

Snyder, Jennifer (UTC)

From: Holman, Donna (UTC)
Sent: Friday, February 27, 2015 1:20 PM
To: UTC DL Records Center
Cc: Wyse, Lisa (UTC)
Subject: FW: : Adamant opposition to proposed rate hikes by Washington Water Serviceas much as a 22.2% increase in a period of 4% real CPI growth

FYI – for the docket.

Donna

From: David Crea [mailto:davidjcrea@yahoo.com]
Sent: Friday, February 27, 2015 12:45 AM
To: Holman, Donna (UTC)
Subject: Fw: : Adamant opposition to proposed rate hikes by Washington Water Serviceas much as a 22.2% increase in a period of 4% real CPI growth

Jeff Goltz left his position as Commissioner of the Washington Utilities and Transportation Commission on January 1, 2015. To contact his replacement, Ann Rendahl, please email her assistant, Donna Holman, at dholman@utc.wa.gov, or call her at (360) 664-1168.

Best regards,

David

davidjcrea@yahoo.com

206-619-9393

----- Forwarded Message -----

From: David Crea <davidjcrea@yahoo.com>
To: "geckhard@utc.wa.gov" <geckhard@utc.wa.gov>; "pjones@utc.wa.gov" <pjones@utc.wa.gov>; "jgoltz@utc.wa.gov" <jgoltz@utc.wa.gov>; "ddanner@utc.wa.gov" <ddanner@utc.wa.gov>
Cc: Stetson HOA <stetsonhoa@gmail.com>; "susan@wsrp.org" <susan@wsrp.org>
Sent: Friday, February 27, 2015 12:40 AM
Subject: : Adamant opposition to proposed rate hikes by Washington Water Serviceas much as a 22.2% increase in a period of 4% real CPI growth

Ladies and Gentlemen of the UTC,

Today I received a water bill today that quietly mentions a water rate increase; the increase ends up being 17.5%!

The original increase requests from Washington Water of 15%, 22.2%, and 20% compare to a CPI from the Bureau of Labor Statistics of 4% in a like period. **Can you tell me why you approved more than was asked for?**

from the Washington Water website:

*"On August 14, 2014, **Washington Water Service Company (WWSC) filed tariff revisions with the UTC that would generate approximately \$1.5 million (15.9 percent) in additional annual revenue.** The proposed general rate increase would offset operational expenses such as transportation costs, property taxes, employee costs, and to recover depreciation and return related to approximately \$2.2 million in new investments in capital plant.*

*On September 24, 2014, the commission issued an order suspending the filing for further review. **Commission staff completed its review of the company's supporting books and records and determined that the company's books and records support an increase of approximately \$1.66 million (17.5 percent) additional annual revenue.** Commission staff also found that WWSC's proposed rate design would have generated approximately \$52,000 less than the requested additional \$1.5 million annual revenue."*

You rewarded excessive spending at a privately held company with a 17.5% rate increase; more than four times the CPI growth in a like period.

You are appointed to your positions by the Governor. Logical and available recourse is to back, support, and vote against the continuance of such misplaced authority and questionable leadership.

Below you will find my argument for responsible spending and reasonable management practices. I took time out of my work day to present the attached information in the proper forum; the publicized hearing. I did not receive any notification of the subsequent meetings or sessions as described by Washington Water company. Why?

Again, one simple question: What was the basis for this decision? A very reasonable request indeed. If I am missing something here please let me know. I look forward to our response.

Neighbors and Friends,

We deserve better. Please join me in questioning why the above was allowed to happen and share the above facts with your other friends and neighbors. It is our responsibility to question the decisions like this or it will diminish the greatness of our State.

Please remember how well the current administration represented you next time you go to the polls. It is both our privilege and our responsibility. You and I deserve the best leadership available to us.

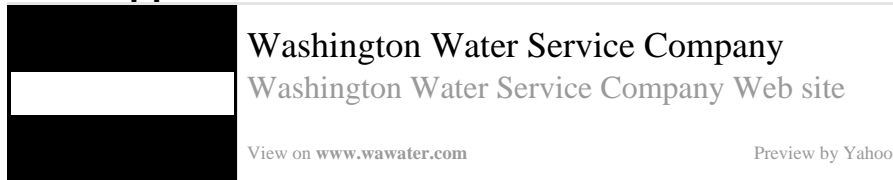
Best regards,

David

David Crea
6428 Haley Loop Rd.NE
Bainbridge Island, WA 98110

from the [Washington Water Service Company](#) website

Washington Water Service Company Receives Final Approval to Increase Rates



On January 15, 2015 at the Washington Utilities and Transportation Commission (UTC or commission) open meeting, approval was given by the commissioners for Washington Water Service Company to increase its water rates.

On August 14, 2014, Washington Water Service Company (WWSC) filed tariff revisions with the UTC that would generate approximately \$1.5 million (15.9 percent) in additional annual revenue. The proposed general rate increase would offset operational expenses such as transportation costs, property taxes, employee costs, and to recover depreciation and return related to approximately \$2.2 million in new investments in capital plant.

On September 24, 2014, the commission issued an order suspending the filing for further review. Commission staff completed its review of the company's supporting books and records and determined that the company's books and records support an increase of approximately \$1.66 million (17.5 percent) additional annual revenue. Commission staff also found that WWSC's proposed rate design would have generated approximately \$52,000 less than the requested additional \$1.5 million annual revenue. After the review, commission staff and the company agreed to the revised revenue requirement and a revised rate design. On January 7 and 9, 2015 WWSC filed revised tariff rates. The revised rate design increases the base rate and the usage charges for the first and second blocks (steps). The average customer's bill, using 825 cubic feet, is \$1.16 per month more than the original rates proposed in the notice delivered to customers in August of 2014.

Because the initial notice to customers indicated that the commission may set rates higher or lower than those included in the notice, the commission granted an exemption to WAC 480-110-425, requiring that a second notice regarding the rate filing be mailed to the customers.

Instead, WWSC will be placing an abbreviated notice on the customer's bills to advise them that the rate increase was approved on January 15, 2015 and will become effective on February 1, 2015. Customer's bills will be prorated during the month of February based on current meter reading and billing schedules. A rate calculator is available below that customers can use to help calculated their prorated bill.

If you have questions about this rate filing or any other topic, please call our Customer Service Department in Gig Harbor at (253) 851-4060 or toll free at (877) 408-4060. We can also be reached by email at:

From: David Crea <davidjcrea@yahoo.com>
To: "geckhard@utc.wa.gov" <geckhard@utc.wa.gov>; "pjones@utc.wa.gov" <pjones@utc.wa.gov>; "jgoltz@utc.wa.gov" <jgoltz@utc.wa.gov>; "ddanner@utc.wa.gov" <ddanner@utc.wa.gov>
Cc: "StetsonHOA@gmail.com" <StetsonHOA@gmail.com>
Sent: Sunday, August 10, 2014 8:41 AM
Subject: IMPORTANT: Adamant opposition to proposed rate hikes by Washington Water Serviceas much as a 22.2% increase in a period of 4% real CPI growth

Gentlemen,

I am writing you and copying others in my neighborhood to ask you to deny the proposed rate increase from Washington Water Service. The three new proposed tiers represent increases of 15%, 22.2%, and 20% that compare to a CPI from the Bureau of Labor Statistics of 4% in a like period. These proposed rates were communicated in a correspondence receive from Washington Water dated July 31, 2014.

Water is a government granted utility that is regulated for the public good. Water is essential and is neither a discretionary nor a luxury item. My last bill was \$181.53. If you were to apply the requested rate structure it would be \$214.17; or an 18% increase.

The areas of cost savings referenced in the letter identify \$94,000 mostly tied to technology savings that are inherent. If you add this amount to an increase of \$1,501,610 you arrive at \$1,595,610.00 in increased operating costs to generate a like profit. If you compare this number to their proposed increase you actually arrive at an increase of 23.25% over 2013! This is using numbers they provide in their own correspondence and are therefore not subject to debate.

Relative to water quality, after reading the company's own reports, the report hardness has increased from 64 ppm in a 2010 test to 67 ppm in a 2013 test. This also seems a very long time between tests. There were no significant improvements that I could identify from year to year signaling improved service.

On there website they stated "he largest investor-owned water utility in the state". The proposed increase can only make me think that the private investors are locking for a higher return at the expense of their customers. **It is your responsibility to make sure that investor interests never take precedent over consumer welfare and the integrity of your commission.**

MY ASK

I ask that you, as a utility commission entrusted to protect consumers like myself and other customers of Washington Water, deny the proposed rate increase and further investigate the operational efficiency and pricing practices of Washington Water. Utilities are essential for the greater public. They are regulated for this reason. WWSC knew this when they petitioned you for the privilege of supplying water.

By copy, I am encouraging other customers of WWSC in my neighborhood to echo my request to you and others in the State government. I also ask that they pass along this email to others in the WWSC service area. Many times such notices are not thoroughly read based on the belief that regulators will protect consumer interests. Everyone should be cognizant of this excessive rate increase and voice their opinions to the regulators identified as primary recipients of this email.

Best regards,

David J. Crea
6428 Haley Loop Rd NE
Bainbridge Island, WA 98110
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206-619-9393