

Agenda Date: June 25, 2009
Item Number: A4

Docket: UW-090839
Company Name: Cristalina, LLC

Staff: Amy White, Regulatory Analyst
Dennis Shutler, Consumer Protection Staff

Recommendation

Issue a Complaint against Rates to determine whether Cristalina's current rates and charges provide the company with an excessive return, and to determine whether Cristalina should be required to make a new tariff filing reducing rates.

Discussion

On April 8, 2009, Cristalina, LLC (Cristalina or company) filed with the Utilities and Transportation Commission (commission) a surcharge to service a \$555,500 Drinking Water State Revolving Fund (DWSRF) loan approved by the Public Works Board (PWB). The company serves 84 customers in a subdivision in Ravensdale, located in eastern King County. The commission approved the surcharge effective June 1, 2009, in docket UW-090516. The surcharge amount is \$32 per customer monthly for 240 months.

Staff's initial review of company's financial information in docket UW-090516 showed that the company's current \$45 flat rate may generate more revenue than the company requires to pay reasonable operating expenses and earn a reasonable return. Thus, Cristalina's rates may be unjust and unreasonable.

Staff has discussed a new tariff filing regarding general rates with Cristalina's owner. The owner had agreed to file a general rate case prior to the commission's May 28, 2009, open meeting. No filing has been received from the company.

Conclusion

Issue a Complaint against Rates to determine whether Cristalina's current rates and charges provide the company with an excessive return, and to determine whether Cristalina should be required to make a new tariff filing reducing rates.