

Agenda Date: December 30, 2015
Item Number: A1

Docket: UW-152060
Company Name: Crosswoods Water Company, Inc.

Staff: Scott Sevall, Regulatory Analyst
John Cupp, Consumer Protection Staff

Recommendation

Allow the tariff revisions filed by the Crosswoods Water Company, Inc. on October 22, 2015, and revised on December 18, 2015, to become effective January 1, 2016, by operation of law.

Background

On October 22, 2015, Crosswoods Water Company, Inc. (Crosswoods or company) filed with the Utilities and Transportation Commission (commission) a tariff revision that would generate approximately \$7,600 (17.2 percent) additional annual revenue. The company serves 127 customers in Island County. The company's last general rate increase became effective December 1, 2010.

The filing is a result of increased costs in contracted operations, maintenance expense, and capital investment. The company's capital improvements centered around the replacement of older, leaking infrastructure. Staff found in its review that the company supported the requested revenue requirement and proposed rate structure.

Customer Comments

The company notified its customers by mail of the proposed rate increase. Customers were notified that they may access relevant documents about this rate increase on the commission's website, and that they may contact John Cupp at 1-888-333-9882 or jcupp@utc.wa.gov with questions or concerns. Staff received one comment, from a consumer opposed to the increase.

General Comments

There have been no customer comments on this docket.

Rate Comparison

Monthly Rate	Current Rate	Proposed Rate
Base Charge *	\$17.70	\$20.25
Block 1 0-500 cubic feet	\$1.15	\$1.50
Block 2 501-1,000 cubic feet	\$1.55	\$1.90
Block 3 >1,000 cubic feet	\$2.25	\$2.40
Ready to Serve	\$250.00	\$20.25

* for 5/8 connection; other base rates available in tariff.

Average Monthly Bill Comparison

Average Monthly Usage 1227 cubic feet	Current Rate	Proposed Rate
Base Charge – zero Allowance	\$17.70	\$20.25
1227 cubic feet water usage	\$18.61	\$22.45
Average Monthly Bill	\$36.31	\$42.70
Increase From Current Rates Without Surcharge		\$ 6.39
Percent Increase from Current Rates Without Surcharge		17.6%

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. The company's financial information supports the revenue requirement, and the rates and charges are fair, just, reasonable, and sufficient.

Therefore, staff recommends the commission allow the tariff revisions filed by the Crosswoods Water Company, Inc. on October 22, 2015, and revised on December 18, 2015, to become effective January 1, 2016, by operation of law.