

City of Alexandria, Virginia

F: Oral (e) 9/10/02

MEMORANDUM

DATE: JANUARY 23, 2003

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THRU: PHILIP SUNDERLAND, CITY MANAGER *PS*

FROM: D. A. NECKEL, DIRECTOR OF FINANCE *D.A. Neckel*

SUBJECT: VIRGINIA - AMERICAN WATER COMPANY PROPOSED RATE INCREASE DECLINED

As mentioned in prior memos to Council, on June 24, 2002, the Virginia - American Water Company (Water Company) filed with the State Corporation Commission (SCC) for a 1.65% rate increase in total revenues for the Alexandria District (Case No. PUE 2002-00375). On November 25, SCC staff filed a motion which stated that the Water Company was not entitled to any rate increases, that the company's current rates were too high, and that those rates should be reduced. In response, on December 4, the Water Company filed to defer its response to the SCC staff's motion, stating that it is in negotiations with SCC staff and that it is believed that a stipulation would be concluded shortly. On December 6, the SCC allowed the company to defer its response.

As a result of these proceedings it does not appear that there will be any water rate increase at this time.

cc: Mark Jinks, Assistant City Manager
Steven T. Edgemon, Vice President & Manager, Virginia American Water Company
Rose Williams Boyd, Director of Citizen Assistance
Rich Baier, Director, Transportation & Environmental Services

