

Agenda Date: March 28, 2019  
Item Number: A5

**Docket:** UW-190080  
Company Name: Community Water Service of Dungeness Heights, LLC

Staff: Tiffany Van Meter, Regulatory Analyst  
John Cupp, Consumer Protection Staff

### **Recommendation**

Allow the tariff pages filed by Community Water Service of Dungeness Heights, LLC on February 1, 2019, as revised on March 19, 2019, to become effective April 1, 2019, by operation of law.

### **Background**

On February 1, 2019, Community Water Service of Dungeness Heights, LLC (Dungeness Heights or company) filed with the Utilities and Transportation Commission (commission) a tariff revision that would generate approximately \$13,000 (25 percent) additional annual revenue. The company serves 133 customers in Clallam County.

The company has incurred additional expenses recently due to Department of Health requirements for increased disinfection and testing. The date of the last general rate increase is unknown. The current owner purchased the system in 2012 and adopted the tariff then in effect. Those rates no longer cover the company's cost of service.

Commission staff (staff) examined the company's financial and usage data and supporting records, and determined that the company has supported an additional revenue requirement of approximately \$17,000. This additional revenue is \$4,000 above what the company originally requested. Staff is comfortable allowing the additional amount in customer rates as the company's financial statements and records substantiate the higher revenue requirement.

### **Customer Comments**

On March 1, 2019, the company notified its customers by mail of the proposed rate increase. Consumer protection staff has not received any comments on the increase proposal.

**Rate Comparison**

<b>Monthly Rate</b>	<b>Current Rate</b>	<b>Proposed Rate</b>	<b>Percentage Rate Increase</b>
Base Charge *	\$ 20.00	\$ 25.00	25%
Block 1	\$ 1.25**	\$ 1.50**	20%
Block 2	\$ 1.25**	\$ 1.75**	40%
Block 3	\$ 1.25**	\$ 3.00**	140%
<b>Usage Blocks</b>	<b>Current</b>	<b>Proposed</b>	
Block 1	None	0-750	
Block 2	None	750-1,500	
Block 3	None	>1,500	

\* For 3/4 inch connection; other base rates available in tariff.  
 \*\* Per 100 cubic ft.

**Average Residential Monthly Bill Comparison**

**Average Monthly Usage – 900 cu.ft./month**

<b>Monthly Rate</b>	<b>Current Rate</b>	<b>Proposed Rate</b>	<b>Percentage Increase</b>
Base Charge *	\$ 20.00	\$ 25.00	
900 cu.ft./month usage	\$ 11.25	\$ 15.63	
Total Average Monthly Bill	\$ 31.25	\$ 40.63	30%

**Conclusion**

Commission staff has completed its review of the company’s supporting financial documents, books, and records. Staff’s review shows that the proposed filing is reasonable and required as part of the company’s operations. Staff’s opinion is that the company’s financial information supports the increased revenue requirement, and the rates and charges are fair, just, reasonable, and sufficient. The company also agreed and filed revised tariff pages at the agreed upon rates.

Therefore staff recommends the commission allow the tariff pages filed by Community Water Service of Dungeness Heights, LLC on February 1, 2019, as revised on March 19, 2019, to become effective April 1, 2019, by operation of law.