

September 19, 2007

Washington Utilities and Transportation Commission  
1300 S Evergreen Park Drive S.W.  
PO Box 47250  
Olympia WA 98504-7250

RECORDED  
07 SEP 24 PM 2:18  
OFFICE OF THE  
COMMISSIONER

RE: Harrison-Ray Water Company Tariff increase

Commission:

We the customers of the Harrison-Ray Water Company oppose the company's request for rate increase currently on application with your office.

Our current concerns for denial of this rate increase are as follows:

1. A comparison of local water districts and purveyors, who supply similar size properties and households, does not justify an increase as proposed. They are as follows:

- |                         |   |
|-------------------------|---|
| Burbank Irrigation Dst. | \$Unknown past cost<br>\$30.00 current billed every two months<br>Metered-read but not charged<br>Irrigation/Domestic system usage<br>Lot sizes 0 to ¾ acres            |
| Columbia View Water     | \$70.00 current<br>\$50.00 previous (within two months)<br>Metered (not read currently previously read)<br>Unlimited use allowed-no irrigation<br>Lot sizes ½ to 1 acre |
| Arlene's Addition Water | \$30.00 current use unlimited<br>\$ 20.00 previous cost unlimited<br>Metered Partially (not read)<br>Unlimited use-have irrigation<br>Lot sizes 1/ to 1 acre            |
| City of Pasco           | \$14.80 meter base rate<br>Meters read monthly<br>\$.54 per 100 cubic foot usage<br>Most have no irrigation<br>Variable lot sizes                                       |
2. Meter Base Rate Previous 27.50 and increase
  3. Loss of Available minimum 500 cubic not charged currently
  4. Company efforts and work Driving in a truck with two people reading meters
  5. Port Of Walla Walla Offer Company has option available
  6. Water Tank Excuse Company had option to elevate
  7. Water conservation Wasted water is an individual price concern
  8. Commercial Rates What are these?
  9. Customer Non Notification Some did not receive notice of increase

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|------------------------------------|---------------------------|
| 10. Required Water quality reports | Reports not received      |
| 11. Red tagged system              | Company was red tagged.   |
| 12. Email failure                  | Not being received by UTC |
| 13. Rate proposal explanations     | What do each mean?        |

The questions then arise. <sup>1</sup> Why is the Harrison-Ray company unable to compete with comparable rates, especially since the company helped establish the Columbia View district and the lot sizes in the late 1970's? <sup>2</sup> Why such expense for a meter that sits in the ground and does nothing except meter flow? <sup>3</sup> What happened to the 500 cubic ft minimum? <sup>4</sup> What costs outside of power and required updates by state demand is allowed as legitimate expense? <sup>5</sup> Is the company willing to cooperate with others etc.?

As customers, we agree operating costs are up, as are household costs, but it is not the total customer groups responsibility to bear the burden of company costs based on group consumption and misuse of water and other bad reasons. We were told that meters would control usage and waste by Mr. Harrison himself at the time of the last rate increase. The leadership at the UTC and state health department agreed in multiple past meetings that if waste occurs, then individual customers should be automatically paying for their waste via the meters, not the group as a whole. This kind of rate is unfair for those of us who conserve to the best of our ability without irrigation options.

It should not be the consumers pocket book that pays for all debt incurred by the company to fix nitrate, metering, testing problems that we have brought to issue with this company for the last twenty years. We have continually addressed these issues with the commission and state in multiple public meetings. Many of the current costs were legislative and law requirements that have come about with the state trying to control water issues.

Rate increases are necessary, but with the proposed rate increase, it will significantly impact property values, care, usage and all income levels that far exceed the comparisons above. Where is equity?

<sup>6</sup> Concerning the consumption issue, upon development of the Harrison-Ray addition and its water system, the Harrison Ray company chose not to supply irrigation water piping, which was available at development, through the farm block unit/s that were available for use at the time of this development venture. <sup>7</sup> Why must the consumer pay for this "choice of omission?" The company has had no wish to assist in changing this from previous requests by customers and continuously fails to hear comment by customers. The continued company choice is to "raise rates."

Item 1 Above we show the commission the disparity of rates for equitable residential customers, yet we are all within a 1 mile radius, save for the city of Pasco. Only one system has an elevated storage tank (BBID). Each system shown reads or does not read their meters and only charges on base/flat costs. None of the system even compares to the cost the Harrison Ray Company is proposing for increased rates. <sup>8</sup> Where is the problem that is driving the Harrison Ray Company to such extremes in rates?

Item 2 We address our concern about meter rates. The previous \$27.50 base rate was costly, but now it becomes out of control again not only as a proposed higher base rate, but the loss of a minimum 500 cubic feet non charge consumption. If a meter is going to cost \$33.50 to set in the ground and only read flow until failure or repair is necessary, then set a rate acceptable and reasonable. These meters have been in the ground since 1997 or more, why an increase in the base rate?

Item 3 The 500 cubic foot free water loss has to be considered as unfair by the consumer, especially by the proposed rates above 1,500 cubic feet. This loss will impact beyond understanding the residential consumers' ability to preserve their current life style and property care without undo financial burden.

Also if consumption is an issue then why three rates in the proposal? If a resident uses water they should pay for what they use based on a base rate, not as a penalty rate system. If one cannot afford the water, don't use it. If they do use it they should pay the metered rate by the company at a single rate price. (See the City of Pasco above, same rate no matter what the consumption) Metering was to solve this problem. So where is the problem—does the company have mainline leakage, not the residents. Does the company meter its output from the storage tanks and well, comparing it to customer usage to see if maybe it has a problem on residential consumption? We would encourage the commission to investigate this issue.

Item 4 It is hard to accept company efforts and labor costs when the only time they have representatives on the street is at meter reading time and outages. Meter reading is tough, (please understand that on past water billings it has been stated that meters are not read in the winter and this is true by customer testimony. The owner of the company rides on an ATV or truck as two "labor ready" individuals run to and fro reading meters for him to write on his tablet or computer. This is witnessed regularly and is a far cry from "expensive labor costs."

Item 5 addresses an important issue. A recent Port of Walla Walla meeting was held in Burbank and a question was raised as to whether the local water companies were being offered the opportunity to tie in with the Ports new industrial water supply system, inclusive of elevated tank, filtration, pumping etc. The answer came back that they interested and discussing, but the another company was "looking for someone to fund their retirement." Again, where is the spirit of cooperation to improve the community by cooperating to provide clean, quality water? This is especially true if the company operation costs our such that they need this large of a rate increase.

Item 6 As of the last week the owner has stated to a customer that the company was not allowed to install a raised water tank at construction. True, but the reason it did not get approved is because the company did not want the expense to X-ray the welds on the "used tank" and therefore the request was denied. Let us not forget the facts and then pass on the facts as false excuse. Also, the owner stated that without the raised tank the customer demand requires activation of the pumps more often. This may or may not be

true but the company has made no effort to construct or plan for a new elevated tank to assist in relieving this issue if they claim it is an issue nor met with the customer group to discuss issues. The Port of Walla Walla offer would assist in this situation and relieve some of that problem.

Item 7 It is easy to understand that a water "use" abuser should pay the metered rate for the amount of consumption. The company propose to the UTC a reasonable rate, without increments as a penalty for water waste. Water rates should not be penalties assessed by the company, but usage rates.

Item 8. Why is it that we never hear about the company's commercial rates for local Walla Walla County Fire District #5 and "Sun Mart" who are commercial users-what are their rates? In speaking with the Fire District at this date, there is some written agreement between the company and district and this is under investigation by the customers to find out the context of that agreement and if it is fair as applied to the customers.

Item 9 A homeowners/customer meeting held on September 19, resulted in information, (being documented) that has shown that all customers have not been notified of the rate increase proposal and some new residents have not had their bills switched over by the company to receive the notice.

Item 10. At the same meeting, it was discovered that the company is not providing water quality reports as required. This is being investigated for report.

Item 11. Concurrently at the same meeting, homeowners discovered that the water system was "red tagged" from February 2006 to April 200. No homeowners were notified save for two new residents that had mortgages held up by their banks at closing, thus delaying their moves and purchases. This is being investigated.

Item 12. The same meeting discovered than some homeowners sent email response to the UTC comment line and they have discovered that they were not received on the commission end. This is being investigated.

Item 13. The customers would like explanation by the company as to what each of the fee rates as proposed mean. These are vague and open ended.

The commission can understand that a multitude of issues continue to arise with the current rate proposal by the Harrison-Ray company. As consumers, we request that the commission delay the meeting and deny the application of this rate proposal until proper notification has been given to all customers and we have time to respond to the multitude of issues we present in this letter. The request for delay should be no less than 60 days.

Your response is awaited by sending an answer to:

Harrison Ray Customers (see attached)



Thank You.