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January 6, 2010

David W. Danner, Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Dr. SW
P. O. Box 47250
Olympia, Washington 98504-7250

RE: *WUTC v. Burton Water*
Dockets UW-091050-UW-091051

Dear Mr. Danner:

Enclosed are an original and five copies of Commission Staff's Response to Bench Request Nos.1-3.

Sincerely,

DONALD T. TROTTER
Assistant Attorney General

DTT:klg
Enclosures
cc: Parties



WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
STAFF RESPONSE TO BENCH REQUEST

BENCH REQUEST NO. 1: (To Burton Water and Commission Staff)

Paragraph 9 of the December 23, 2009, Settlement provides an effective date of “the first day of the month after the Commission approves the stipulation” applicable to “the agreed rate changes identified herein.”

- (a) Does the effective date stated in Paragraph 9 apply only to the rates relating to the general rate increase in Docket UW-091051, or does the effective date apply to the rates stipulated to in both dockets?
- (b) If the effective date in Paragraph 9 applies only to the stipulated rates in Docket UW-091051, please describe the parties’ proposal for an effective date for the rate changes stipulated in Docket UW-091050.

RESPONSE BY COMMISSION STAFF:

- (a) The effective stated in Paragraph 9 of the Settlement Stipulation applies to both the general rate increase in Docket UW-091051 and the miscellaneous tariff sheets in Docket UW-091050.
- (b) Not applicable, given the response to part (a).

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
STAFF RESPONSE TO BENCH REQUEST

BENCH REQUEST NO. 2: (To Commission Staff)

In Commission Staff's memorandum in Docket UW-091051 for the July 30, 2009, open meeting, Staff calculated the average monthly bill for a customer with an average monthly usage of 689 cubic feet in the table set forth below. Using the same table format, please calculate the average monthly bill using the Settlement rates for ¾ inch water service customers. If the average monthly usage is different from the 689 cubic feet stated in Staff's memorandum, please identify the new average monthly usage.

Average Bill Comparison

Average Monthly Usage 689 cubic feet	Current Rate	Proposed Rate
Base Rate (¾ inch meter)	\$18.33	\$27.88
Usage - 689 cubic feet	\$10.68	\$10.68
Average Monthly Bill	\$29.01	\$38.56
Increase From Current Rates		32.9 %

RESPONSE BY COMMISSION STAFF:

Average Bill Comparison

Average Monthly Usage 689 cubic feet	Current Rate	Proposed Rate	Settlement Rate
Base Rate (¾ inch meter)	\$18.33	\$27.88	\$21.59
Usage - 689 cubic feet	\$10.68	\$10.68	\$12.61
Average Monthly Bill	\$29.01	\$38.56	\$34.20
Increase From Current Rates		32.9 %	17.8 %

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
STAFF RESPONSE TO BENCH REQUEST

BENCH REQUEST NO. 3:

- (a) **To Commission Staff:** Since Commission Staff's memorandum in Docket UW-091051 for the July 30, 2009, open meeting, has the Commission received any additional customer comments related to Burton Water's request for a general rate increase? If so, please identify the number of commenters and a summary of the comments received.
- (b) **To Burton Water and Commission Staff:** Has the Company or Commission Staff communicated the terms of the Settlement Stipulation to Burton Water customers? If so, please explain how and when the terms have been communicated.

RESPONSE BY COMMISSION STAFF:

- (a) Since Commission Staff's memorandum in Docket UW-091051 for the July 30, 2009, open meeting, the Commission has received 18 additional customer comments related to Burton Water's request for a general rate increase.

Of these 18 additional customer comments, 14 customers commented in opposition to the rate increase filed by Burton Water, one is undecided, and three commented in support of the rate increase.

The Commission received each of these 18 additional customer comments after July 30, 2009, but before the Settlement Stipulation was filed on December 23, 2009.

The Commission's Consumer Protection staff advises customers that they may access company documents about this rate case at www.utc.wa.gov, and www.utc.wa.gov/water and that they may contact Dennis Shutler at 1-888-333-9882 with questions or concerns.

Specific Comments

- Seven customers commented that the amount of the proposed rate increase is excessive due to increased costs of living and current economic conditions.

Staff Response:

State law requires rates to be fair and reasonable for customers, and sufficient to allow the company the opportunity to recover reasonable operating expenses and earn a reasonable return on investment.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
STAFF RESPONSE TO BENCH REQUEST

- One customer commented that the proposed rates should be comparable to rates charged by neighboring water companies.

Staff Response:

Staff advised the customer that rates for one company may be higher or lower than rates for another company.

- (b) After the Settlement Stipulation was filed with the Commission on December 23, 2009, the Commission's Consumer Protection staff sent a copy of the Settlement Stipulation by mail and e-mail to 23 of the 25 customers whose names appear on the Consumer Protection Staff's Public Involvement data base for these two dockets. Two of the 25 customers in the data base requested no further contact. Staff has received no comments on the Settlement Stipulation.