

Agenda Date: December 28, 2001
Item Number: 2D

Docket: UW-011576
Company Name: Meadows Water System, LLC

Staff: Jim Ward, Regulatory Analyst
Chris Vernon, Public Involvement Coordinator

Recommendation:

Issue a Complaint and Order Suspending the Tariff Revision filed by Meadows Water System, LLC, in Docket UW-011576.

Discussion:

On November 27, 2001, Meadows Water System, LLC, (Meadows Water or Company) filed for a general rate increase of \$58,000 (23 percent) of annual revenue to reflect the completed installation of 800 new electronic water meters in July of this year. The Company serves approximately 790 customers north of Olympia, in Thurston County. The last rate increase was effective September, 1999.

The Company states that customers have reduced usage and impacted the income the company normally receives. This filing is made to recognize the usage reductions and recover the cost of new electronic water meters; compliance with new regulations and new office staff. Additionally, the company is seeking to revise its late payment charge from a percentage of amounts overdue to a flat fee.

The Commission received several customer comments on this filing. One customer had concerns regarding the company's billing and payment practices and water quality issues. Staff discussed the issues with the company and found that the company is in compliance on both billing and payment issues. In addition, staff is investigating compliance of the water quality level requirements with the Department of Health. Staff opened one complaint regarding disconnection of service and found company was in compliance.

The Company has not yet demonstrated that the proposed rates are fair, just, reasonable, and sufficient. Therefore, Staff recommends that the Commission Issue a Complaint and Order Suspending the Tariff Revision filed by Meadows Water System, LLC, in Docket UW-011576.