

April 15, 2002

**NOTICE OF ISSUANCE OF BENCH REQUESTS
(April 22, 2002; noon)**

RE: WUTC v. Rainier View Water Company, Inc.
Docket No. UW-010877

TO PARTIES OF RECORD:

Evaluation of the questions framed in this proceeding may be enhanced if the Commission Staff ("Staff") provides certain information. Therefore, Staff is asked to provide the following information no later than noon, Monday, April 22, 2002.

In the following bench requests, refer to Company sponsored adjustments as C-RA-# or C-PA-# and refer to the WUTC Staff's sponsored adjustments as S-RA-# or S-PA-#, as the case may be.

The following bench request No. 12 is directed to WUTC Staff witness, Mr. Danny P. Kermodé, CPA.

Provide a full pro forma statement reflecting the final position of Staff, that incorporates the many changes proposed in Staff's brief. The statement should include detail of each adjustment, showing the adjustments to operating revenues, operating expenses, the Staff's adjustment number, and the comparable Company adjustment number. If an adjustment has an offset such as a change in payroll tax expenses related to the proposed salary adjustment, show the change in payroll expense and indicate the net factor used to calculate the change. If an adjustment has a revenue sensitive effect such as an effect on taxes other than income taxes, then reflect the adjustment and indicated the factor used to calculate the adjustment.

If the Staff and Company agree on a portion of an adjustment, but not all of the adjustment, then provide a schedule showing separately 1) the portion on which the parties agree, 2) the portion on which the parties do not agree, and 3) the total unseparated adjustment. Show each portion as a separate adjustment showing the operating revenue, operating expense and rate base effects. If the Staff and Company have reached an agreement regarding an adjustment or a certain portion of an adjustment,

but the Company's value for the uncontested adjustment, as advocated in its brief, differs from Staff's value, then indicate which uncontested value the Staff is advocating and explain why.

Staff's brief at page 11, under "Proper Tax Rate for Imputed Taxes" indicates that an alternative to the proposed tax rate should be used if the Commission decides to impute federal income taxes. However, the brief does not indicate what effective weighted alternative tax rate Staff would recommend. Using the table reflected in Exhibit 1, the last page, which is a response to Bench Request No. 7, provide a table showing the weighted effective tax rate that the Staff would advocate for net income ranging between \$0 and \$500,000. Use the appropriate increments as reflected in the tax table.

Please respond no later than noon, Monday, April 22, 2002, with an original and the appropriate number of copies.

Sincerely,

MARJORIE R. SCHAER
Administrative Law Judge

cc: Parties of Record