

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.