

Agenda Date: July 26, 2002
Item Number: A 6

Docket: UW-020822
Company Name: Frog Pond Waters, Inc.

Staff: Jim Ward, Regulatory Analyst
John Cupp, Consumer Affairs Specialist
Penny Hansen, Public Involvement Coordinator

Recommendation:

Issue a Complaint and Order Suspending the Tariff Revisions filed by Frog Pond Waters, Inc., in Docket UW-020822.

Discussion:

On June 24, 2002, Frog Pond Waters, Inc., (Frog Pond Waters or Company) filed for a general rate increase of \$34,393 (25 percent) of annual revenue. Frog Pond Waters received its last increase in June 1997. Frog Pond Waters serves approximately 493 customers in the Seabeck area of Kitsap County.

The Company states that the increase is to help recover the cost of capital investments over the last few years and to cover increased operating costs since its last rate filing. Several ancillary charges are being added together with proposed increases in the Disconnect Visit Charge and NSF Check charge.

The Commission received no comments regarding this filing. The current and proposed rates are provided below:

<u>Monthly Base Rate</u>	<u>Current</u>	<u>Proposed</u>
Residential flat	\$ 22.50	\$ 27.50
Residential metered (400 cu. ft. allowance)	\$ 16.50	N/A
Residential metered (zero allowance)	N/A	\$ 15.00
<u>Monthly Usage Rate</u>		
> 0 cubic feet. (per 100 cu. ft.)	\$.85	\$ 1.15
<u>Ancillary Charges</u>	<u>Current</u>	<u>Proposed</u>
Disconnect Visit Charge	\$ 10.00	\$ 25.00
NSF Check Charge	\$ 10.00	\$ 15.00
Water Availability Charge (letter)	N/A	\$ 25.00
Monthly Ready to Serve	N/A	\$ 15.00

Staff notes that the water company was to install meters after the last rate case in 1997. Since that time no meters have been installed and the company has charged the flat rate for monthly service despite the fact that this tariff page does not apply as it expired December 31, 1998.

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 Revisions filed by Frog Pond Waters, Inc., in Docket UW-020822.