



# WASHINGTON WATER SERVICE

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DRAFT NOTICE FOR UTC REVIEW

## IMPORTANT NOTICE – WASHINGTON WATER

Washington Water Service Company (“WWSC”) has filed for approval from the Washington Utilities and Transportation Commission (“UTC”) to decrease revenues needed to provide a reliable, high-quality water supply. The filing requests a decrease of \$625,101 in annual revenue, which is a 4.66% decrease from 2020. If approved, the new rates would become effective October 15, 2021.

WWSC’s last general rate increase was effective December 1, 2018 and was based on 2017 capital and operating expenses. Since 2017, WWSC has made numerous water system upgrades at a cost of \$8.0 million, including:

- Consolidation of Seacliff and Peacock Hill water systems, involving 1,700 linear feet of 8” pipeline. The interconnection provides for increased reliability between the first and third largest systems.
- Customer billing software upgrade providing improved customer service and technical capabilities.
- Improvements in water quality due to treatment plant upgrades.
- Deployment of Geographic Information System (GIS) mapping and operations manuals to field teams.
- Replacement of well infrastructure to improve reliability and efficiency of water supply.

The filing reflects increases in materials, equipment, depreciation expense due the addition of new facilities, and increases in wages and healthcare costs. In the face of rising costs, we have worked diligently to control expenses wherever possible to help keep water rates affordable. The main factor driving the decrease in rates is the acquisition of the East Pierce system in 2020, which allows for costs to be spread over a larger number of customers.

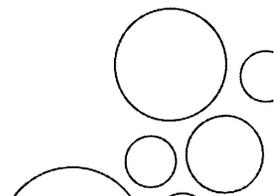
The tables below show the present and proposed rate structure.

### Residential Service - Existing Rates

Meter Size	Base Rate	1st Block (cubic feet)	1st Usage Rate <sup>1</sup>	2nd Block (cubic feet)	2nd Usage Rate <sup>1</sup>	3rd Block (cubic feet)	3rd Usage Rate <sup>1</sup>
3/4-inch <sup>2</sup>	\$ 23.60	0 - 600	\$ 3.85	601 - 1,600	\$ 4.95	Over 1,600	\$ 6.10
1-inch	\$ 39.33	0 - 1,000	\$ 3.85	1,001 - 2,667	\$ 4.95	Over 2,667	\$ 6.10
1 ½-inch	\$ 78.67	0 - 2,000	\$ 3.85	2,001 - 5,333	\$ 4.95	Over 5,333	\$ 6.10
2-inch	\$ 125.87	0 - 3,200	\$ 3.85	3,201 - 8,533	\$ 4.95	Over 8,533	\$ 6.10
3-inch	\$ 236.00	0 - 6,000	\$ 3.85	6,001 - 16,000	\$ 4.95	Over 16,000	\$ 6.10
4-inch	\$ 393.33	0 - 10,000	\$ 3.85	10,001 - 26,667	\$ 4.95	Over 26,667	\$ 6.10
6-inch	\$ 786.67	0 - 20,000	\$ 3.85	20,001 - 53,333	\$ 4.95	Over 53,333	\$ 6.10
Ready to Serve	\$23.60	-	-	-	-	-	-
Flat	\$ 60.52	-	-	-	-	-	-

<sup>1</sup> Based on per 100 cubic feet or fraction thereof.

<sup>2</sup> 3/4” or smaller.



**Residential Service - Proposed Rates**

Meter Size	Base Rate	1st Block (cubic feet)	1st Usage Rate <sup>3</sup>	2nd Block (cubic feet)	2nd Usage Rate <sup>3</sup>	3rd Block (cubic feet)	3rd Usage Rate <sup>3</sup>
3/4-inch <sup>4</sup>	\$ 23.60	0 - 600	\$ 3.55	601 - 1,600	\$ 4.57	Over 1,600	\$ 5.62
1-inch	\$ 39.33	0 - 1,000	\$ 3.55	1,001 - 2,667	\$ 4.57	Over 2,667	\$ 5.62
1 ½-inch	\$ 78.67	0 - 2,000	\$ 3.55	2,001 - 5,333	\$ 4.57	Over 5,333	\$ 5.62
2-inch	\$ 125.87	0 - 3,200	\$ 3.55	3,201 - 8,533	\$ 4.57	Over 8,533	\$ 5.62
3-inch	\$ 236.00	0 - 6,000	\$ 3.55	6,001 - 16,000	\$ 4.57	Over 16,000	\$ 5.62
4-inch	\$ 393.33	0 - 10,000	\$ 3.55	10,001 - 26,667	\$ 4.57	Over 26,667	\$ 5.62
6-inch	\$ 786.67	0 - 20,000	\$ 3.55	20,001 - 53,333	\$ 4.57	Over 53,333	\$ 5.62
Ready to Serve	\$ 23.60	-	-	-	-	-	-
Flat	\$ 57.80	-	-	-	-	-	-

The UTC has the authority to set final rates that are either lower or higher than the company’s request, depending on the results of its investigation. Commission staff will make a recommendation to the commissioners at an open meeting in Olympia, which is scheduled for [Weekday], [Month and Day], 2021. You may 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](mailto:human_resources@utc.wa.gov).

If you are unable to attend the open meeting, the commission has a telephone line that enables you to participate or listen. Call (360) 664-1234 for instructions the day before the open meeting. You may also comment by using the “Submit a Comment” feature at the commission’s web site at [www.utc.wa.gov](http://www.utc.wa.gov) or by using the contact information below.

Washington Utilities and Transportation Commission  
 1300 S Evergreen Park Drive SW  
 Post Office Box 47250  
 Olympia, WA 98504-7250  
 Email: [comments@utc.wa.gov](mailto:comments@utc.wa.gov)  
 Telephone: 1-888-333-WUTC (9882)

If you have any questions about the proposed filing and how it will affect you, please give our Customer Service Department a call toll free at (877) 408-4060 or email us at [input@wawater.com](mailto:input@wawater.com).

Sincerely,

Washington Water Service Company  
 PO Box 336  
 Gig Harbor, WA 9835

<sup>3</sup> Based on per 100 cubic feet or fraction thereof.

<sup>4</sup> 3/4” or smaller.