## SPOKANE INDUSTRIAL PARK WATER COMPANY

April 26, 2013

## VIA E-FILING

Mr. David Danner, Executive Secretary Washington Utilities and Transportation Commission 1300 South Evergreen Park Drive SW Olympia, WA 98504-7250

Re: Crown West Realty LLC dba Spokane Business and Industrial Park ("The Company")
Request for Water Rate Increase

## Dear Mr. Danner:

Attached you will find the Spokane Industrial Park Water Company's request for permission to raise its rates. The proposed rates would increase revenues to the Company by \$20,776, or 14 percent annually.

The Company increased water rates in 2012, but before that no increase had been requested since 1999. Operating expenses, including wages, insurance, gas and electric utilities and repair and maintenance expenses have steadily risen over the last ten years, and we are still in the process of catching up with inflation.

The service impacted by the rate increase is "metered rate service". The minimum allowance for all rate sizes is being reduced, the minimum charge is being increased, and usage rates across all volume levels are being increased. The table set out below shows the net effect of the increase on the average customer's monthly bill. All customers are metered.

Average Customer	Existing Monthly Bill		<u>Proposed</u> <u>Monthly</u> <u>Bill</u>		Change	Percent Change	•
Metered	\$ 40.98	\$	46.71	\$	5.73	14.0%	ļ

Additionally, the footnote on the tariff page which stated that, "When meter used is smaller than the service pipe, the size of the service shall be the "Size of Service" is no longer applicable and has been removed. By way of explanation, prior to 2012 when the last rate increase was

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requested, service pipes under 1" were charged based on rates for 1" pipes. Those smaller pipe sizes now have their own service rates.

A copy of the customer notice that was mailed to the customers on April 24 is attached. This advice letter and the attached customer notice contain the result of the calculation of revenue and impact of proposed rates by each class affected per WAC 480-07-530(4). A trial balance and depreciation schedule are attached. The general rate case workbook downloaded from the commission website and populated with Company data is attached. A copy of the proposed tariff is attached. The Company's annual report, which was e-filed in April and includes a balance sheet and income statement, is attached.

The Company's Department of Health Identification Number is 83027.

There are no non-regulated operations. The Spokane Industrial Park Water Company is a wholly-owned subsidiary of Crown West Realty, LLC (Crown West), a New York limited liability company, and has been since Crown West's formation in 1996.

If you have any questions concerning this matter, please call Bill Jenkins at the Spokane Industrial Park Water Company at (509) 924-1720 or bjenkins@crownwest.com.

Sincerely,

CROWN WEST REALTY dba SPOKANE BUSINESS AND INDUSTRIAL PARK

By: Rob B. Grag