

**NOTICE TO THE PUBLIC OF AN APPLICATION by Virginia American Water for a General Increase in Rates — State Corporation Commission Case No. PUR-2018-00175**  
**ALEXANDRIA DISTRICT**

On November 2, 2018, Virginia American Water filed an application with the State Corporation Commission (Commission) for a general increase in rates. The Company requests authority to increase overall rates to produce additional annual jurisdictional sales revenues of \$5.6 million, or a 10.67 percent increase over present pro forma revenues. The request includes an annual water service rate increase of \$6,024,348, or 14.48%, and a wastewater service rate decrease of \$409,739, or 3.73%. The Company indicates that this rate request is based on a 10.8 percent proposed return on equity.

Virginia American asserts that, consistent with the requirements of Code § 56-235.11 and Senate Bill 1492, which was signed in 2017, the Company is proposing consolidated

tariff pricing (CTP) in its application for its water service rates. Virginia American Water states that implementation of CTP will benefit its customers by promoting long-term rate stability. The Company proposes that full equalization of CTP cost-based rates take place over a three-year period beginning on May 1, 2019, the effective date of interim rates in this proceeding.

Under the Company's proposal for CTP, the average residential customer in Alexandria who uses 4,500 gallons per month with a 5/8 inch meter will see an increase in their water bill of \$12.91 per month once rates are consolidated in the third year of the rate plan as compared to current rates.

Further information about the rate adjustment request is available on the State Corporation Commission's website at: <http://www.scc.virginia.gov/case>

**WATER SERVICE CHARGE:** This fixed charge is based on the size of the water meter and is due with every bill.

Meter Size	Proposed Rates - Year 1 (Effective 5/1/19)	Proposed Rates - Year 2 (Effective 5/1/20)	Proposed Rates - Year 3 (Effective 5/1/21)
5/8"	\$15.00	\$15.00	\$15.00
3/4"	\$22.50	\$22.50	\$22.50
1"	\$37.50	\$37.50	\$37.50
1 1/2"	\$75.00	\$75.00	\$75.00
2"	\$120.00	\$120.00	\$120.00
3"	\$225.00	\$225.00	\$225.00
4"	\$375.00	\$375.00	\$375.00
6"	\$750.00	\$750.00	\$750.00
8"	\$1,200.00	\$1,200.00	\$1,200.00
10"	\$1,650.00	\$1,650.00	\$1,650.00
12"	\$3,225.00	\$3,225.00	\$3,225.00

**WATER USAGE CHARGE:** The Water Usage Charge is based on the amount of water you use.

Customer Class	Gallons used per month	Proposed Rates - Year 1 Per 100 gallons (Effective 5/1/19)	Proposed Rates - Year 2 Per 100 gallons (Effective 5/1/20)	Proposed Rates - Year 3 Per 100 gallons (Effective 5/1/21)
Residential and Commercial	First 2,000	-	-	-
Residential	Over 2,000	\$0.45247	\$0.58287	\$0.71288
Commercial	Over 2,000	\$0.26767	\$0.29523	\$0.32270
Industrial	First 7,480,00	\$0.39835	\$0.35436	\$0.31050
Industrial	Over 7,480,000	\$0.14447	\$0.12852	\$0.11261

**WATER SERVICE CONNECTION:** The proposed rates for installation of a 3/4-inch Water Service Connection, before tax.

Proposed Rates - Year 1 (Effective 5/1/19)	Proposed Rates - Year 2 (Effective 5/1/20)	Proposed Rates - Year 3 (Effective 5/1/21)
\$7,430.00	\$5,081.00	\$2,731.00

Virginia American Water states that, in its most recent rate case, the Commission approved the Company's water and wastewater infrastructure service charge (WWISC) as a pilot program in the Alexandria District to further the acceleration of infrastructure renewal. Virginia American Water requests that the Commission remove the pilot designation and permit the Company to expand the WWISC to include its Hopewell, Prince William Water and Wastewater and Eastern Districts beginning on May 1, 2020. The Company represents that it will seek Commission approval of the investment to be included in the WWISC Rider and an associated rate through a separate application. Interested persons are encouraged to review the application and supporting documents for the details of these and other proposals.

TAKE NOTICE that the Commission may apportion revenues among customer classes and/or design rates in a manner

differing from that shown in the application and supporting documents and thus may adopt rates that differ from those appearing in the Company's application and supporting documents.

The Commission entered an Order for Notice and Hearing (Notice Order) that, among other things, allowing for public comments and scheduled a public hearing on August 27, 2019, at 10 a.m., in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, to receive testimony from members of the public and evidence related to the application from the Company, any respondents, and the Commission's Staff. Interested persons are encouraged to review the Company's application and the Commission's Notice Order for additional details of the proceedings before the Commission in this matter by visiting <http://www.scc.virginia.gov/case>.

Alexandria 03-2019