

# ILIAD Water Company LLC

1107 S. Bailey St.  
Seattle, WA 98108  
(206) 764-3345

October 1, 2018

## IMPORTANT NOTICE

As mandated by the Washington State Utilities and Transportation Commission Docket UW-161155 Order 2, Iliad Water Company, LLC has filed a General Rate Case Review. The review encompasses a one-year period from September 1, 2017 through August 31, 2018. The General Rate Case Review determines if the current customer rate structure is fair, just, reasonable, and sufficient.

The company's initial review has determined that it is necessary to increase rates. Commission staff has not yet performed its review. The reason for the increase is to reflect the actual costs of operation for the water systems. Historically, the revenues produced from existing rates have not covered the cost of operation and an authorized return on investment. In the past, operations have been at a loss and there have been some bills that have gone unpaid. This year the company has an operating loss of well over \$100,000 in expenses through August 31. As a result, a significant increase in rates is needed. This is not something the company takes lightly. However, the company cannot provide good service to you if it is constantly operating at a loss.

The change in rates will, in theory, produce an estimated \$293,258 in additional revenue. This represents 41.67 percent increase in the company's revenue.

The proposed rate change is as follows:

| <b>Alderlake, Lower, Marbello &amp; Northwest</b> | <b>Current Monthly Base Charge</b> | <b>New Base Rate</b> | <b>Percent Increase</b> |
|---|------------------------------------|----------------------|-------------------------|
| 5/8" Base Meter                                   | \$44.00                            | \$61.76              | 40.36                   |
| 1" Base Meter                                     | \$110.00                           | \$154.40             | 40.36                   |
| 1 ½" Base Meter                                   | \$220.00                           | \$308.80             | 40.36                   |
| <b>Sunwood Graham</b>                             |                                    |                      |                         |
| 5/8" Base Meter                                   | \$35.00                            | \$61.76              | 76.46                   |
| 1" Base Meter                                     | \$87.50                            | \$154.40             | 76.46                   |
| 1 ½" Base Meter                                   | \$175.00                           | \$308.80             | 76.46                   |
| <b>All Other Water Systems</b>                    |                                    |                      |                         |
| 5/8" Base Meter                                   | \$40.00                            | \$61.76              | 54.40                   |
| 1" Base Meter                                     | \$100.00                           | \$154.40             | 54.40                   |
| 1 ½" Base Meter                                   | \$200.00                           | \$308.80             | 54.40                   |
| <b>Ready To Serve Fee - All Systems</b>           | \$40.00                            | \$61.76              | 54.40                   |

In addition, the Company is seeking increases to nonrecurring charges set out on the attached chart. These increases are estimated to generate approximately \$6,000.00 in annual revenue.

We have requested that the proposed rate increase become effective January 1, 2019, therefore the new rates would first be reflected on your February 9<sup>th</sup> billing statement.

The commission has the authority to set final rates that may be lower or higher than the company's request, depending on the outcome of its investigation. You can submit comments by going to [www.utc.wa.gov](http://www.utc.wa.gov) and clicking "Submit a Comment," or by one of the following options:

Washington Utilities and Transportation Commission  
1300 S. Evergreen Park Drive SW  
P.O. Box 47250, Olympia, WA 98504-7250  
E-mail: [comments@utc.wa.gov](mailto:comments@utc.wa.gov)  
Telephone: 1-888-333-WUTC (9882)

Commission staff will make a recommendation to the commissioners at an open meeting in Olympia, which is scheduled for 9:30 a.m. on December 28, 2018, and you will have an opportunity to comment in person at this meeting. If you are unable to attend the open meeting, you can participate by telephone by calling 360-664-1234 the day before the open meeting for instructions and to sign in.

A memo containing the staff recommendation will be available on the commission website about three days prior to the open meeting. To view the memo, go to [utc.wa.gov](http://utc.wa.gov). Click on the link near the bottom that says "Documents." Under "Open Meetings," click on "Agendas, meeting minutes, orders." When the open meeting date (see above) appears, click on the memo for this filing. This will take you to a page with the memo and any associated attachments. You will be given an option to open or save the document you choose.

The commission is committed to providing reasonable accommodation to participants with disabilities. If you need reasonable accommodation, please contact the commission at (360) 664-1132 or [human\\_resources@utc.wa.gov](mailto:human_resources@utc.wa.gov).

If you have further questions about the proposed filing and how it will affect you, please call Iliad Water Company, LLC at 206-764-3345 or 800-928-3750.

Sincerely,

Iliad Water Company, LLC.

## ANCILLARY AND SURCHARGE SCHEDULE

| <b>ANCILLARY CHARGES</b>   | <b>Current<br/>Charge</b> | <b>Proposed<br/>Charge</b>                                    |
|--|---------------------------|---|
| Disconnection Visit Charge (per visit)   | \$20.00                   | \$75.00   |
| Emergency Shut Off (per visit)   |                           | \$150.00  |
| Reconnection Visit Charge (per visit, during normal business hours)  | \$20.00                   | \$75.00   |
| (Per visit outside of normal business hours)   |                           | \$175.00  |
|  | \$30.00                   | \$75.00   |
| Service Visit Charge (during regular business hours - prescheduled)<br>(outside regular business hours-prescheduled) |                           | \$100.00  |
| Late Payment Charge of Unpaid Balance or Minimum Charge<br>greater of 2% or  | \$1.00                    | \$5.00  |
| NSF Charge (each check)  | \$20.00                   | \$35.00   |
| Water Availability Letter Charge   |                           | \$50.00   |
| Backflow Assembly Testing & Inspection   |                           | \$85.00   |
| Credit/Debit Card Processing Fee   |                           | \$2.00  |
| Credit/Debit Card Chargeback Fee   |                           | Bank<br>Charge  |
| Online or Autopay Payments (per payment)   |                           | \$0.50  |
| Damage and Repairs Charge; Illegal Connections   |                           | \$250.00  |
|  |                           | Plus cost of<br>repairs at<br>actual time<br>and<br>materials |

### **SURCHARGES**

| <u>System</u> | <u>Amount</u> |
|---------------|---------------|
| Alderlake     | \$3,386.22    |
| Parkwood      | \$7,760.00    |
| Skyview       | \$5,155.47    |

At the customer's choice, payment may be made on a monthly basis. For Alderlake, assuming no delinquencies, monthly payments are \$21.27, includes interest at 4.96%, and expires May 25, 2028. For Parkwood, assuming no delinquencies, monthly payments are \$86.14, includes interest at 8.5%, and expires June 30, 2028. For Skyview, assuming no delinquencies, monthly payments are \$64.83, includes interest at 8.82%, and expires October 31, 2021.