

Red Mountain Water Association
1232 Columbia Park Trail
Richland, WA 99352
Phone 509-736-1133 Fax 509-736-1144

Rate Increase Notice – November 13, 2019

On September 1st, Red Mountain Water Association (Red Mountain Water) notified customers that it had filed for approval from the Washington Utilities and Transportation Commission (Commission) to increase rates which would increase annual revenue by \$15,060, or approximately 25%. The Commission reviewed this filing, and at its open meeting on Septembers 26th allowed a rate increase of approximately 13%.

Red Mountain Water requested the Commission to review additional adjustments, related to amortization and applicable taxes to the metered rates not considered in the original review. The newly proposed metered rates increase annual revenue by \$2,424 or approximately 4% compared to current rates. This increase will not affect customers' average water costs. The change in water rates will affect only those using greater than 65,000 gallons on one-inch connections, and 130,000 gallons on one-and-a-half-inch connections.

In addition, Red Mountain Water is proposing increases to outdated ancillary rates that haven't been adjusted for more than 20 years. Ancillary rates do not affect most customers and are for irregular situations such as new service line additions, late payments, etc. If approved, the rates will be effective January 1, 2020. The current and proposed rates are as follows:

<u>Metered Monthly Rates:</u>	<u>Sept 26th Approval</u>	<u>Proposed</u>
1 inch meters:		
Base charge	\$21/mo	\$21/mo
0 - 8,000 gallons	\$0.80/1000 gal	\$0.80/1000 gal
8,001 – 65,000 gallons	\$1.00/1000 gal	\$1.00/1000 gal
Over 65,000 gallons	\$1.15/1000 gal.	\$1.23/1000 gal.
1 ½ inch meters:		
Base charge	\$42/mo	\$42/mo
0 - 16,000 gallons	\$0.80/1000 gal	\$0.80/1000 gal
16,001 – 130,000 gallons	\$1.00/1000 gal	\$1.00/1000 gal
Over 130,000 gallons	\$1.15/1000 gal.	\$1.23/1000 gal.
<u>Ancillary Rates:</u>	<u>Current</u>	<u>Proposed</u>
Service Connection Charge*	\$350.00	\$1,500.00
<i>*(Installation of a new service line)</i>		
Reconnection Charge (per visit)	\$50.00	\$50.00
Late Payment Charge	\$3.00	\$5.00
Account Setup Charge	\$50.00	\$50.00
NSF Charge (each check)	\$15.00	\$36.00

If you have any questions about the filing and how it will affect you, please call Red Mountain Water at 509-736-1133. The Commission has the authority to set final rates that may be either lower or higher from the company's request, depending on the results of its investigation. Commission staff will make a recommendation to the Commissioners at an open meeting which is scheduled for 9:30 a.m. on Dec. 19, 2019, at 621 Woodland Square Loop SE, Room 110, in Lacey. 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.

You will have an opportunity to comment in person at this meeting. If you are unable to attend the open meeting, 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. You should also call this number if you plan to attend the open meeting in person, to make sure this case hasn't been rescheduled.

You can also comment by using the "Submit a Comment" feature at the Commission's Web site at www.utc.wa.gov or by using the contact information below.

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

Sincerely,



Brett Nelson, Red Mountain Water Association General Partner