Agenda Date: January 27, 2011

Item Number: A3

Docket: UW-110054

Company Name: Rainier View Water Co., Inc.

Staff: Amy White, Regulatory Analyst

Dennis Shutler, Consumer Protection Staff

**Recommendation**

Take no action, thereby allowing the revised tariff revisions filed by Rainier View Water Co., Inc., on January 24, 2011, to become effective on February 4, 2011, by operation of law.

**Discussion**

On January 4, 2011, Rainier View Water Co., Inc., (Rainier View or company), filed tariff revisions adding new facilities charges. The stated effective date is February 4, 2011. The filing was prompted by staff’s request that the company publish its facilities charges in its tariff to eliminate the need for a separate contract with each new customer. The company serves about 16,650 residential and upsize meter customers in Pierce County.

For many years, the company has collected facilities charges from new customers by contract. Facilities charges are charged to new customers so that new customers pay water system costs associated with growth, such as new source, additional storage and treatment, etc. Facilities charges are treated as contributions-in-aid-of-construction (CIAC). The company currently has approximately $2.5 million in uncommitted CIAC funds.

The proposed rates are higher than the facilities charges that the company has been charging by contract. Therefore, staff viewed the proposed rates as an increase. On January 24, 2011, the company filed revised rates at the same level of recent contract facilities charges, as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Fee | Recent Contract Facilities Charge | Proposed Tariff Facilities Charge | Revised Tariff Facilities Charge |
| **All Systems Other than Southwood / Sound** |  |  |  |
| Developer Contingency Charge | $1,210 | $1,702 | $1,210 |
| **Total Facilities Charges, All Systems Other than Southwood / Sound** | $1,210 | $1,702 | $1,210 |
|  |  |  |  |
| **Southwood / Sound System** |  |  |  |
| Developer Contingency Charge | $1,210 | $1,702 | $1,210 |
| Supplemental Developer’s Fee | $5,270 | NA | NA |
| Facilities Charge – Southwood / Sound System | NA | $6,938 | $5,270 |
| **Total Facilities Charges, Southwood / Sound System** | $6,480 | $8,640 | $6,480 |

**Customer Comments**

Since this contract involves only future customers who are developing new property not currently served by the company, the company states it is not possible to know in advance who is affected by the filing. Therefore, no customer notice was prepared or sent to any other customers.

**Conclusion**

Take no action, thereby allowing the revised tariff revisions filed by Rainier View Water Co., Inc., on January 24, 2011, to become effective on February 4, 2011, by operation of law.