



UW-230502

June 22, 2023

Received
Records Management
Jun 22, 2023

VIA E-FILING

Amanda Maxwell, Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Re: Crown West Realty LLC dba SBIP Water (“The Company”)
Request for Water Rate Increase

Dear Ms. Maxwell:

Attached you will find SBIP Water’s proposal to raise its rates, which would increase Company revenues by \$119,664, or 55.7 percent annually.

Since 1999 the company has increased water rates only 37 percent, and there has been no increase since 2014. Operating expenses including wages, insurance, utilities, and repairs and maintenance expenses have steadily risen over the last nine years, and we are still in the process of catching up with inflation. In addition, the rate structure is regressive because usage rates decrease with increasing volume. Finally, we are eliminating allowances to encourage conservation.

The service impacted by the rate increase is “metered rate service”. The minimum allowance for all rate sizes is being eliminated, and both minimum charges and usage rates are being increased. The following table shows the net effect of the increase on the average customer’s monthly bill. All customers are metered.

<u>Average Customer</u>	<u>Existing Monthly Bill</u>	<u>Proposed Monthly Bill</u>	<u>Change</u>	<u>Percent Change</u>
Metered	\$ 51.05	\$ 79.46	\$ 28.41	55.7%

The following table shows the dollar and percentage effect on each service that is impacted.



<u>Size</u>	<u>Current Allowance</u>	<u>Proposed Allowance</u>	<u>Change</u>	<u>Difference</u>
5/8	500 cf	250 cf	(250) cf	-50.0%
3/4	500 cf	250 cf	(250) cf	-50.0%
1	500 cf	250 cf	(250) cf	-50.0%
1.5	1,000 cf	500 cf	(500) cf	-50.0%
2	1,500 cf	750 cf	(750) cf	-50.0%
3	2,500 cf	1,250 cf	(1,250) cf	-50.0%
4	3,600 cf	1,800 cf	(1,800) cf	-50.0%
6	5,100 cf	2,550 cf	(2,550) cf	-50.0%

<u>Current Minimum Charge</u>	<u>Proposed Minimum Charge</u>	<u>Change</u>	<u>Difference</u>
\$ 15.90	\$ 23.14	\$ 7.18	45.0%
\$ 17.55	\$ 25.45	\$ 7.90	45.0%
\$ 19.15	\$ 27.77	\$ 8.62	45.0%
\$ 28.57	\$ 41.43	\$ 12.86	45.0%
\$ 38.14	\$ 55.30	\$ 17.16	45.0 %
\$ 55.72	\$ 80.79	\$ 25.07	45.0 %
\$ 73.30	\$ 106.29	\$ 32.99	45.0 %
\$ 97.16	\$ 140.88	\$ 43.72	45.0 %

Rate				
<u>Tier</u>	<u>Current</u>	<u>Proposed</u>	<u>Change</u>	<u>Difference</u>
1	\$ 0.5995	\$ 0.8800	\$0.2805	46.8%
2	Eliminated	N/A	N/A	N/A
3	Eliminated	N/A	N/A	N/A

Floor Volume for Tiers			
<u>Current</u>	<u>Proposed</u>	<u>Change</u>	<u>Difference</u>
0	0	0	0.00%
Eliminated	N/A	N/A	N/A
Eliminated	N/A	N/A	N/A

With your approval, a copy of the customer notice that will be mailed to customers on July 6 is attached. This advice letter and the attached customer notice contain the result of the calculation of revenue and impact of proposed rates by each class affected per WAC 480-07-530(4). The general rate case workbook downloaded from the commission website and populated with Company data is attached. A copy of the proposed tariff is attached.

The Company's Department of Health Identification Number is 83027.

SBIP Water is a wholly-owned subsidiary of Crown West Realty, LLC (Crown West), a Delaware limited liability company, and has been since Crown West's formation in 1996. There are no non-regulated operations or affiliated transactions.

If you have any questions concerning this matter, please call Bill Jenkins at SBIP Water at (509) 924-1720 or bjenkins@crowwest.com.

Sincerely,

CROWN WEST REALTY LLC dba SBIP WATER

By: Oliver Lawrence