

**Olympic Water and Sewer, Inc.
70 Breaker Lane
Port Ludlow, WA 98365**

IMPORTANT NOTICE

May 21, 2021

Olympic Water and Sewer, Inc. has filed for approval from the Washington Utilities and Transportation Commission (WUTC) to increase rates by 7.40% or \$50,770 in annual revenue. If approved, the rates will be effective on June 21, 2021, which is the beginning of the July/August billing cycle.

REASON FOR INCREASE:

The last water rate increase was 13 years ago, in 2008 when the rates were increased to their current level. Since that time, the OWSI water rates have been level as inflation has increased by 1.61% each year. The cumulative inflation increase since the last rate increase is 23%. On top of this, there have been increases in nearly all aspects of water system operations including labor and payroll tax and benefits, materials, electricity, fuel, increased health related monitoring required by regulatory agencies, and improvements and replacements to infrastructure.

THE NEW RATES:

The **proposed rate structure is different** from what we currently use. The new three tier structure will promote water efficiency (conservation).

Meters will still be read bimonthly. The following table is a comparison of the current and proposed rates.

Rate Comparison for Most Customers
3/4 x 5/8 inch meter

	<u>Current</u>		<u>Proposed</u>	
Base Rate		\$18.25		\$19.25
Usage Block 1	0-1000 cu.ft.	\$0.0225	0-1000 cu.ft.	\$0.027
Usage Block 2	Over 1001 cu.ft.	\$0.0335	1001-1800 cu.ft.	\$0.034
Usage Block 3	N/A		Over 1801 cu.ft.	\$0.044

1 cu.ft. is equal to approximately 7.5 gallons

An example of how the rates would affect a customer's bimonthly bill as follows:

- A customer that uses 1,000 cubic feet of water a month (2,000 bimonthly) would see an increase in their bimonthly bill of \$2.00 (18.25 increases to 19.25 for one month) for the base rate
- Plus a \$9.00 increase in usage fees (1000 x .0225 as compared to 1000 x .027).
- The bimonthly bill for water would increase from \$81.50 to \$92.50.

QUESTIONS AND COMMENTS: If you have questions about the proposed filing and how it will affect you, please call the Olympic Water and Sewer, Inc. message phone at 360-437-8247 to leave a message. The message phone is monitored Monday through Friday and we will return calls daily. Alternatively customers can leave comments and questions via email at owsi@portludlowassociates.com

The Commission has the authority to set final rates that may be either lower or higher than the company's request, depending on the results of its investigation. You can comment on the case 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
Post Office Box 47250
Olympia, WA 98504-7250
E-mail: comments@utc.wa.gov
Telephone: 1-888-333-WUTC (9882)

Commission staff will make a recommendation to the Commissioners at an open meeting which is scheduled for 9:30 a.m. on June 3, 2021. You will have an opportunity to provide your comments at this meeting. The UTC building is closed to the public until further notice. This open meeting will be conducted remotely. If you intend to listen or participate, call 360-664-1234 the day before the open meeting for instructions and to sign in.

A memo containing the staff recommendation will be available on the commission website about three days prior to the open meeting. To view the memo, go to utc.wa.gov. Click on the link near the bottom that says "Documents." Under "Open Meetings," click on "Agendas, meeting minutes, orders." When the open meeting date (see above) appears, click on it, then on the memo for this filing. Then click on "Documents." This will take you to a page with the memo and other filed documents.

Sincerely,


Diana Smeland
President
Olympic Water and Sewer Inc.

Proposed Rates 2021

Meter Size	Minimum Monthly Charge
3/4 -inch	\$ 19.25
1-inch	\$ 32.15
1 1/2- inch	\$ 64.10
2-inch	\$ 102.60
3-inch	\$ 192.50

Proposed Base Rates and Volumetric Usage Charges

Meter Size	Meter Size Factor	Base Rate	1st Block (cu. ft.)	1st Block Usage Rate	2nd Block (cu. ft.)	2nd Block Usage Rate	3rd Block (cu. ft.)	3rd Block Usage Rate
3/4 -inch	1.00	\$ 19.25	0-1,000	\$ 0.027	1,001-1,800	\$ 0.034	Over 1,800	\$ 0.044
1-inch	1.67	\$ 32.15	0-1,670	\$ 0.027	1,670-3,006	\$ 0.034	Over 3,006	\$ 0.044
1 1/2- inch	3.33	\$ 64.10	0-3,330	\$ 0.027	3,330-5,994	\$ 0.034	Over 5,994	\$ 0.044
2-inch	5.33	\$ 102.60	0-5,330	\$ 0.027	5,330-9,594	\$ 0.034	Over 9,594	\$ 0.044
3-inch	10.00	\$ 192.50	0-10,000	\$ 0.027	10,000-18,000	\$ 0.034	Over 18,000	\$ 0.044

Current Monthly Rates

Base Service Charge:

Meter Size	Minimum Monthly Charge
3/4 x 5/8 inch	\$ 18.25
1 inch	30.48
1-1/2 inch	60.77
2 inch	97.27
3 inch	182.5

Current Volume Rates:

Meter Size	Block 1 Usage Cubic feet	per cubic foot	Block 2 Usage Cubic Feet	per cubic foot
3/4 x 5/8 inch	1,000	\$0.0225	over 1,000	\$0.0335
1 inch	1,670	\$0.0225	over 1,670	\$0.0335
1-1/2 inch	3,330	\$0.0225	over 3,300	\$0.0335
2 inch	5,330	\$0.0225	over 5,330	\$0.0335
3 inch	10,000	\$0.0225	over 10,000	\$0.0335

