

## IMPORTANT NOTICE March 10, 2025

Suncadia Water Company, LLC ("Suncadia Water" or "the Company"), on March 07, 2025, filed for approval from the Washington Utilities and Transportation Commission ("UTC" or "the Commission") to increase rates as shown in the table below, effective May 1, 2025. Increased rates will reflect additional revenue of \$690,623, an incremental increase of 32.6%.

## Purpose of General Rate Proceeding Filing

The purpose of this filing is to recover costs associated with provision of water service. Suncadia Water is seeking cost recovery in rates because current revenues are insufficient to cover the ongoing cost of continuing to provide service that is safe, adequate and efficient, and in all respects just and reasonable, while allowing an opportunity for a reasonable return on the Company's needed capital investment.

Since its last general rate case, Suncadia Water has prudently managed its operating expenses. Many of these expenses have nonetheless increased due to high inflation that is beyond the Company's control. In addition, Suncadia Water's staffing level was not meeting the demanding workload, so the Company added one full-time employee to help with system operation, maintenance, and preventative maintenance needs.

Suncadia Water also has made substantial investments in its water system and completed several key infrastructure projects that enhance service for the benefit of its customers. To date, this includes:

- Finished replacing all old residential water meters with new automated meter reading ("AMR") meters and purchased AMR meters for commercial buildings, to allow the Company's operators to quickly and accurately collect meter readings, leaving more time for system maintenance and preventative maintenance to ensure uninterrupted water supply to the Company's customers.
- Installed infrastructure for new developments in the Tumble Creek and Suncadia developments, including standby generators to improve system reliability during a power outage and for better fire flow coverage.
- Purchased equipment for hydro excavation, which is used for system repairs allowing safe digging around other buried utilities.
- Purchased two critical spare pumps to ensure minimal system downtime in the event of a pump failure.
- Implemented Elements Asset Management and Work Order software to track system maintenance/repairs and efficiently manage employees' daily work tasks.
- Purchased snow removal equipment for access to water facilities during winter months.
- Purchased two new service trucks to transport the Company's employees, equipment and tools to properly maintain and repair the system.

Phone: 509-649-6370 Suncadia Utilities Team: water@suncadiautilities.com OFFICE HOURS 9:00 AM TO 5:00 PM MONDAY - FRIDAY

## Description of Filing and Requested Rate Change

As summarized above, Suncadia Water seeks recovery of its investments that are critical in maintaining safe, adequate, and reliable water service for its customers, as well as recovering incremental operating costs that have increased due to high inflation and the addition of a new employee.

At the end of this Notice is a chart showing the comparison of Suncadia Water's current rates and proposed rates, and the resulting average monthly bill impact from this general rate proceeding.

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 am on Thursday, April 24, 2025. A memo containing the staff recommendation will be available on the Commission website about three days prior to the open meeting.

You will have an opportunity to provide your comments at the open meeting either in person or remotely. If you intend to listen or participate remotely, call 360-664-1234 at least a day before the open meeting for instructions and to sign-in. You should also call this number if you plan to attend in person to verify that the case has not been rescheduled to a later open meeting date.

The Commission is committed to providing reasonable accommodations for participants with disabilities. If you need reasonable accommodations to participate in the open meeting, please contact the Commission at 1-888-333-9882 or email consumer@utc.wa.gov.

You may also provide comments to the Commission on Suncadia Water's requested rate changes by any of the following ways:

- online comment form at <a href="http://www.utc.wa.gov/consumers/submit-comment">http://www.utc.wa.gov/consumers/submit-comment</a>;
- email <u>comments@utc.wa.gov;</u>
- phone **1-888-333-9882**; or
- write to P.O. Box 47250, Olympia, WA, 98504-7250.

Please include your name, mailing address, the name of the company (Suncadia Water), and docket(s) number. If you have questions about the Commission's process, please contact the Commission using one of the above methods.

The Public Counsel Unit of the Washington Attorney General's Office advocates on behalf of the interests of residential and small business customers. The Public Counsel Unit can be contacted by email at <u>utility@atg.wa.gov</u>; phone 206-464-7744; or write to Public Counsel Unit, Attorney General's Office, 800 Fifth Ave. Suite 2000, Seattle, WA 98104.

If you have any questions about the filing and how it will affect you, please call Suncadia Water Company, LLC.

Sincerely,

/s/ Darian Osiadacz

Darian Osiadacz General Manager Suncadia Water Company, LLC

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Meter Size	Base Rate	1 <sup>st</sup> Block Size (gal.)	1 <sup>st</sup> Block Rate	2 <sup>nd</sup> Block Size (gal.)	2 <sup>nd</sup> Block Rate	3 <sup>rd</sup> Block Size (gal.)	3 <sup>rd</sup> Block Rate
1"	\$39.00	5,000	\$3.00	5,001-18,000	\$5.30	Over 18,000	\$8.60
1.5"	\$78.00	10,000	\$3.00	10,001-36,000	\$5.30	Over 36,000	\$8.60
2"	\$124.80	16,000	\$3.00	16,001-57,600	\$5.30	Over 57,600	\$8.60
3"	\$234.00	30,000	\$3.00	30,001-108,000	\$5.30	Over 108,000	\$8.60
4"	\$390.00	50,000	\$3.00	50,001-180,000	\$5.30	Over 180,000	\$8.60
Ready to Serve	\$39.00						

Proposed Rates, Rate Structure and Average Monthly Bill (effective May 1, 2025)										
Meter Size	Base Rate	1 <sup>st</sup> Block Size (gal.)	1 <sup>st</sup> Block Rate	2 <sup>nd</sup> Block Size (gal.)	2 <sup>nd</sup> Block Rate	3 <sup>rd</sup> Block Size (gal.)	3 <sup>rd</sup> Block Rate	4 <sup>th</sup> Block Size (gal.)	4 <sup>th</sup> Block Rate	Avg. Monthly Bill
1"	\$51.94	5,000	\$3.80	5,001- 15,000	\$6.71	15,001- 40,000	\$10.89	Over 40,000	\$12.60	\$112.46
1.5"	\$103.88	20,000	\$3.80	20,001- 100,000	\$6.71	100,001- 150,000	\$10.89	Over 150,000	\$12.60	\$2,229.72
2"	\$166.21	11,000	\$3.80	11,001- 100,000	\$6.71	100,001- 150,000	\$10.89	Over 150,000	\$12.60	\$597.96
3"	\$311.64	25,000	\$3.80	25,001- 100,000	\$6.71	100,001- 200,000	\$10.89	Over 200,000	\$12.60	\$861.52
4"	\$519.40	100,000	\$3.80	100,001- 200,000	\$6.71	200,001- 400,000	\$10.89	Over 400,000	\$12.60	\$3,782.31
Ready to Serve	\$51.94									\$51.94

## Average Monthly Bill Impact from Proposed Rates (effective May 1, 2025)

Meter Size	Avg. Bill	Avg. Bill	Dollar Increase	Percentage Increase
	Current	Proposed		
1"	\$83.96	\$112.46	\$28.50	34%
1.5"	\$1,708.50	\$2,229.72	\$521.22	31%
2"	\$473.89	\$597.96	\$124.07	26%
3"	\$637.89	\$861.52	\$223.63	35%
4"	\$2,869.78	\$3,782.31	\$912.54	32%
Ready to Serve	\$39.00	\$51.94	\$12.94	33%