shown above	\$1.55	NA
5/8 " Meter Zero Allowance	NA	\$36.00
0-600 cf	NA	\$1.55
601-1,000 cf	NA	\$1.95
Over 1,000 cf	NA	\$2.10

cf = cubic feet (1 cubic foot = 7.48 gallons of water)
All usage rates are per 100 cubic feet of water used

Ancillary Charge	Current	Proposed
Reconnection	\$100.00	\$35.00
Disconnect Visit	\$0.00	\$20.00
Service Visit	\$0.00	\$25.00
Late Payment	\$0.00	2% or min \$1.00
Account Set-up	\$0.00	\$25.00
NSF Check	\$0.00	\$15.00
Water Availability Letter	\$0.00	\$20.00

The company's supporting financial documents, books and records do not support the filing.

Conclusion

Staff recommends that the commission issue a Complaint and Order Suspending the Tariff Revision filed by Canyon Village Water System, Inc.

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