Agenda Date: March 12, 2004 Item Number: A2

Docket:UW-040232Company Name:Stroh's Water Company, Inc.

Staff: Jim Ward, Regulatory Analyst

Recommendation:

Issue a Complaint and Order Suspending the Contract filed by Stroh's Water Company, Inc., in Docket UW-040232.

Discussion:

On February 12, 2004, Stroh's Water Company, Inc., (Stroh's Water Company or Company) filed a contract for service with the Believers' Fellowship Church. The contract provides for a line extension to serve a building addition. The building addition requires the location of a new fire hydrant at the back of the property. The total cost of this contract is proposed to be \$26,337.

Currently the Company's tariff states that a charge of \$15,000 applies for fire flow service. The tariff reads "Applicable – Except where provided by contract, this service is applicable to any new property served by the company, which requires more than 750 gallons per minute for forty-five minutes. This charge is in addition to any other costs necessary to provide service to the customer." Additionally the tariff reads "Conditions – The charge for this service is based on any connection to or service by the water system which uses fire flow capacity derived from the storage and booster station located at 55th Street NW, Gig Harbor. This one-time charge is due and payable prior to issuance of any letter confirming fire flow capacity and availability."

The Commission received the contract signed that the customer did not accept the terms and that the Commission would determine the appropriate cost for service.

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 Contract filed by Stroh's Water Company, Inc., in Docket UW-040232.