

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

DOCKET UW-240151

Complainant,

PETITION TO INTERVENE  
OF WATER CONSUMER ADVOCATES  
OF WASHINGTON

v. |

CASCADIA WATER, LLC

Respondent

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1. TO: JEFF KILLIP, Executive Director and Secretary, Washington Utilities and Transportation Commission, P.O. Box 47250, Olympia, Washington, 98504-7250; and

2. TO: PARTIES OF RECORD

3. COMES NOW Water Consumer Advocates of Washington (hereinafter Advocates) and hereby files this Petition to Intervene in the above-captioned proceeding. As required by WAC 480-07-355 (1)(c), Advocates states as follows:

4. Advocates (previously known as Water Consumer Advocates of Dungeness Estates and then Water Consumer Advocates of Olympic Peninsula) are a group of Cascadia Water, LLC, customers of various Cascadia systems on the Olympic Peninsula, Whidbey Island, and elsewhere in the State of Washington. Advocates of Dungeness Estates participated in Cascadia's proposed rate case in Docket UW-200979 and Advocates of Olympic Peninsula participated in the public hearing in this matter, Docket UW-240151. Numerous Cascadia

customers on Whidbey Island and elsewhere are now members of Advocates, hence the name change. The authorized representatives of Advocates are:

5. Stephen M. Todd  
3845 Goldfinch Lane, Clinton, WA 98236  
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Cascadia Acct. No. 23019

Mr. Todd is a member of the Advocates Executive Committee and a resident of Whidbey Island. He was a member in good standing of the Washington State Bar Association for over 35 years until his retirement. His practice focused on civil litigation, during which he tried scores of cases, mediated over one hundred cases, and participated in numerous areas of litigation, including construction defect, medical malpractice, securities law and personal injury. He has experience in many large, multi-party cases, including the WPPSS bond default litigation and the “tobacco litigation” brought by many states, including Washington

6. Vicki Colburn  
461 Klahhane Road, Sequim, WA 98382  
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Cascadia Acct. # 3329

Ms. Colburn is a member of the Advocates Executive Committee and a resident of the Olympic Peninsula. Ms. Colburn retired after 25 years in the field of international business, providing clients expertise in all phases of import and export regulations, financial and banking processes, U.S. Customs regulations and tariff application. In 2012 she and her husband moved to Sequim, WA to enjoy full time retirement. With the filing of UW-200979, finding Cascadia’s proposed rates unreasonable and unexplained, she and other community members organized as Water Consumer Advocates of Dungeness Estates, which successfully argued against both Cascadia’s rates and its attempt to consolidate all Cascadia customers under a single rate. Cascadia’s filing

of UW-240151 caused her to resume her efforts to organize water consumers so that all could be heard and work for fair, just, and understandable rates.

7. Blaine Gilles, PHD  
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Dr. Blaine Gilles, PhD, is a member of the Advocates Executive Committee and a resident of the Olympic Peninsula. He is an economist and management consultant to a variety of technology-based businesses. He has served as an expert witness in a variety of regulatory and legal proceedings related to the development of competition in previously monopolistic environments. Dr. Gilles received his PhD. and MA degrees in economics from Michigan State University and serves as a Senior Advisor to the Pacific Economics Group Research, a consultancy specializing in the economic analysis of public utilities

8. Dave Bennett  
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Dave Bennett is a member of the Advocates Executive Committee and a resident of Whidbey Island. He is a retired engineer and an Associate Technical Fellow of the Boeing Company. He developed electronic flight control systems compliant with technical regulatory agency requirements such as the Federal Aviation Administration. Mr. Bennett received a Bachelor of Science degree in Electrical Engineering from California Polytechnic State University San Luis Obispo

9. Kent Hanson  
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Cascadia Acct. # 1601 (GLAA)

Kent Hanson is a member of the Advocates Executive Committee, President of the Goss Lakeridge Acres Association and a resident of Whidbey Island. He practiced law from 1976 to 2021 and was admitted to the bars of the State of Colorado and several United States Courts of Appeals. His work history includes private practice, First Assistant Attorney General for the State of Colorado, and Senior Attorney for the United States Department of Justice.

10. Rick Smith  
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Rick Smith is a member of the Advocates Executive Committee and a resident of the Olympic Peninsula. Mr. Smith retired as the Chief Information Officer (CIO) and Senior Vice President of Information Technology for The Cheesecake Factory, Inc., a Fortune 500 company. His career involved designing, developing and managing Corporate IT Departments for casual dining restaurant companies.

11. Judy Endejan  
Endejan Law, LLC  
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Judy Endejan is an attorney in private practice, admitted to practice law in the states of Washington and California. She represented the Advocates in UW-240151 with respect to the Open Meeting, but has withdrawn from formal representation to serve in an advisory capacity on the Executive Committee. She has represented clients before the Washington Utilities and Transportation Commission since 1987.

12. Advocates represent Cascadia customers who will be financially impacted by any rate increase decision and therefore have an obvious stake in this matter. As the Commission recognized in its COMPLAINT AND ORDER SUSPENDING TARIFF REVISIONS, “The tariff revisions Cascadia Water filed... might injuriously affect the rights and interests of the public.” RCW 34.05.443 of the Administrative Procedure Act provides that:

The presiding officer may grant a petition for intervention at any time, upon determining that the petitioner qualifies as an intervenor under any provision of law and that the intervention sought is in the interests of justice and will not impair the orderly and prompt conduct of the proceedings.

13. The UTC website, under The Legal Process, states “interveners are groups or individuals who can show the commission that they have a stake in the outcome of a case” and “consumer groups frequently intervene as well”. WAC 480-07-355 provides “any person who seeks to appear and participate as a party in a proceeding before the commission” may file a petition to intervene. A consumer group may appear through its authorized representative and need not incur the expense of an attorney. WAC 480-07-345 (1)(c). Advocates’ Cascadia customer members are directly impacted by changes in rates, infrastructure changes and service quality issues and will bear the brunt of any rate increase. Thus they have an obvious financial stake in the outcome of this matter. The interests of justice will be served by intervention.

14. As the Commission found in its Order, “Cascadia Water bears the burden to prove that the proposed increases are fair, just, reasonable and sufficient” and “has not yet sufficiently demonstrated” this to be the case. 260 Cascadia customers, including many Advocates members, voiced shock at the size of the rate increase Cascadia proposed. Advocates’ positions with respect to the matters in controversy are already well known to the Commission. Advocates challenge: 1) the prudence, necessity and costs of the infrastructure changes and rate base increases sought by

Cascadia, 2) Cascadia's failure to analyze the impact of requested rate increases on its customers, 3) Cascadia's failure to apply the principle of gradualism which requires phasing in of rates to avoid rate shock to customers, 4) Cascadia's failure to solicit or consider customer input, 5) Cascadia's failure to provide substantive answers to customer questions, 6) Cascadia's unfounded claims of confidentiality, including basic cost information which it contends underpins its request for higher rates, 7) Cascadia's failure to comply with DOH standards, Water System Plan standards, and other regulatory consumer protections, 8) Cascadia's assumptions of DWSRF loans secured by accounts receivable, 9) Cascadia's failure to substantiate its request for a 10% cost of debt and a 12% return on investment, 10) Cascadia's attempt to make recovery of one-time expenses a basis for unlimited future rate increases, 11) the inherent unfairness and injustice of Cascadia's business plan to find and purchase small, rural and poorly maintained water systems simply to invest heavily and claim a high return on investment, 12) Cascadia's failure to apply the "cost causation" principle, which prevents a public utility from allocating costs for facilities to customers that did not benefit from the facilities, and 13) the fallacy of the underlying assumption of economy of scale in water system consolidations. By acting as the spokesperson for its members Advocates will assist in the orderly and prompt conduct of the proceedings.

16. Advocates do not intend to broaden any of the issues inherent in this proceeding but will address them vigorously if other parties fail to do so

17. The "persons the petitioner has authorized to act as the petitioner's representatives, including attorneys, if any" have been previously identified.

18. Advocates verify that the facts asserted herein are true and correct to the best of the authorized representatives' belief.

19. **Wherefore**, Advocates respectfully requests permission to intervene herein, with such ability to conduct discovery, provide evidence, participate in motion practice, examine and cross-examine witnesses, and otherwise participate as permitted by law.

20. DATED: July 9, 2024

Respectfully submitted,



Stephen M. Todd



Vicki Colburn



Blaine Gilles



Kent E. Hanson



Dave Bennett

Handwritten signature of Rick Smith in cursive script.

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Rick Smith

Handwritten signature of Judith A. Endejen in cursive script.

Judy Endejen