

Agenda Date: June 26, 2002
Item Number: Utilities 3 through Utilities 12

Dockets &

Company Names: UW-020535, Pattison Water Company
UW-020536, Rainier View Water
UW-020537, South Bainbridge Water
UW-020615, H&R Waterworks
UW-020616, Quail Run Water
UW-020617, Timberline Village Water
UW-020618, Meadows Water Company
UW-020619, Tall Timber Water
UW-020674, American Water Resources

Staff: Jim Ward, Regulatory Analyst
Tani Thurston, Regulatory Analyst
Penny Hansen, Public Involvement Coordinator

Recommendation:

Issue a Complaint and Order Suspending the Tariff Revisions filed by the above listed companies.

Discussion:

On May 1, 2002, three Companies filed to add language to their tariffs to implement a Cross Connection Control Program. Five more filings came in on May 17, 2002 and the final filing was received May 30, 2002. The filings will add language to each tariff establishing a Cross Connection Control program and implanting charges for inspections.

The Washington State Department of Health (DOH) has established new rules and regulations (WAC 246-290-490) dealing with potential cross connection hazards in water systems. A cross connection hazard is a source of potential contamination to the public water supply that occurs from the customer's own water pipes. In order to determine if such a hazard exists on the customer's piping, each customer is being sent a survey to gather information about each customer's piping and to allow the water company to evaluate the potential for backflow into public drinking water systems. Commercial customers will receive a mandatory on-site inspection for cross connection evaluation.

The tariffs have proposed that if a potential hazard related to cross connection is detected, the customers will be required to take appropriate remedial action(s) as directed by the water company to minimize the potential hazard. All companies have provided for customer disconnection from the water system if a back flow prevention device is not installed. Two companies (Pattison Water and South Bainbridge Water) have asked for fines to customers of \$100 if a back-flow prevention device is not installed.

Only one of the above listed companies (Rainier View Water) had their customer notice reviewed by Commission staff. Staff is aware of only four of the above listed companies (Pattison Water, Rainier View Water, South Bainbridge Water and American Water Resources) actually sending out a notice to customers about the rate change. Staff believes some of the notices may not have met the 30-day requirement with the customers for the Commission to receive back comments. Staff has issued the

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same data request to each company asking for notice information, cost basis and procedural compliance issues.

The Commission received several comments with regard to these filings.

The current and proposed rates are provided below:

<u>Rates</u>	<u>Current</u>	<u>Proposed</u>
Site visit – per visit	N/A	\$ 100.00
Commercial premises inspection (UW-020535)	N/A	\$ 150.00
Commercial premises inspection	N/A	\$ 250.00
Failure to install Back Flow Prevention Fine	N/A	\$ 100.00

The companies have not yet demonstrated that the proposed rates are fair, just, reasonable, and sufficient. Therefore, Staff recommends that the Commission Issue a Complaint and Order Suspending the Tariff Revisions filed by the above listed companies.