



Aquarius Utilities, LLC

"At Your Service"

Diamond Point • Island Lake • Lynch Cove • Agate West

IMPORTANT NOTICE

April 17, 2014

Aquarius Utilities, LLC has filed with the Washington Utilities and Transportation commission for approval of a general rate increase. If approved, the rates will become effective on June 13, 2014, and customers would see the rates reflected in the July 2014 billing.

The rate filing is designed to produce additional revenue of \$72,630.00 per year, an increase of about 15.9 percent (3% per year over the past 5 years). The last general rate increase was filed in May 2009.

Based on a $\frac{3}{4}$ -inch meter and average customer usage of 540 cubic feet per month for 2013, the average monthly bill is expected to increase by \$7.97 (15.3%) to about \$59.92 per month. This monthly total also includes the \$8.70 DWSRF loan repayment surcharge approved in a separate filing in 2008.

This increase is being requested (1) to recover approximately \$50,000 in operating cost increases since the last rate increase (2009) including labor costs, insurance, property taxes and bank charges; (2) to correct the revenue shortfall which occurred after the last rate increase; the WUTC predicted \$474,800 in revenues from new rates, while 2013 revenue reached only \$456,502. Per customer usage also fell from 570 CF/mo. to 540 CF/mo. during the same period; and (3) to recover the cost of capital improvements added since the last rate increase, including \$200,000 in DWSRF projects funded by the company (not covered by the \$8.70/mo. DWSRF surcharge), \$60,000 in direct contributions to DWSRF projects made by company owner, and new company vehicle (replacing 1996 model).

A comparison of existing and proposed rates and charges is shown below:

(1) Monthly Rate:	Existing	Proposed
--Base charge, zero cubic feet		
-- $\frac{3}{4}$ " or smaller service	\$15.73	\$19.09
--1" meter service	\$26.27	\$29.63
--Usage charge for $\frac{3}{4}$ -inch or smaller meter:		
--1 – 461 cubic feet, per 100 cubic feet	\$4.92	\$5.92
--462 – 1125 cubic feet, per 100 cubic feet	\$6.13	\$6.13
--Over 1125 cubic feet, per 100 cubic feet	\$7.50	\$7.50
--Usage charge for 1-inch meter:		
--1 – 770 cubic feet, per 100 cubic feet	\$4.92	\$5.92
--771 – 1879 cubic feet, per 100 cubic feet	\$6.13	\$6.13
--over 1879 cubic feet, per 100 cubic feet	\$7.50	\$7.50

Phone 360-779-1565
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(2) Ready-to-serve Service per month	\$15.73	\$19.09
(3) Unmetered Service per month	\$46.38	\$ 51.52
(4) Reconnection Charge	\$35.00	\$50.00
(5) Credit Card Transaction Fee	\$0.75	\$1.00
(6) Service Connection Removal Fee	N/A	\$200.00
(7) NSF Check Charge	\$20.00	\$30.00
(8) Service Visit Charge	\$29.00	\$50.00

If you have any questions about the proposed filing and how it will affect you, please call Aquarius Utilities, LLC at (360) 779-1565.

The commission has the authority to set final rates which may be lower or higher than the company's request, depending on the outcome of its investigation. You can comment by using the "Submit a Comment" feature at the commission's website, at utc.wa.gov, or by using the contact information below. Commission staff will make a recommendation to the commissioners at an open meeting in Olympia, which is scheduled for 9:30 a.m. on June 12, 2014. You will have an opportunity to comment in person at this meeting. 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 the open meeting, the commission has a bridge line which enables you to participate by telephone. Call 360-664-1234 the day before the open meeting for instructions and to sign in.

Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
PO Box 47250, Olympia, WA 98504-7250
E-mail: comments@utc.wa.gov
Telephone: 1-888-333-WUTC (9882)

To view documents filed at the commission in this case, visit the Water Section web page at utc.wa.gov/water and click on Aquarius Utilities, LLC under "Active Cases".

We appreciate the opportunity to present this proposal for your review and comment.

Very truly yours,

Gregory G. Roats, P.E.
General Manager

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