



WASHINGTON WATER SERVICE COMPANY

UW-060761

Reopen

July 12, 2007

Washington Utilities & Transportation Commission  
Attn: Christopher T. Mickelson  
PO Box 47250  
Olympia, WA 98504

RECEIVED  
RECORDS MANAGEMENT  
07 JUL 18 AM 10:51  
STATE OF WASH  
UTIL. AND TRANSP  
COMMISSION

RE: UW-060761

Dear Mr. Mickelson:

The tariff associated with this docket was filed on May 10, 2006. On September 27, 2006 rate relief was granted per revisions filed on September 25, 2006. The effective date was September 28, 2006.

Item 6 as identified in the background of order 02 states that a pro forma adjustment of \$146,212 had been allowed for new employees that had not yet been hired. April 9, 2007 the last of these employees was hired.

The monthly accrual to the Regulatory Asset account was projected to be \$12,184. Allowances were made for excess overtime as verbally approved by Mr. Kermode our then auditor. Adjustments were made for wages paid to the new hires. The following spreadsheet shows the details of these entries. Customer count as of April 30<sup>th</sup> showed 15,658 customers. The company had calculated a refund of 51 cents per customer. A pre-audit by commission staff shows a calculation error in the January entry. WWSC is in agreement with this change and the new amount to be refunded will be 54 cents per customer.

The refund to customers will show as a one time credit on their bill.

Sincerely,

Charlene E. Pratt  
Accounting Manager

Analysis of Regulatory Asset						
Docket UW-060761						
Order 02 Item #6	\$146,212					
Monthly Amount	\$12,184					
Customer Count 04/30/07	15,658					
Offsets	November	December	January	February	March	
Temporary Employees	2,962	3,875	4,736	1,916	1,336	
Overtime		5,300	4,560			
Overtime Due to Snowstorm						
2005	-1,948					
2006	9,587					
Overtime Due to Windstorm						
Total Overtime		24,000	17,910			
Storm Related OT		18,700	13,350			
10% Allowance of Storm OT		1,870	1,335			
NW Foreman filled (loaded wage)				6,538	6,144	
Utility Worker filled (loaded wage)					4,300	
TOTAL ADJUSTMENTS	10,601	11,045	10,631	8,454	11,780	
Entry for Regulatory Asset	\$1,583	\$1,139	\$1,553	\$3,730	\$404	\$8,411
AMOUNT TO BE REFUNDED						\$0.54
Position	NW Foreman	King Co Foreman	Flusher	Flusher		\$8,410.67
Employee #	137	1513	1512	1397		
Start Date	1/28/2007	4/9/2007	3/12/2007	2/25/2007		
Monthly Entry to Record Liability						
Debit Regulatory Assets						
Credit Liability Suspense						
G/L #1843-00 Regulatory Assets						
2006 Vacation Accrued, Not Paid					136,152.47	
UW-060761 Wage Liability					7,954.00	
Balance of G/L					144,106.47	
Entry to clear Wage Liability						
Debit Liability Suspense	7,954					
Credit Regulatory Asset		7,954				
Debit Adjustment to Sales	8,411					
Credit Accounts Receivable		8,411				
Difference is \$457 net change due to January mis-calculation.						