

Agenda Date: March 27, 2002  
Item Number: 2F

**Docket:** UW-020220  
Company Name: Bethel Water Company

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

**Recommendation:**

Allow the tariff revision as filed by Bethel Water Company, and require reporting, in Docket UW-020220, to become effective April 1, 2002.

**Discussion:**

On February 25, 2002, Bethel Water Company, (Bethel Water or Company) filed for general rates in the form of a surcharge in the amount of approximately \$2,434 (7.7%) of revenue per year. Bethel Water is filing to repay a Small Business Administration (SBA) loan used for repairing earthquake damage from the Nisqually earthquake in February 2001. The Company serves approximately 78 customers east of Bethel in south Pierce County.

This filing is made to repay a loan used to repairs several pieces of broken distribution piping, repair meters and meter boxes, replace a damaged sampling station and replacement of a booster pump and 3 inch meter. The SBA loan will run for approximately 44 months with an annual interest rate of 4%. Plant purchased with surcharge funds will be considered Contribution In Aid of Construction.

The Commission has received one letter opposing to this proposal.

Current and proposed rates are provided below.

<u>Monthly Rate</u>	<u>Current Proposed</u>	
2002 Surcharge *	N/A	\$ 2.60

\* Surcharge to expire December 31, 2005 or upon recovery of \$8,298 loan principal plus interest charges, whichever occurs first.

Regulatory Services Staff has reviewed the Company's information to support the filing. Staff believes the proposed rate is appropriate. Therefore, Staff recommends that the Commission allow the tariff revision as filed by Bethel Water Company, and require reporting, in Docket UW-020220, to become effective April 1, 2002.