

# **SPOKANE INDUSTRIAL PARK WATER COMPANY**

May 29, 2012

VIA E-FILING

Mr. David Danner, Executive Director and Secretary  
Washington Utilities and Transportation Commission  
1300 South Evergreen Park Drive SW  
Olympia, WA 98504-7250

Re: Crown West Realty dba Spokane Industrial Park Water Company  
Request for Water Rate Increase

Dear Mr. Danner:

Attached you will find the Spokane Industrial Park Water Company's request for permission to raise its rates. The proposed rates would increase revenues to the Company by \$18,057, or 15 percent annually.

Spokane Industrial Park Water Company has not increased water rates since 2002, and is filing for a rate increase due to increased operating expenses. Operating expenses, including wages, insurance, gas and electric utilities and repair and maintenance expenses have steadily risen over the last ten years.

The table set out below shows the net effect of the increase on the average customer's monthly bill. All customers are metered.

<u>Average Customer</u>	<u>Existing Monthly Bill</u>	<u>Proposed Monthly Bill</u>
Metered	\$ 34.47	\$ 39.57

A copy of the customer notice that was mailed to the customers on May 29 is attached. This advice letter and the attached customer notice contain the result of the calculation of revenue and impact of proposed rates by each class affected per WAC 480-07-530(4). A Trial Balance is attached. The general rate case workbook downloaded from the commission website and populated with Company data is attached. The Company's balance sheet and income statement are already on file at the Commission as part of its annual report.

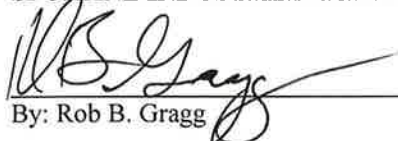
The Company's Department of Health Identification Number is 83027.

There are no non-regulated operations. The Spokane Industrial Park Water Company is a wholly-owned subsidiary of Crown West Realty, LLC (Crown West), a New York limited liability company, and has been since Crown West's formation in 1996.

If you have any questions concerning this matter, please call Bill Jenkins at the Spokane Industrial Park Water Company at (509) 924-1720 or [bjenkins@crowwest.com](mailto:bjenkins@crowwest.com).

Sincerely,

**SPOKANE INDUSTRIAL PARK WATER COMPANY**

  
By: Rob B. Gragg

## SPOKANE INDUSTRIAL PARK WATER COMPANY

May 29, 2012

Dear Water Customer:

The Spokane Industrial Park Water Company has filed for a rate increase approval from the Washington Utilities and Transportation Commission. This will increase rates 15 percent annually. Company-wide, this represents approximately \$18,057 during a twelve month period. If approved, the rates will become effective July 1, 2012 and will be reflected in your August 1, 2012 billing statement.

Because the Spokane Industrial Park Water Company has not increased water rates since 2002, the proposed increase represents an equivalent annual inflation of 1.4%. This rate of increase is lower than the actual rate of inflation over this period and would be insufficient to fully offset the rate of increase in operating expenses, which include wages, insurance, gas and electric utilities and repair and maintenance expenses. The increase is necessary to maintain the current level of service.

<u>Meter Size</u>	<u>Current Base (cu. ft.)</u>	<u>Current Minimum Charge</u>	<u>Proposed Base (cu. ft.)</u>	<u>Proposed Minimum Charge</u>
5/8"	900	\$ 12.20	800	\$ 14.64
3/4"	900	\$ 12.20	800	\$ 14.64
1"	900	\$ 12.20	800	\$ 14.64
1.5"	1,800	\$ 18.20	1,600	\$ 21.84
2"	2,700	\$ 24.30	2,400	\$ 29.16
3"	4,500	\$ 35.50	3,900	\$ 42.60
4"	6,500	\$ 46.70	5,700	\$ 56.04
6"	9,500	\$ 61.90	8,300	\$ 74.28

<u>Rate Tiers</u>	<u>Existing Volume (cu. ft.)</u>	<u>Existing Rate per 100 cu. ft.</u>	<u>Proposed Volume (cu. ft.)</u>	<u>Proposed Rate per 100 cu. ft.</u>
1st	up to 125,000	\$ 0.4750	up to 125,000	\$ 0.5225
2nd	up to 200,000	\$ 0.3750	up to 200,000	\$ 0.4125
3rd	over 200,000	\$ 0.2750	over 200,000	\$ 0.3025


If you have questions about the proposed filing and how it will affect you, please call Bill Jenkins at the Spokane Industrial Park Water Company at (509) 924-1720.

The commission has the authority to set final rates that may vary from the company's request, depending on the results of its investigation. If you would like to comment on this filing, be added to the commission's mailing list, or have questions about the rate making process, please use the contact information below. You may also comment by using the "Public Comment" feature at the commission's web site at [utc.wa.gov](http://utc.wa.gov). The commission is scheduled to consider this proposal for a decision at its open meeting at 9:30 a.m. on June 28, 2012. If you are unable to attend an open meeting in person, the commission has a bridge line which enables you to participate or listen by telephone. Call (360) 664-1234 for instructions the day before the open meeting.

Washington Utilities and Transportation Commission  
 Post Office Box 47250, Olympia, WA 98504-7250  
 Email: [comments@utc.wa.gov](mailto:comments@utc.wa.gov)  
 Telephone: (888) 333-WUTC (9882)

Sincerely,

**SPOKANE INDUSTRIAL PARK WATER COMPANY**

  
 By: Rob B. Gragg

Phone: (509) 924-1720

Fax: (509) 924-3748

e-mail: [rgragg@crowwest.com](mailto:rgragg@crowwest.com)