

SPOKANE INDUSTRIAL PARK WATER COMPANY

May 21, 2014

Dear Water Customer:

The Spokane Industrial Park Water Company has filed for a rate increase approval from the Washington Utilities and Transportation Commission. Company-wide, this represents approximately \$14,303, or an 8 percent increase annually. If approved, the rates will become effective July 16, 2014 and will be reflected in your September 1, 2014 billing statement.

Prior to the 2012 and 2013 rate increases, the Spokane Industrial Park Water Company had not increased water rates since 1999. The combination of the three rate increases represents an equivalent annual inflation of 1.97%. This rate of increase is lower than the actual rate of inflation over this period and would still be insufficient to fully offset the rate of increase in operating expenses, which include wages, insurance, gas and electric utilities, repairs and maintenance expenses. The increase is necessary to maintain the current level of service.

<u>Meter Size</u>	<u>Current Allowance</u>	<u>Current Minimum Charge</u>	<u>Proposed Allowance</u>	<u>Proposed Minimum Charge</u>
5/8"	700 cu.ft.	\$ 14.64	500 cu.ft.	\$ 15.96
3/4"	700 cu.ft.	\$ 16.10	500 cu.ft.	\$ 17.55
1"	700 cu.ft.	\$ 17.57	500 cu.ft.	\$ 19.15
1.5"	1,400 cu.ft.	\$ 26.21	1,000 cu.ft.	\$ 28.57
2"	2,100 cu.ft.	\$ 34.99	1,500 cu.ft.	\$ 38.14
3"	3,500 cu.ft.	\$ 51.12	2,500 cu.ft.	\$ 55.72
4"	5,000 cu.ft.	\$ 67.25	3,600 cu.ft.	\$ 73.30
6"	7,200 cu.ft.	\$ 89.14	5,100 cu.ft.	\$ 97.16

<u>Rate Tiers</u>	<u>Existing Volume (cu. ft.)</u> (after allowance)	<u>Existing Rate per 100 cu. ft.</u>	<u>Proposed Volume (cu. ft.)</u> (after allowance)	<u>Proposed Rate per 100 cu. ft.</u>
1st	up to 125,000	\$ 0.5645	up to 125,000	\$ 0.5995
2nd	up to 200,000	\$ 0.4455	up to 200,000	\$ 0.4735
3rd	over 200,000	\$ 0.3265	over 200,000	\$ 0.3470

(cu. ft.= cubic foot)(One cu. Ft. of water = 7.48 gallons) Note: Volume charge applies after allowance based on meter size above.

If you have questions about the proposed filing and how it will affect you, please call Bill Jenkins at the Spokane Industrial Park Water Company at (509) 924-1720.

The commission has the authority to set final rates that may vary from the company's request, depending on the results of its investigation. If you would like to comment on this filing, be added to the commission's mailing list, or have questions about the rate making process, please use the contact information below. You may also comment by using the "Public Comment" feature at the commission's web site at utc.wa.gov. The commission is scheduled to consider this proposal for a decision at its open meeting at 9:30 a.m. on July 10, 2014. The UTC is committed to providing reasonable accommodation to participants with disabilities. If you need reasonable accommodation, please contact the commission at (360) 664-1132 or human_resources@utc.wa.gov. If you are unable to attend an open meeting in person, the commission has a bridge line which enables you to participate or listen by telephone. Call (360) 664-1234 for instructions the day before the open meeting.

Washington Utilities and Transportation Commission
Post Office Box 47250, Olympia, WA 98504-7250
Email: comments@utc.wa.gov
Telephone: (888) 333-WUTC (9882)

Sincerely,

SPOKANE INDUSTRIAL PARK WATER COMPANY

By: Rob B. Gragg

Phone: (509) 924-1720

Fax: (509) 924-3748

e-mail: rgragg@crowwest.com