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BEFORE THE WASHINGTON UTILITIES AND

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TRANSPORTATION COMMISSION

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THE WASHINGTON UTILITIES)

4 AND TRANSPORTATION COMMISSION,)

)

5 Complainant,)

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6 vs.) DOCKET NO. UW-000405

)

7 AMERICAN WATER RESOURCES, INC.,) VOLUME III

) Pages 44 - 48

8 Respondent.)

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A hearing in the above matter was held on

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December 6, 2000, at 6:45 p.m., at 1300 South Evergreen

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Park Drive Southwest, Olympia, Washington, before

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Administrative Law Judge LAWRENCE BERG.

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The parties were present as follows:

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16 THE WASHINGTON UTILITIES AND TRANSPORTATION
17 COMMISSION, by MARY M. TENNYSON, Assistant Attorney
18 General, 1400 South Evergreen Park Drive Southwest, Post
19 Office Box 40128, Olympia, Washington 98504.

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25 Joan E. Kinn, CCR, RPR
Court Reporter

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P R O C E E D I N G S

JUDGE BERG: This is a public hearing in Docket Number UW-000405 before the Washington Utilities and Transportation Commission. This case is captioned the Washington Utilities and Transportation Commission, Complainant, versus American Water Resources, Inc., Respondent.

Today's date is December 6, 2000. We are meeting in the Commission's main hearing room at its headquarters in Olympia pursuant to good and sufficient notice served on interested persons on November 22, 2000.

My name is Larry Berg. I'm an Administrative Law Judge with the Commission. I will preside at both the public hearings and the evidentiary phase of the proceeding, which is scheduled to occur on January 3 and 4, 2001, at this same location. At that time, we will hear from various witnesses from American Water Resources and Commission staff, and those witnesses will be cross examined. Those hearings are open public hearings, and the public is welcome to attend.

The purpose of this case is to consider American Water Resources' request to extend the effective period of a previously approved surcharge to recover the costs of making critical water system

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1 upgrades identified by the Department of Health. The
2 surcharge was approved by the Commission on April 28,
3 1999, and it will expire May 1, 2004, or upon recovery
4 of the costs of improvements, whichever occurs first.

5 AWR is seeking to extend the surcharge period
6 to September 1, 2005, to recover the actual costs
7 incurred in making those upgrades. The Commission has
8 already determined that the purpose for the surcharge is
9 reasonable and consistent with the public interest. All
10 AWR customers presently pay an additional \$4.54 on their
11 monthly water bill due to the surcharge. The
12 Commission's water section staff is participating as a
13 party in this case, and they are presently conducting
14 discovery regarding relevant issues. Monthly rates will
15 not go up as a result of this case, but the \$4.54
16 surcharge may extend for an additional 16 months if
17 approved.

18 At this time, I will take appearance from
19 counsel that's present.

20 MS. TENNYSON: Thank you. My name is Mary
21 Tennyson. I'm Senior Assistant Attorney General
22 representing Commission staff.

23 JUDGE BERG: And, Ms. Tennyson, are you
24 accompanied by representatives of Commission staff?

25 MS. TENNYSON: Yes, with me is James Ward, a

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1 revenue requirement specialist with the Commission.

2 JUDGE BERG: All right. And I will take note
3 that Ms. Tammy Thurston from the consumer affairs
4 section is also present. Ms. Thurston is responsible
5 for billing and service issues, and she has an industry
6 focus on water issues. Also present this evening is
7 Mr. Mitch Meyers, Operations Manager for American Water
8 Resources, Inc.

9 The purpose of this public hearing is to give
10 members of the public a convenient opportunity to step
11 forward and to make statements regarding their water
12 service and rates and other issues relevant to the case
13 as I described it. These comments will become part of
14 the record that will be considered the same as all other
15 evidence which is admitted. I will be making an initial
16 finding or order in this case which thereafter will be
17 reviewed by the commissioners along with the evidence on
18 which that order is based.

19 At this time, I will take note that there is
20 one member of the public present, Mr. Roy Hoffman. Mr.
21 Hoffman, do you wish to make a statement here this
22 evening?

23 MR. HOFFMAN: Not at this time.

24 JUDGE BERG: All right, then I will just open
25 up and ask if there are any other persons present who

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1 wish to make a statement on the record.

2 Hearing nothing, the hearing is adjourned.

3 (Hearing adjourned at 6:50 p.m.)

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