

**BELLINGHAM WATERFRONT DISTRICT ENERGY UTILITY  
2023 and 2004 Revenue Requirements and Rates Application of  
Corix Utility Systems (Washington), Inc.**

**Case No. 2023-01**

**Before Rates Review Panel**

Fong Kwok, Chair  
Chris Heimgartner  
Jeffrey Goltz

**AMENDMENT TO OCTOBER 6, 2023, DECISION APPROVING RATES**

**October 20, 2023**

**I. INTRODUCTION**

On October 6, 2023, the Rate Review Panel (Panel) issued its Decision Approving Rates (Rates Decision) for Corix acting on behalf of the Bellingham Waterfront District Energy Utility (BWDEU) for 2023 and 2024.

On October 19, Corix sent an email to the Panel asking for clarification about one aspect of the Rates Decision. Referring to its Rate Application on page 6 and to the Rates Decision on page 10, the email stated in pertinent part:

Corix staff has one urgent question following the review of the Rate Review Panel's Decision for Case #2023-01.

In the Application, Corix requested in item 5 of the Approvals Sought the wording below. This wording is consistent with the Regulatory Framework (Section 23.1).

(5) Approval to adjust the Connection Fees on an annual basis, starting January 1, 2025, by the greater of: (i) 2% and the general Consumer Price Index applicable to Whatcom County (or King County if data for Whatcom County is unavailable); or (ii) as otherwise agreed between Corix and the Developer as defined in the Regulatory Framework.

.....

In the Decision, the Panel, approved the following:

(5) We tentatively approve the Corix proposal to adjust the connection fee annually, starting January 1, 2025, by the greater of

(i) the general Consumer Price Index applicable to Whatcom County (or King County if data for Whatcom County are unavailable); or (ii) as otherwise agreed upon between Corix and the Developer. [Footnote omitted.] We say “tentatively, because we believe that the connection fee, and how it is treated, should be an open question for future rate proceedings.

....

Of note is that the “2% and” is missing from the Decision approval. Corix also notes that on page 5 of the Decision where the Panel lists the approvals sought by Corix, item 5 of the Approvals Sought is also missing the “2% and”.

Did the Panel intentionally omit the “2% and” from the Approval or was this a simple error? We would like to know since we were in the process of finalizing our tariff and the wording proposed by Corix on page 6 of the Application is included Section D of the Tariff. Please confirm the Panel’s intention prior to us finalizing the tariff.

## II. DISCUSSION AND DECISION

The Panel agrees that the initial decision mistakenly omitted the reference to “2%” both from the recitation of the approvals sought by Corix on page 5 on its Rates Application and in the Rates Decision on page 10. However, we also note that the approval sought contains what is either a typographical error or an unintentional ambiguity. Corix sought approval to adjust the connection fee “by the greater of: (i) 2% and the general Consumer Price Index . . . or (ii) as otherwise agreed between Corix and the Developer as defined in the Regulatory Framework.”

We believe that the small roman “(i)” was misplaced, and that what was intended was approval to adjust the connection fee “(i) by the greater of 2% and the General Consumer Price Index . . . or (ii) as otherwise agreed between Corix and the Developer as defined in the Regulatory Framework.” In other words, if there is no agreement between Corix and Developer (as allowed by subsection (ii)), the adjustment to the fee is the greater of 2% or the Consumer Price Index.

With that understanding, we amend our October 6, 2023, Decision Approving Rates as follows:

On page 5, paragraph (5) is amended to read as follows:

(5) Approval to adjust the Connection Fees on an annual basis, starting January 1, 2025, by the greater of: (i) 2% and the general Consumer Price Index applicable to Whatcom County (or King County if data for Whatcom County is unavailable);

or (ii) as otherwise agreed between Corix and the Developer as defined in the Regulatory Framework.

On page 10, paragraph (5) is amended to read as follows:

(5) We tentatively approve the Corix proposal to adjust the connection fees annually, starting January 1, 2025, by (i) the greater of 2% and the general Consumer Price Index applicable to Whatcom County (or King County if data for Whatcom County are unavailable); or (ii) as otherwise agreed upon between Corix and the Developer.<sup>1</sup> We say “tentatively,” because we believe that the connection fee, and how it is treated, should be an open question for future rate proceedings.

<sup>1</sup> The “Developer” is defined in the Framework to mean “Harcourt Bellingham, LLC or any other person or entity to whom the Port transfers or has transferred land or land rights with the Downtown Waterfront District for the purpose of development or other use.”

If Corix disagrees with our assumption about the intended language of its requested approval, it may respond by another email.

Dated, October 20, 2023

Fong Kwok, Chair  
Chris Heimgartner  
Jeffrey Goltz

Rate Review Panel Members