

Agenda Date: November 22, 2023
Item Number: A19

Docket: UW-230555
Company: Summit View Water Works

Staff: Rachel Stark, Regulatory Services
Mike Young, Regulatory Services
Andrew Roberts, Consumer Protection

Recommendation

Issue an Complaint and Order suspending the tariff revisions filed by Summit View Water Works on April 10, 2023, and set Docket UW-230555 for hearing.

Discussion

On April 10, 2023, Summit View Water Works (Summit View or Company) filed with the Washington Utilities and Transportation Commission (Commission) tariff revisions that, as originally filed, would have generated \$206,300 (29.68 percent) in additional revenue.

The Company serves approximately 676 irrigation customers and 618 domestic customers in Benton County. The Company's last general rate case was in Docket UW-180801 with rates effective January 1, 2019, for its irrigation customers; and November 1, 2018, for domestic customers with a three-year phased-in for domestic customers.

Summit View is seeking this increase due to increased operational expenses in both its irrigation and domestic operations. The Company seeks recovery of costs in wage expenses, power, health insurance, facility operating repair and maintenance costs, and allocated expenses since its last general rate increase.

Summit View's model included its assets and Contribution in Aid of Construction (CIAC) in its rate base which showed a return. After Commission staff (Staff) reviewed the Company's books, accounts, and supporting documents, Staff found Summit View is not due a rate increase.

Customer Comments

On September 25, the Company notified its customers of the proposed rate increase by mail. Staff received 20 consumer comments, all opposed to rate increase.

General Comments

The customers feel the proposed increase for both irrigation and domestic water is excessive. Customers state there was a significant increase approximately four years ago, and the Company is again requesting a significant increase. Several customers note they are on fixed incomes and cost of living only increases by up to 3 percent.

Staff Response

State law requires rates to be fair, just, reasonable, and sufficient to allow the Company to recover reasonable operating expenses and the opportunity to earn a reasonable return on its investment. Commission Staff perform a thorough review of rate filings to ensure that all rates and fees are appropriate.

Conclusion

Issue an Complaint and Order suspending the tariff revisions filed by Summit View Water Works on April 10, 2023, and set Docket UW-230555 for hearing.