

Pedersen Family LLC
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February 22, 2021

Mark Johnson
 Executive Director and Secretary
 Washington Utilities and Transportation Commission
 PO Box 47250
 Olympia WA 98504-7250

Subject: Rate Case and Tariff WNU-3 for Pedersen Family LLC

Dear Mr. Johnson:

The Pedersen Family LLC is requesting the adoption of a new tariff WNU-3. The proposed tariff reflects increased operating expenses, capital improvement expenses and water tiers to encourage water use efficiency. The proposed planned rate increase should generate an additional \$32,000 to \$54,000 annually. The company has been operating in the red for a number of years while maintaining safe and reliable drinking water and meeting Department of Health requirements including the approved 2019 Dungeness Bay Plat Water System Plan submitted to and reviewed by WUTC in accordance the inter-agency agreement. Chapter 9 of the Plan includes a 10 year financial projection for the company. Due to the significant operating budget deficit, the company is requesting a planned / phased rate increase. Based on usage data, the average customer's monthly cost will increase from \$19.46 to \$38.80 once the plan is fully implemented. Below is a chart outlining current rates, proposed rates, amount of change and percentage of change.

Service	Current Rate	Proposed Rate	Amount of Change	Percentage of Change
Disconnection Visit Charge	15.00	30.00	15.00	100%
Reconnection Visit Charge	30.00	60.00	30.00	100%
Account Set Up Charge	10.00	15.00	5.00	50%
3/4" Mmetered Base Rate	16.00	32.00	16.00	100%
Tier 1, 0-500 cubic feet	0.50	1.00	0.50	100%
Tier 1, 501-1,000 cubic feet	0.80	1.50	0.70	88%
Tier 1, >1,000 cubic feet	N/A	2.00	1.20	150%
Flat rate, unmetered service	23.00	46.00	23.00	100%
Ready-to-serve (inactive)	16.00	32.00	16.00	100%
Late Payment Charge (whichever is greater)	2% or \$1.00	2% or \$1.50	0.50	50%
Service Visit Charge	30.00	30.00	0.00	0%
NSF Check Charge (per check)	12.00	37.00	25.00	208%
Water Availability Letter	10.00	25.00	15.00	150%
Installation of Approved Backflow	N/A	Paid by Customer Directly	N/A	N/A
Backflow Assembly Testing & Inspection	Labor & Materials	Labor & Materials	N/A	N/A
Premise Inspection Charge	25.00	\$60.00 per hour, prorated	35.00	140%
Damage & Repair Charge	Labor & Materials	Labor & Materials	N/A	N/A
Service Connection Fee (for new connection)	500.00	1,750.00	1,250.00	250%
Facilities Charge (for new connection)	N/A	2,000.00	2,000.00	N/A

Included with this submittal are the Tariff WNU-3, effective date April 9, 2021, Customer Notice, mailed on March 3, 2021 and UTC Rate Case Workbook.

Cordially,
 Jeff Pedersen
 Pedersen Family LLC

Attachment