

KANAWHA COUNTY COMMISSION

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July 8, 2022

Honorable Public Service Commission
Ms. Karen Buckley
Acting Executive Secretary
West Virginia Public Service Commission
201 Brooks St.
Charleston, WV 25301

Re: **Case: 22-0605-W-DSIC**
West Virginia American Water Company 2023
Distribution System Improvement Surcharge

Dear Chairperson Charlotte Lane, Commissioner Renee Larrick, and Commissioner Bill Raney:

The Kanawha County Commission strongly opposes West Virginia American Water Company's (WVAW) pending application to increase the cost of water by nearly 5% through the Company's 2023 infrastructure surcharge. If approved by the Public Service Commission, this rate increase would go into effect for all of the Company's residential and business customers beginning on January 1, 2023.

Over the past two decades, the Kanawha County Commission has repeatedly intervened in opposition to the WVAW's numerous rate increase requests. In 2016, the Kanawha County Commission intervened in the Company's initial infrastructure surcharge case (Case #16-0550-W-P). We predicted then that the new surcharge was just a "foot in the door" for WVAW to impose yearly increases on its customers outside of a traditional base rate case. Here, the Company's application for a 5% rate increase shows that is precisely where we are today.

Moreover, other utilities such as Appalachian Power have taken advantage of the surcharge precedent set by WVAW and are now relying on creative and novel surcharges to skirt traditional rate-making and impose a seemingly never-ending series of incremental rate hikes on West Virginia residents. In response, the Kanawha County Commission has publicly called on both the Public Service Commission and the West



Virginia Legislature to take action to stop or severely restrict the ability of utilities to seek repeated rate increases with monthly surcharges.

When reviewing the Company's latest request for a 5% increase, we ask that the Commission consider the current climate of runaway inflation and rising prices and to not simply "rubber stamp" another monthly surcharge on customer bills.

A review of the *Public Service Commission Water Utility Cost Rankings* as of July 1, 2022, shows that WVAW is ranked 354 out of 365 water utilities in the state for the highest monthly bills per customer. A West Virginia American water residential customer using 4500 gallons per month, common usage for a family, has a bill of nearly \$85 a month. And as the Charleston Gazette-Mail perfectly summed up in a recent article regarding this case, "West Virginian American Water ratepayers have had to pay *more and more* for their water in recent years."

Enough is enough. The Public Service Commission should reduce or deny this 5% rate increase request, and further it should take proactive steps through rulemaking or other means to curb the ability of West Virginia utility companies to repeatedly stack surcharge after surcharge on the backs of the public.

Sincerely,



W. Kent Carper
President



Ben Salango
Commissioner



Lance Wheeler
Commissioner