
From: David Turnoy [mailto:turnoy1@comcast.net]
Sent: Saturday, September 08, 2007 10:05 PM
To: Sidran, Mark (UTC)
Subject: Orcas Highlands Association

Hello,

My wife and I own a parcel of property in Orcas Highlands and are looking forward to building a house and living there once we retire. We would like to say that we agree with everything in the letter from Bea von Tobel, and I am enclosing it below so you can review it.

Thank you,
Geri and David Turnoy

Greetings:

I had planned to attend the hearing regarding the rate case regarding the request from Rosario Utilities LLC on Wednesday, but my work will prevent me from doing so. I submit these comments and attachments in support of a closer look (and a revision) of the currently-proposed rate structure for water costs to the users in the Orcas Highlands Association, who appear to be most affected by the current proposal.

If you look at a map of the water service areas for the residential properties served by RU LLC, you'll see that the area is a series of contiguous groups of residences: Rosario, Rosario Resort, Vusario and Orcas Highlands (whose distribution system includes Otters Lair). Looking closer, lines which service the Rosario Palisades and other shoreline properties are actually further from the water treatment plant than OHA/Otters Lair.

All the residences (and the resort) are serviced by meters which record water coming to the end users---and all those individual meters (at least to residences) are an equivalent line size. All those individual meters record gallons moving past the meter to the various end points (residences). It would seem logical that the rates charged for treated water arriving at those end points be equal in value per gallon. Break points to establish usage/gallon per month were established, with additional charges applying to blocks of water used beyond the standard established.

I would like to submit that the following suggestions would allow RU LLC to recover its fixed costs and provide equitable rates to its residential users:

- 1) Increase the base rate to all residential consumers, and apply it equally to each connection (each residential meter). I cannot begin to suggest what this rate might be.
- 2) Set the first block of 4,000 gallons per month at a rate that equalizes all metered residences in the water service area. Provide equitable increases for all residences at 5,000 and 6,000 gallons per month as currently proposed. Since these are all residences within the water service area, the fairness of adopting this procedure would both satisfy the end-users and decrease bookkeeping procedures on the part of the provider.
- 3) Continue to provide OHA with a decrease in the base rate because the RU LLC distribution system delivers water only to our master meter. From that point, our internal distribution system pumps water up the hill to our storage tanks; from storage, the system is gravity-fed. OHA maintains all the piping, pumps, electricity, water system management (our water manager) and testing, freeing RU LLC from the responsibility for those duties.

If the commission does not have to abide by either the DOH definition of an ERU or the RU LLC meter-size proposal, perhaps a new definition of 'residential end user' could be devised which would equalize all of us past our meters, and allow a more simplified rate structure to be developed.

Finally, I submit two files for your consideration:

1) RU LLC monthly billings for water usage 2003-Aug 2007. If you arrange them in order, you can see highlighted the gallon usages and charges.

2) OHA water usage in gallons 2003-2007. If you look just at the end of 2006 through the end of August 2007, you can see that something has been going on with regards to usage. We suspect that the leak which blew open in November 2006 (and was difficult to find because of abnormal rain) had been leaking for some time. Meters were not installed here until 2003; the leak probably predated the installation of those meters. After the fix, our percentage of loss within the system for 2007 has been in the 10% range. I'm told that 10% is acceptable, but we're still looking for other places water might be escaping. Our 2007 usage, if it follows past seasonal trends, will end up in 2007 with an estimated total of less than 5,000,000 gallons for its 105 connections or 48,000gal/yr per residence, a little in excess of an average of 4,000gal/mo. I'm told that's standard.

We have in the past 5 years, replaced two major water lines in the system (engineering, DOH approval and all construction work borne by the residents). In addition, for 'the big leak', we paid all charges for water which flowed past our master meter, with no discount offered. We are doing our part to conserve water, which for island residents especially, is a major issue. We will continue to work for conservative usage. We look forward to your leadership in helping us maintain a fair and equitable relation with our fellow-users and our water provider.

Sincerely yours,

Bea vonTobel, President
Orcas Highlands Association