

**BEFORE THE WASHINGTON
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

WASHINGTON WATER SUPPLY, INC.,

Respondent.

DOCKETS UW-230598 and UW-240079
(Consolidated)

In the Matter of the Request of

WASHINGTON WATER SUPPLY, INC.,

To Approve Tariff Revisions Regarding a
Temporary Surcharge for Recovery of
Purchased Water Expenses

REBUTTAL TESTIMONY OF JOHN POPPE
ON BEHALF OF
WASHINGTON WATER SUPPLY, INC.
General Rate Case

February 20, 2025

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I. INTRODUCTION

Q: Please state your name and business address.

A: My name is John Poppe, and my business address is P.O. Box 2985, Silverdale, Washington 98383.

Q: What is your occupation?

A: I am the President of Washington Water Supply, Inc. (“WWS”).

Q: What is the scope and purpose of your testimony?

A: I am testifying on behalf of WWS in this proceeding. I offer rebuttal testimony in response to UTC Staff member Jeanine Leggett’s testimony. I am over 18 years of age and am competent to testify in this matter. I provide this testimony based on my personal knowledge.

Q: Please describe your professional qualifications.

A: I have been in the utility industry for over 50 years, with more than 40 years in Kitsap County. My college degree is in Wastewater Management and Technology. I held a Washington State Water Distribution Manager License Level 4 and currently hold a Washington State Wastewater Management License Level 4. These licenses are the highest available in this industry. During my career, I have owned and managed several water systems, been a guest lecturer at conventions and the University of Washington, and served as a board member for several organizations including, as pertinent here, the Silverdale Water District, Water Environment Federation, and the Department of Health Rule Making Committee. I have also served as President of the Pacific Northwest Clean Water

1 Association, and Chair of the Board of the Hood Canal Salmon Enhancement Group and the
2 Kitsap County Civil Service Commission.

3 4 **I. SUMMARY OF REBUTTAL TESTIMONY**

5 **Q: Please summarize your testimony.**

6 A: Staff has failed to adequately provide the basis for their rate recommendation. Staff
7 is trying to impose a rate increase that I did not ask for and that does not serve my
8 customers.
9

10 **Q: Have you prepared exhibits in support of your testimony?**

11 A: Not at this time. Any responsive documents to this testimony will be outlined in our
12 exhibit lists for the evidentiary hearing.
13

14 **II. STAFF'S RECOMMENDATIONS**

15 **Q: Do you agree with Staff's recommendation to adjust the Company's revenue to**
16 **include ready to serve charges?**

17 A: No. The Company's tariff does not include ready-to-serve charges, and Staff fails to
18 demonstrate why revenue should be adjusted to include them.
19

20 **Q: Do you agree with Staff's recommendation to remove the cost of trucked water**
21 **from general rates?**

22 A: The Company never asked for the trucked water to be included in general rates.
23 They were included in the general ledger, which the Company provided at Staff's request.
24 Staff's testimony implies that the Company was trying to be paid twice, which isn't true.
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2 **Q: Do you agree with Staff's recommendation to remove contractual accounting**
3 **expenses?**

4 A: No. The Company incurred those expenses. A contract is not required to obtain
5 accounting services, so the fact that the Company did not provide a contract it did not
6 possess does not mean that the expenses were not incurred.
7

8 **Q: Do you agree with Staff's recommendation to normalize the cost of tree**
9 **removal?**

10 A: No. This cost was incurred by the Company. If Staff needed additional information
11 to support its rate suggestions, it should have asked for that information.
12

13 **Q: Do you agree with Staff's recommendation to adjust the Company's**
14 **depreciation expense?**

15 A: No. Staff provides no basis as to why the model they used is better or more correct
16 than the model used by the Company.
17

18 **Q: Do you agree with Staff's recommendation to adjust revenue sensitive items?**

19 A: No. Staff does not explain why federal and county taxes are not included. Staff also
20 fails to define bad debt.

21 **Q: Do you agree with Staff's recommendation that the general rate should be**
22 **increased to \$54 per month?**

23 A: No. My customers are happy with their rates. All of my water systems are running
24 properly. Everything is paid for. The Company does not need an additional \$9 per
25 customer per month. This would be a hardship for many of my customers.
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2 **Q: Do you have any further comments on Staff's recommendations?**

3 A: No. Any additional testimony will be elicited at the evidentiary hearing.

4 **III. CONCLUSION**

5 **Q: Can you summarize what you believe is the appropriate resolution to this case**
6 **based on all the evidence?**

7
8 A: I believe that the general rate should stay the same and that the UTC should approve
9 my surcharge for the well rehabilitation costs to the Echo Glen Well.

10 **Q: Do you declare under penalty of perjury under the laws of the State of**
11 **Washington that the foregoing is true and correct?**

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13 A: Yes.

14 **Q: Does this conclude your testimony?**

15 A: Yes.
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