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**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,  Complainant,  v.  WASHINGTON WATER SUPPLY, INC.,  Respondent.	DOCKET UW-240079
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	DOCKET UW-230598  RESPONDENT’S MOTION TO SEVER DOCKETS UW-240079 AND UW-230598

Respondent Washington Water Supply, Inc., through its President and Owner, John Poppe, moves to sever Dockets UW-240079 and UW-230598 pursuant to WAC 480-07-320.

**I. FACTS**

On July 12, 2023, Respondent filed a tariff revision with the Utilities and Transportation Commission (“UTC”) in Docket UW-230598. *See* Filing, attached as **Exhibit A**. The tariff revision included a \$60.00 monthly surcharge to recover purchased water expenses for the Echo Glen water system. *Id.* The UTC allowed the surcharge, and the case was closed on August 15, 2023. *See* Order & Case Details, attached as **Exhibit B**.

1  
2 On December 8, 2023, Respondent filed tariff pages in Docket UW-230997 to  
3 reinstitute the \$60.00 monthly surcharge from January 1, 2024 to August 1, 2024 or until  
4 Respondent recovered \$13,709.90. See Filing, attached as **Exhibit C**. Respondent sought to  
5 recover charges incurred due to trucking in water to the Echo Glen system. *Id.* The UTC has  
6 set this matter for a prehearing conference. See Notice, attached as **Exhibit D**.

7 On January 22, 2024, Respondent sent draft tariff pages in Docket UW-240079  
8 through the UTC portal for UTC's review. See Filing & Sub. Conf., attached as **Exhibit E**.  
9 Respondent's draft request included a continued monthly \$10.00 surcharge from September 1,  
10 2024 to September 1, 2029 or until Respondent recovered \$24,000.00. *Id.* Respondent sought  
11 to recover well rehabilitation costs to the Echo Glen Water System. *Id.* Respondent did not  
12 notify customers of this draft surcharge because it had not yet been approved by UTC. See  
13 Email, attached as **Exhibit F**. The February 1 letter included in the initial draft filing in Docket  
14 UW-240079 was a draft notice letter and not sent out to customers. *Id.*

15 On February 22, 2024, the UTC consolidated Dockets UW-240079 and UW-230598.  
16 See Order, attached as **Exhibit G**. This motion to sever follows.

## 17 **II. ISSUES**

- 18 1. Whether the UTC should sever Dockets UW-240079 and UW-230598.

## 19 **III. ARGUMENT**

### 20 **A. Standard of Review**

21 "Parties . . . may request the severance of consolidated matters by motion to the  
22 commission." WAC 480-07-320. When deciding whether to consolidate multiple matters, the  
23 UTC generally considers common issues of fact and law, judicial economy, administrative  
24 efficiency, and delay. See *Wash. UTC v. Avista Corp.*, Dockets UE-190334, UG-190335, &  
25 UE-19022, 2019 WL 6831119, \*4 (Wash.U.T.C., Oct. 24, 2019); *Wash. UTC v. Pacificorp*,  
26 Dockets UE-061546 & UE-060817, 2007 WL 537758 (Wash.U.T.C., Feb. 9, 2007); *Wash.*  
27 *UTC v. Westgate Commc'ns LLC*, Dockets UT-060762, UT-060920, & UT-060921, 2006 WL  
2425615, \*3 (Wash.U.T.C., July 27, 2006); *Wash. UTC v. Puget Sound Energy, Inc.*, Docket  
No. UE-040641, UG-040640, UE-031471, & UE-032043, 2004 WL 7040528 (Wash.U.T.C.,

1  
2 April 28, 2004). Therefore, the UTC would review the same factors to determine whether to  
3 sever multiple matters.

4 **B. The UTC should sever Dockets UW-240079 and UW-230598.**

5 The UTC should sever Dockets UW-240079 and UW-230598 because Docket UW-  
6 230598 is closed. There are no common issues of fact or law because there is no longer  
7 anything at issue in UW-23059. The UTC approved Respondents request in that case and then  
8 closed the case. Consolidating an active matter to a closed matter is administrative error and  
9 only causes the Respondent delay to correct that error. Therefore, to consolidate these matters  
10 does not support judicial economy or administrative efficiency. Accordingly, the UTC should  
11 sever Dockets UW-240079 and UW-230598.

12 **C. The UTC should not consolidate Dockets UW-240079 and UW-230997.**

13 The UTC should not consolidate Dockets UW-240079 and UW-230997 for two  
14 reasons. First, these dockets are at different points in the process. Docket UW-240079 is in  
15 its infancy with Respondent merely having filed a draft for UTC's review. In contrast, Docket  
16 UW-230997 has already been set for a prehearing conference. To consolidate these matters  
17 would only cause Respondent delay, and in turn, that delay would not promote administrative  
18 efficiency.

19 Second, the UTC made factual errors in its order of consolidation. In paragraph 1, the  
20 UTC order states that Respondent filed a tariff revision in UW-230598. However, Respondent  
21 only filed a draft for UTC's review. In paragraph 6, the UTC order states that Respondent  
22 notified customers of the proposed surcharge in UW-240079. However, the notice letter  
23 Respondent provided to the UTC was only a draft submitted for review. Respondent did not  
24 notify the customers of the proposed surcharge on February 1, 2024. In fact, Respondent  
25 explicitly told the UTC it had not yet notified customers of the surcharge. It seems ill-advised  
26 that a UTC order should stand when it is based on incorrect factual statements. Therefore, the  
27 UTC should not consolidate UW-240079 and UW-230997.

**IV. CONCLUSION**

Based on the foregoing, Respondent asks the UTC to sever Dockets UW-240079 and  
UW-230598, and to refrain from consolidating Dockets UW-240079 and UW-230997.

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DATED this 4th day of March, 2024.

John Poppe

  
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John Poppe  
*For Respondent*

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DECLARATION OF SERVICE

I, the undersigned, certify under penalty of perjury under the laws of the State of Washington that on the date indicated below, I caused service of a copy of this document to:

Washington Utilities and  
Transportation Commission Staff

Via:  First Class Mail  
 Hand Delivery  
 Email  
 Electronic Filing via UTC Portal

**DATED** this 4th day of March, 2024.

  
\_\_\_\_\_  
John Poppe

## **Exhibit A**



# WASHINGTON WATER SUPPLY, INC.

"Water Supply and Distribution"

**Washington Water Supply**

**PO Box 2985**

**Silverdale, WA 98383**

**July 12, 2023**

Washington Water Supply, Inc. (WWSI) has filed for approval from the Washington Utilities and Transportation Commission (UTC) to implement a surcharge of \$60 per month to your regular monthly bills for the Echo Glen Water System. If approved, the rates will become effective September 24, 2023.

This Surcharge is the result of trucking in potable water necessary to ensure the quality and quantity of water provided meet State standards. The funds generated by this surcharge will pay for 100% of the water trucking effort.

The Surcharge is to expire February 24, 2024 or upon recovery of \$6,000 whichever occurs first. Cost includes principal and state excise taxes.

If you have questions about the proposed filing and how it will affect you, please call Washington Water Supply, Inc. at 360-308-8330.

The Commission has the authority to set final rates that may be either lower or higher than the company's request, depending on results of the investigation. You can comment on the case by using the "Submit a Comment" feature at the Commission's Web site at [www.utc.wa.gov](http://www.utc.wa.gov) or by using the contact information below:

**Washington Utilities and Transportation Commission**

**PO Box 47250**

**Olympia, WA 98504-7250**

---

P.O. Box 2985 SILVERDALE, WA 98383

(360) 308-8330

**Email:** [comments@utc.wa.gov](mailto:comments@utc.wa.gov)

**Telephone:** 1-888-333-WUTC (9882)

**Commission staff will make a recommendation to the Commissioners at an open meeting which is scheduled for August 24, 2023. You will have an opportunity to provide your comments at this meeting either in person or remotely. If you intend to listen or participate remotely, call 360-664-1234 at least a day before the open meeting for instructions and to sign in. You should also call this number if you plan to attend in person to verify that the case has not been rescheduled to a later open meeting date. The street address is 621 Woodland Square Loop, Lacey WA.**

**The UTC is committed to providing reasonable accommodation for participants with disabilities . If you need reasonable accommodation to participate in this open meeting, please contact the Commission at 1-888-333-9882 or email [consumer@utc.wa.gov](mailto:consumer@utc.wa.gov).**

**Sincerely**

**John Poppe**

**President**

**Washington Water Supply, Inc.**



## **Exhibit B**

**BEFORE THE WASHINGTON STATE  
UTILITIES AND TRANSPORTATION COMMISSION**

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

DOCKET UW-230598

ORDER 01

ALLOWING RATES TO GO INTO  
EFFECT, SUBJECT TO  
CONDITIONS; GRANTING  
EXEMPTION FROM RULE

**BACKGROUND**

- 1 On July 12, 2023, Washington Water Supply, Inc., (Washington Water or Company) filed with the Washington Utilities and Transportation Commission (Commission) a tariff revision to include a surcharge of \$60 per month for the recovery of purchased water expenses due to well issues and high summer usage on the Echo Glen Water System (Echo Glen). On August 7, 2023, Washington Water filed revisions to its proposed tariff and a request for exemption from the notice requirements of WAC 480-110-425(3), which requires that the Company provide 30 days' notice to customers of any change in rates. The Company sent notice to customers on July 12, 2023, of the proposed surcharge, but that notice contained inaccurate dates. The Company sent a revised notice on July 28, 2023, which does not meet the 30-day requirement for the requested effective date. The Company requests that the Commission allow the rates to take effect on August 15, 2023, with less than 30 days' notice.
- 2 Washington Water contends that the Echo Glen well supply has been gradually decreasing over the last few years and the well needs repair or replacement. According to Echo Glen customers, a meeting was held in June of 2022 at which the Company agreed to install a new well and all parties agreed to interim rates to rehabilitate the existing well.
- 3 In April 2023, the Company hired a well driller to rehabilitate the well. Due to an accident resulting in an injury to the well driller employee, the well drilling company has not completed the work. In May of this year the Company again had well capacity issues and began purchasing water, which was trucked in and put into the water system.

4 The Department of Health (DOH) provided Staff with a copy of an August 7, 2023, letter sent to the Company which states Echo Glen is currently on a Boil Water Advisory. The letter further states that for DOH to lift the advisory, the Company must demonstrate the water is safe to drink by providing DOH with bacteriological sample results indicating no coliforms are present.

5 The total customer count for the Echo Glen water system is 42 connections. The surcharge as originally filed would generate an additional \$30,240 (40.9 percent) on an annual basis, or \$7,560 (10.2 percent) over 90 days. The Company serves approximately 140 customers on nine water systems located in King, Kitsap, and Clallam counties. The Company's last rate change was effective January 1, 2001.

6 Additionally, the Company has meters installed for approximately 50 percent of the Echo Glen customers but does not read or bill for water usage. The Company's current tariff has a usage rate, but the Company does not use it. In response to a Commission staff (Staff) data request, the Company noted it would cost about \$700 per customer to install a meter connection and would take about four hours per installation.

7 Staff reviewed the invoices from the water trucking provider and verified the cost incurred for the purchased water. As of July 28, 2023, the Company has invoices showing the cost for purchased water was \$10,965. Staff's review of the filing shows that the historical expenses are reasonable and required as part of the Company's operations to provide water service. The Company's financial information provided, however, supports a surcharge collection over three months rather than 12 months as originally filed. Staff therefore recommends that the Commission approve the tariff surcharge to become effective on August 15, 2023, subject to the conditions that: (1) the surcharge will expire on November 15, 2023, (2) the Company file a general rate case with an effective date no later than February 15, 2024, and (3) per WAC 480-110-455(4), the Company report to the Commission within 60 days of the end of each calendar quarter that the surcharge is in effect:

- i. Quarter beginning balance.
- ii. Amounts received, detailed by source (i.e., customer billing, customer one-time payments, or interest earned on amounts held in accounts).
- iii. Amounts spent, detailed by project or type of expense.
- iv. Quarter ending balance; and,
- v. Reconcile the bank balance to the general ledger.

8 Staff also recommends that the Commission grant the Company's request for exemption from WAC 480-110-425(3).

- 9 This matter came before the Commission at its regularly scheduled open meeting on August 10, 2023. The Commission received comments from DOH, as well as several customers of the Company. Both DOH and the customers described a pattern of mismanagement and failure to maintain the water system in a safe, sanitary, and sufficient manner as required by water companies in Washington. The Company did not appear at the open meeting.

#### DISCUSSION

- 10 The Commission is extremely concerned by the reports of the Company's failure to adequately maintain and manage Echo Glen. We sympathize with the customers that the situation is urgent and untenable, and demands immediate action which the Company seems both unwilling and unable to provide. We thus direct Staff to initiate a complaint against Washington Water under RCW 80.04.110 addressing both water quality and safety issues, and to partner with DOH to pursue receivership or forced sale of the Company should management continue to refuse to provide the level of water service it is legally required to provide.
- 11 Unfortunately, due to the current unsafe water supply, until the well can be repaired the Company must continue to purchase and transport water at additional cost. Thus, we agree with Staff and find that Washington Water's proposed surcharge, subject to the conditions that Staff recommends, is reasonable and sufficient. With the conditions, this revision results in a surcharge based on costs incurred. Prior to the November 15 expiration date, the Company may file to update the surcharge with additional invoices paid to recalculate the amount or time period of the surcharge.
- 12 We also grant the Company a one-time exemption from WAC 480-110-425(3) to allow the surcharge to take effect on shortened notice. We find that Echo Glen customers were provided with sufficient notice of the proposed surcharge on July 12, 2023, despite the inaccurate dates in the notice.
- 13 Although we find it necessary to allow this temporary surcharge based on costs already incurred and to avoid a looming crisis in this community, we will not approve a surcharge indefinitely. We strongly caution the Company that this is a very short-term solution to address the Echo Glen system's supply issues. The Company *must* prioritize fixing or replacing the well, finish installing meters for all customers, and begin charging metered rates or it will face enforcement action from the Commission. The Commission will continue to work with DOH to resolve the problems with this water system.

**FINDINGS AND CONCLUSIONS**

- 14 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, regulations, practices, accounts, and affiliated interests of public service companies, including water companies.
- 15 (2) Washington Water is a water company and a public service company subject to Commission jurisdiction.
- 16 (3) This matter came before the Commission at its regularly scheduled meeting on August 10, 2023.
- 17 (4) Washington Water has demonstrated that the proposed surcharge is fair, just, reasonable, and sufficient.
- 18 (5) The tariff revisions filed by Washington Water on July 12, 2023, as revised on August 7, 2023, should be allowed to become effective on August 15, 2023, and expire on November 15, 2023, subject to the conditions detailed in paragraph 7 of this Order. Washington Water may file revised documentation to support an extension of the time period of the surcharge or adjustment of the rate prior to the expiration date.
- 19 (6) The Commission should grant Washington Water an exemption from WAC 480-110-425(3) for the tariff revision filed on July 12, 2023, and revised on August 7, 2023, to become effective on August 15, 2023, on less than 30 days' notice, subject to the conditions detailed in paragraph 7 of this Order.
- 20 (7) Staff should initiate a complaint against Washington Water under RCW 80.04.110 addressing both quality and safety issues.

**ORDER**

**THE COMMISSION ORDERS:**

- 21 (1) The tariff revision filed by Washington Water Supply, Inc., in this Docket on July 12, 2023, and revised on August 7, 2023, shall become effective by operation of law on August 15, 2023, and will expire on November 15, 2023,

subject to the conditions detailed in paragraph 7 of this Order.

- 22 (2) Commission regulatory staff is directed to initiate a complaint against Washington Water Supply, Inc. under RCW 80.04.110 to address water quality and safety concerns.
- 23 (3) This Order shall not affect the Commission's authority over rates, services, accounts, valuations, estimates, or determination of costs, on any matters that may come before it.

DATED at Lacey Washington, and effective August 10, 2023.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chair

ANN E. RENDAHL, Commissioner

MILTON H. DOUMIT, Commissioner



## Beware of Imposter Scams

The UTC does not collect funds or issue refunds on behalf of utility companies. If you think that you have been targeted by this scam, please contact your utility company immediately.



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and Transportation  
Commission

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## UTC Case Docket Details

Docket Number 230598

[Case Details](#)

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### Case Docket Details Table

**Docket Number** UW-230598

#### Advice

**Company** Washington Water Supply, Inc.

#### DBA

**Filing Type** Tariff Revision

**Industry (Code)** Water (160)

**Status** Closed

**Lead Staff** Leggett, Jeanine (UTC)

**Filed Date** 07/13/2023

**Effective Date** 08/15/2023

**Summary** Tariff Revision to include a surcharge of \$60 per month for the recovery of purchased water expenses due to well issues and high summer usage on the Echo Glenn water system located in Maple Valley. The Echo Glenn water system serves 42 customers. The surcharge would generate an additional \$30,240 (40.9 percent) on an annual basis. Washington Water Supply serves approximately 140 customers on nine water systems located in King, Kitsap, and Clallam counties. The Company's last rate change was effective January 1, 2001.

## Event History

- **08/10/2023** – Allowed (Commissioner Rendahl moved to issue an Order, in Docket UW-230598: 1. Implementing a surcharge and allowing tariff revisions filed July 12, 2023, by Washington Water Supply, Inc., as revised on August 07, 2023, for Echo Glen Water System to become effective on August 15, 2023, on condition that it expire on November 15, 2023. 2. That the Company file a general rate case with an effective date no later than February 15, 2024. 3. That under WAC 480-110-455(4) that the company report to the commission within 60 days of the end of each calendar quarter that the surcharge is in effect, one quarter, the quarter beginning balance, the amounts received, detailed by source, the amount spent, detailed by project and type of expense, the quarter ending balance and reconcile the bank balance to the general ledger. I recommend also that staff file a complaint against this company under RCW 80.04.110, addressing both quality and safety issues. And further move that the commission grant the company's request for exemption from WAC 480-110-425(3). Commissioner Doumit seconded the motion. The motion carried (3:0) )
- **08/10/2023** – Closed
- **08/10/2023** – Open Meeting
- **07/20/2023** – Pending
- **07/20/2023** – Open

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## **Exhibit C**

**WASHINGTON WATER SUPPLY, INC.**

"Water Supply and Distribution"

Received  
Records Management  
Dec 8, 2023**Cover Letter**

December 8, 2023

Washington State Utilities and Transportation Commission,

During the summer of 2022 the Echo Glen Water System (ID# 27510D) experienced water shortages due to reduced capacity of the ground water well. This reduced capacity was expressed at a community meeting in the fall of 2023 in Maple Valley. Meeting attendees were informed the option(s) to drill a new well or rehabilitate the existing well. The option of rehabilitating the well was chosen because of existing well infrastructure, natural geology, and costs. Several well drilling companies were contacted and Valley Pump, Auburn was chosen because of proximity to the water system and willingness to complete the task.

Early in 2023, a contract was signed with Valley Pump for the Echo Glen well rehabilitation. It was agreed the well rehabilitation would be completed by May 31, 2023. The week of scheduled start of work, Valley Pump contacted Washington Water Supply and stated their lead well driller had been injured and they were uncertain as to his return. Other well drillers were contacted, and their existing commitments would not allow them to begin the job until October/November 2023.

In the summer of 2023, customer water demand required potable water be trucked into the system to maintain water system pressure and water quality. August, 2023 Washington Water Supply(WWS) filed for a Surcharge to begin recovering the costs of trucked water. Since the duration of the trucked water was unknown at the time, a \$60/month Surcharge rate was set from August 15, 2023 to November 15, 2023. It was agreed that Washington Water Supply would come back to the UTC with an extended surcharge once the final trucking effort was determined. The final cost of trucked water after the August 15, 2023 surcharge amount is \$13,709.90.

**Therefore, Washington Water Supply, Inc. is seeking UTC approval for a \$60/month/customer Surcharge to recover the \$13,709.90 from January 1, 2024 to August 1, 2024 or until the trucking costs have been recovered**

- 1. This packet of includes cover letter**
- 2. Tariff sheet**
- 3. Customer notice**
- 4. Work papers**

**Respectfully,**

**John Poppe**

**Washington Water Supply, Inc.**

## **Exhibit D**

BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

WASHINGTON WATER SUPPLY,  
INC.,

Respondent.

DOCKET UW-230997

NOTICE OF PREHEARING  
CONFERENCE

(Set for March 25, 2024, at  
1:30 p.m.)

- 1 On July 12, 2023, Washington Water Supply, Inc. (Washington Water or Company) filed with the Washington Utilities and Transportation Commission (Commission) a tariff revision in Docket UW-230598. The revision included a surcharge of \$60 per month to 42 customers for the recovery of purchased water expenses due to well issues and high summer usage on the Echo Glenn water system located in Maple Valley. At the time, the system was on a Boil Water Advisory and the Company was taking steps to rehabilitate the well.
- 2 On August 10, 2023, the Commission issued Order 01 in Docket UW-230598 that allowed the surcharge of \$60 per month, effective August 15, 2023.
- 3 On December 8, 2023, the Company filed tariff pages to re-instate the \$60 per month surcharge for six months or until it collects \$13,710, to collect the remainder of water trucking costs.
- 4 On January 11, 2024, this matter came before the Commission at its regularly scheduled open meeting. Due to a problem with the Zoom link Washington Water did not appear at the open meeting. Following the open meeting, the Commission issued Order 01 Complaint and Order Suspending Tariff Revisions (Order 01). Order 01 set the matter for adjudication.
- 5 **STATUTORY AUTHORITY:** The Commission has jurisdiction over this matter pursuant to RCW 80.01.040, chapter 80.04 RCW including RCW 80.04.110 and RCW

80.04.380, chapter 80.28 RCW, and chapter 480-110 of the Washington Administrative Code (WAC).

6 The Commission will hear this matter under the Administrative Procedure Act (APA), particularly Part IV of Chapter 34.05 RCW relating to adjudications. The provisions of the APA that relate to this proceeding include, but are not limited to RCW 34.05.413, RCW 34.05.422, RCW 34.05.431, RCW 34.05.440, RCW 34.05.449, and RCW 34.05.452. The Commission will also follow its procedural rules in WAC 480-07 in this proceeding.

7 **THE COMMISSION GIVES NOTICE That it will hold a virtual prehearing conference in this matter at 1:30 p.m., on March 25, 2024. To attend via Zoom, please [click here to join meeting](#).<sup>1</sup> To attend by phone, please call (253) 215-8782 and enter the Meeting ID: 829 0444 2337# and Passcode: 114261#.**

8 The purpose of the prehearing conference is to consider requests for intervention, resolve scheduling matters including establishing dates for distributing evidence, to identify the issues in the proceeding, and determine other matters to assist the Commission in resolving the matter, as listed in WAC 480-07-430.

9 **INTERVENTION:** Persons who wish to intervene should file a petition to intervene in writing at least three business days before the date of the prehearing conference. *See* WAC 480-07-355(a). The Commission will consider oral petitions to intervene during the conference, but strongly prefers written petitions to intervene. Party representatives must file a notice of appearance with the Commission no later than the business day before the conference. *See* WAC 480-07-345(2). Any party or witness in need of an interpreter or other assistance should fill out the form attached to this Notice and return it to the Commission. The Commission will set the time and place for any evidentiary hearings at the prehearing conference, on the record of a later conference or hearing session, or by later written notice.

10 **THE COMMISSION GIVES NOTICE That any party who fails to attend or participate in the prehearing conference set by this Notice, or any other stage of this proceeding, may be held in default under RCW 34.05.440 and WAC 480-07-450.**

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<sup>1</sup> <https://utc-wa.gov.zoom.us/j/82904442337?pwd=jBnpbx8WtyjUswfpvuW2DZ0RzobbEo.1>

- 11 The names and mailing addresses of all known parties and their known representatives are as follows:

Commission: Washington Utilities and Transportation  
Commission  
P.O. Box 47250  
Olympia, WA 98504

Representative: Jeff Roberson  
Lisa Gafken  
Cassandra Jones  
Assistant Attorney General  
P.O. Box 40128  
Olympia, WA 98504-0128  
(360) 664-1187  
[jeff.roberson@atg.wa.gov](mailto:jeff.roberson@atg.wa.gov)  
[lisa.gafken@atc.wa.gov](mailto:lisa.gafken@atc.wa.gov)  
[cassandra.jones@atg.wa.gov](mailto:cassandra.jones@atg.wa.gov)

Respondent: Washington Water Supply, Inc.  
John Poppe  
PO Box 2985  
Silverdale, WA 98383  
(360) 308-8330  
[poppe.john@gmail.com](mailto:poppe.john@gmail.com)

Representative: Scott M. Ellerby  
Seattle-Kitsap Law, PLLC  
PO Box 10923  
Bainbridge Island, WA 98110  
[scottellerbylaw@outlook.com](mailto:scottellerbylaw@outlook.com)

- 12 Administrative Law Judge Connor Thompson, from the Commission's Administrative Law Division, will preside during this proceeding<sup>2</sup>.

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<sup>2</sup> Judge Thompson can be reached at [connor.thompson@utc.wa.gov](mailto:connor.thompson@utc.wa.gov) or (360) 664-1346

- 13 The Commission will give parties notice of any other procedural phase of the proceeding in writing or on the record, as appropriate during this proceeding.

DATED at Lacey, Washington, and effective February 28, 2024.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Jeff  
Killip

Digitally signed  
by Jeff Killip  
Date: 2024.02.28  
14:24:36 -08'00'

JEFF KILLIP

Executive Director and Secretary

Inquiries may be addressed to:

Executive Director and Secretary  
Washington State Utilities and  
Transportation Commission  
P.O. Box 47250  
Olympia, WA 98504-7250  
(360) 664-1160



**NOTICE**

Hearings are accessible to persons with disabilities and persons who do not speak English as a first language. If limited English-speaking or hearing-impaired parties or witnesses are involved in a hearing and need an interpreter, a qualified interpreter will be appointed at no cost to the party or witness.

If you need an interpreter, or have other special needs, please provide the information requested below via email to Stacey Brewster, paralegal, at [stacey.brewster@utc.wa.gov](mailto:stacey.brewster@utc.wa.gov).

(PLEASE SUPPLY ALL REQUESTED INFORMATION)

Docket: \_\_\_\_\_

Case Name: \_\_\_\_\_

Hearing Date: \_\_\_\_\_ Hearing Location: \_\_\_\_\_

Primary Language: \_\_\_\_\_

Hearing Impaired: (Yes) \_\_\_\_\_ (No) \_\_\_\_\_

Do you need a certified sign language interpreter:

Visual \_\_\_\_\_ Tactile \_\_\_\_\_

Other type of assistance needed: \_\_\_\_\_

## **Exhibit E**

Received Jan 22, 2024

WA. UT. &amp; TRANS. COMM. ORIGINAL UW-240079

**WASHINGTON WATER SUPPLY, INC.**

"Water Supply and Distribution"

**Cover Letter**

January 22, 2024

Washington State Utilities and Transportation Commission,

During the summer of 2022 the Echo Glen Water System (ID# 27510D) experienced water shortages due to reduced capacity of the ground water well. This reduced capacity was expressed at a community meeting in the fall of 2023 in Maple Valley. Meeting attendees were informed the option(s) to drill a new well or rehabilitate the existing well. The option of rehabilitating the well was chosen because of existing well infrastructure, natural geology, and costs. Several well drilling companies were contacted and Valley Pump, Auburn was chosen because of proximity to the water system and willingness to complete the task.

Early in 2023, a contract was signed with Valley Pump for the Echo Glen well rehabilitation. It was agreed the well rehabilitation would be completed by May 31, 2023. The week of scheduled start of work, Valley Pump contacted Washington Water Supply and stated their lead well driller had been injured and they were uncertain as to his return. Other well drillers were contacted, and their existing commitments would not allow them to begin the job until October/November 2023.

In the summer of 2023, customer water demand required potable water be trucked into the system to maintain water system pressure and water quality. August, 2023 Washington Water Supply(WWS) filed for a Surcharge to begin recovering the costs of trucked water. Since the duration of the trucked water was unknown at the time, a \$60/month Surcharge rate was set from August 15, 2023 to November 15, 2023. It was agreed that Washington Water Supply would come back to the UTC with an extended surcharge once the final trucking effort was determined. The final cost of trucked water after the August 15, 2023 surcharge amount is \$13,709.90.

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P.O. Box 2985 SILVERDALE, WA 98383

(360) 308-8330

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Received Jan 22, 2024

WA. UT. & TRANS. COMM. ORIGINAL UW-240079

**In the spring of 2023, Washington Water Supply, Inc. initiated the well rehabilitation effort with a deposit of \$6,000 as required by Valley Pump. Subsequent. Total check(s) payment to Valley Pump totals \$24,000 for completion of the well rehabilitation.**

**Therefore, Washington Water Supply, Inc. is seeking UTC approval for a \$10/month/customer Surcharge to recover the \$24,000 from September 1, 2024 to September 1, 2029 or until the well rehabilitation costs have been recovered. Current monthly rates are \$43.25/month/customer, and with the \$10/month surcharge would increase the monthly water fee to \$53.25/month**

- 1. This packet of includes cover letter**
- 2. Tariff sheet**
- 3. Customer notice**
- 4. Work papers**

**Respectfully,**

**John Poppe**

**Washington Water Supply, Inc.**

REDACTED PER WAC 42.56.230

Second Revision of Sheet No. 22.2

Canceling First Revision Sheet No. 22.2

WN U-2

Washington Water Supply, Inc.

For Commission Receipt Stamp

**Schedule #7**

**Cost Recovery Surcharge**

**AVAILABILITY**

This schedule is available for the service area identified as the Echo Glen water System served by Washington Water Supply, Inc. and at the Utility's option and capability to maintain Department of Health standards for potable water quantity and quality.

**APPLICABLE**

Applicable to any connection or customer of the Utility served by the Echo Glen Water System WFI #27510D.

**CONDITIONS**

The charge for this service is not subject to cancellation for temporary periods. The surcharge will be billed monthly 4.76 years or upon recovery of \$24,000 for this class of service and will be in addition to other charges as provided in this Tariff.

**PURPOSE**

This Surcharge is to fund the repayment cost Washington Water Supply, Inc. has incurred due to the need of rehabilitating the well for the Echo Glen Water System so as to maintain water quality and quantity to consistently meet Department of Health drinking water standards.

This charge is to expire September 1, 2029 or sooner should costs be recovered for rehabilitating the well for the Echo Glen Water System.

**MONTHLY CHARGE**

**RATE**

for a monthly total of \$53.25/customer

\$10/month/customer

Issued: February 1, 2024

Effective Date: September 1, 2024

Expiration Date: September 1, 2029

Issued by: Washington Water Supply, Inc.

By: John Poppe

Title: President



## WASHINGTON WATER SUPPLY, INC.

“Water Supply and Distribution”

### Echo Glen Water System Customers

February 1, 2024

Washington Water Supply, Inc. (WWSI) has filed for approval from the Washington Utilities and Transportation Commission (UTC) to implement a surcharge of \$10 per month to your regular monthly bills. If approved, the rates will become effective September 1, 2024.

This Surcharge is the result of rehabilitating the Echo Glen well necessary to ensure the quality and quantity of water provided meet State standards. The funds generated by this surcharge will pay for 100% of the well rehabilitation effort.

The Surcharge expires September 1, 2029 or upon recovery of \$24,000 whichever occurs first. Cost includes principal and state excise taxes.

If you have questions about the proposed filing and how it will affect you, please call Washington Water Supply, Inc. at 360-308-8330.

The Commission has the authority to set final rates that may be either lower or higher than the company’s request, depending on the results of the investigation. You can comment on the case by using the “Submit a Comment” feature at the Commission’s Web site at [www.utc.wa.gov](http://www.utc.wa.gov) or by using the contact information below:

Washington Utilities and Transportation Commission

PO Box 47250

Olympia, WA 98504-7250

Email: [comments@utc.wa.gov](mailto:comments@utc.wa.gov)

Telephone: 1-888-333-WUTC (9882)

Commission staff will make a recommendation to the Commissioners at an open meeting which is scheduled for December 21, 2023. You will have an

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P.O. Box 2985 SILVERDALE, WA 98383

(360) 308-8330

**opportunity to provide your comments at this meeting either in person or remotely. If you intend to listen or participate remotely, call 360-664-1234 at least a day before the open meeting for instructions and to sign in. You should also call this number if you plan to attend in person to verify that the case has not been rescheduled to a later open meeting date. The street address for the UTC is 621 Woodland Square Loop, Lacey WA.**

**The UTC is committed to providing reasonable accommodation for participants with disabilities . If you need reasonable accommodation to participate in this open meeting, please contact the Commission at 1-888-333-9882 or email [consumer@utc.wa.gov](mailto:consumer@utc.wa.gov).**

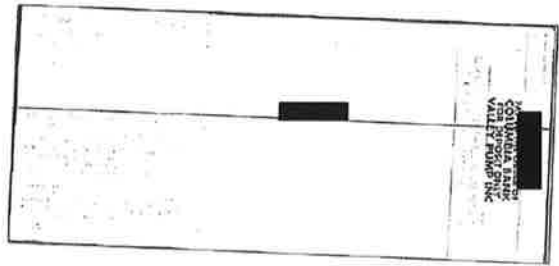
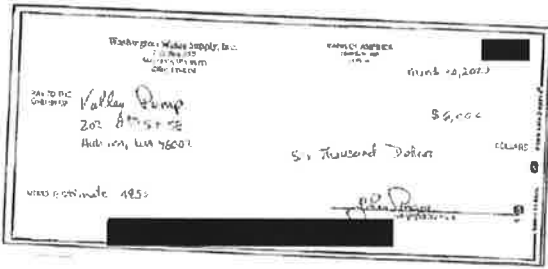
**Sincerely**

**John Poppe**

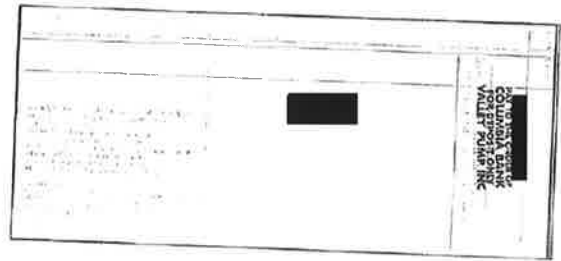
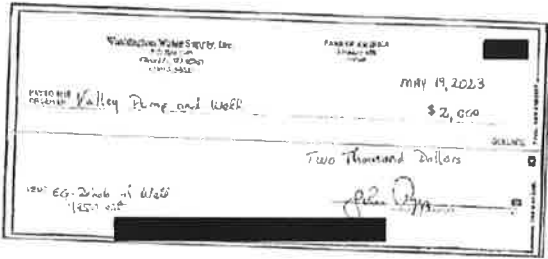
**President**

**Washington Water Supply, Inc.**

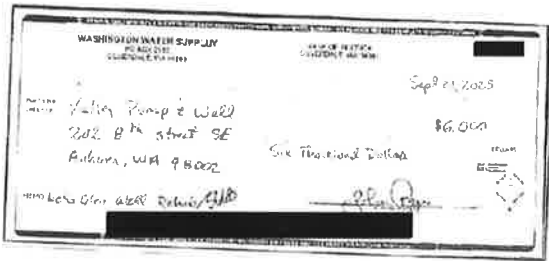
Check number: [REDACTED] | Amount: \$6,000.00



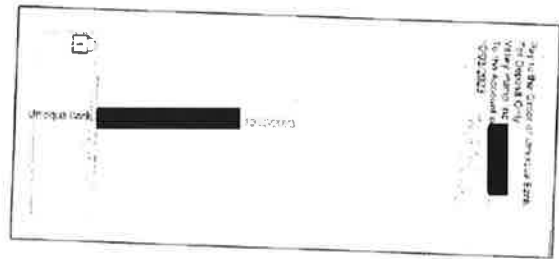
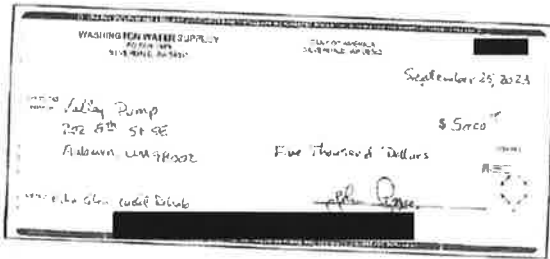
Check number: [REDACTED] | Amount: \$2,000.00



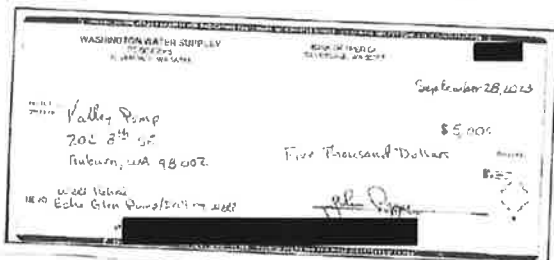
Check number: [REDACTED] | Amount: \$6,000.00



Check number: [REDACTED] | Amount: \$5,000.00



Check number: [REDACTED] | Amount: \$5,000.00





Successful Submission (65b12806eef27a22801fd5cd)

Withdraw

Thank you for your E-filing. Please allow 3-5 business days for processing, with the caveat that items may need to be replaced/edited if not acceptable by the Commission.

Annual Report filings may exceed the 3-5 business day time frame for processing, if you have inquiries regarding an annual report filing, please contact us by phone at (360) 664-1234 and request to speak with the regulatory analyst who processes those reports.

Name:

john r poppe

Email:

POPPEJOHN@GMAIL.COM

Type:

Tariff Revision

Company:

WASHINGTON WATER SUPPLY, INC.

Advice:

WASHINGTON WATER SUPPLY, INC.

Description:

This filing DRAFT is for UTC review: Add Change Delete This Tariff revision will allow Washington Water Supply, Inc. an opportunity to recover costs for the Echo Glen Well Rehabilitation.

ATTACHMENT #2

01-Scan0208.pdf

1.99 MB

## **Exhibit F**



John Poppe <poppe.john@gmail.com>

### Customer Notice for Echo Glen Water System

7 messages

**Castaneda-Kerson, Melissa (UTC)** <melissa.castaneda-kerson@utc.wa.gov>  
To: John Poppe <poppe.john@gmail.com>

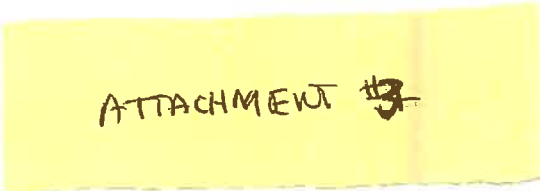
Wed, Feb 14, 2024 at 2:09 PM

John,

I have reviewed the customer notice dated February 1, 2024. Can you please tell me if the notice was sent directly to each customer and how it was sent?

Thank you,

Melissa Castaneda-Kerson (she/her)  
Regulatory Analyst, Consumer Protection  
(360) 664-1142  
Melissa.castaneda-kerson@utc.wa.gov  
www.utc.wa.gov



This email/letter states the informal opinions of commission staff, offered as technical assistance and are not intended as legal advice. We reserve the right to amend these opinions should the circumstances change, or additional information be brought to our attention. Staff's opinions are not binding on the commission.

**John Poppe** <poppe.john@gmail.com>  
To: "Castaneda-Kerson, Melissa (UTC)" <melissa.castaneda-kerson@utc.wa.gov>

Thu, Feb 15, 2024 at 8:49 AM

Good snowy white morning,

- I was wondering about how UTC was going to work with this filing.
1. No date on the "SUCCESSFUL SUBMISSION FORM".
  2. In the "DESCRIPTION" part of the form, it was sent as a "DRAFT for UTC review. Add, Change". I need to have the customer notice approved before it is sent. That's why I sent it as a DRAFT knowing there may be some changes.
  3. Within the UTC Case Docket Details, I made some notes/questions that are attached in the attached scan.

3/3/24, 1:14 PM

Gmail - Customer Notice for Echo Glen Water System

Great to hear from you again!

John  
Washington Water Supply  
[Quoted text hidden]

 Scan0310.pdf  
578K

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**John Poppe** <poppe.john@gmail.com>

Fri, Feb 16, 2024 at 1:43 PM

To: "Castaneda-Kerson, Melissa (UTC)" <melissa.castaneda-kerson@utc.wa.gov>

Good afternoon Melissa,

How does UTC want to proceed with my DRAFT Tariff filing?

[Quoted text hidden]

---

**John Poppe** <poppe.john@gmail.com>

Wed, Feb 21, 2024 at 7:30 AM

To: "Castaneda-Kerson, Melissa (UTC)" <melissa.castaneda-kerson@utc.wa.gov>

Good morning Melissa,

Hopefully we see some sunshine soon. How does UTC want to proceed with my DRAFT filing?

Respectfully,  
John Poppe  
Washington Water Supply  
[Quoted text hidden]

---

**Castaneda-Kerson, Melissa (UTC)** <melissa.castaneda-kerson@utc.wa.gov>

Wed, Feb 21, 2024 at 11:16 AM

To: John Poppe <poppe.john@gmail.com>

Mr. Poppe,

I am responding to you regarding the customer draft notice. I have reviewed the draft. It includes the information required by WAC 480-110-425. When the notice is sent out the date will need to be updated on the notice. Also, the open meeting date will need to be updated. Can you please let me know how the notice will be delivered to each customer? I am happy to review the final version of the notice before you send it out.

I agree sunshine would be nice.

Thank you,

Melissa Castaneda-Kerson (she/her)  
Regulatory Analyst, Consumer Protection  
(360) 664-1142  
Melissa.castaneda-kerson@utc.wa.gov  
www.utc.wa.gov



This email/letter states the informal opinions of commission staff, offered as technical assistance and are not intended as legal advice. We reserve the right to amend these opinions should the circumstances change, or additional information be brought to our attention. Staff's opinions are not binding on the commission.

**From:** John Poppe <poppe.john@gmail.com>  
**Sent:** Wednesday, February 21, 2024 7:30 AM  
**To:** Castaneda-Kerson, Melissa (UTC) <melissa.castaneda-kerson@utc.wa.gov>  
**Subject:** Re: Customer Notice for Echo Glen Water System

External Email

[Quoted text hidden]

**John Poppe** <poppe.john@gmail.com>  
 To: "Castaneda-Kerson, Melissa (UTC)" <melissa.castaneda-kerson@utc.wa.gov>

Wed, Feb 21, 2024 at 12:37 PM

Let's pick an open meeting date the end of March, 2024. I will send the notice by email and by US Postal Service. I am on the road and will make the. Changes late this afternoon for your review.

Thanks  
 Poppe

[Quoted text hidden]

**3 attachments**



image001.png  
 10K

3/3/24, 1:14 PM

Gmail - Customer Notice for Echo Glen Water System



**UTC**  
Washington Utilities  
and Transportation  
Commission

image001.png  
10K



**UTC**  
Washington Utilities  
and Transportation  
Commission

image001.png  
10K

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**John Poppe** <poppe.john@gmail.com>

Wed, Feb 21, 2024 at 1:11 PM

To: "Castaneda-Kerson, Melissa (UTC)" <melissa.castaneda-kerson@utc.wa.gov>

DRAFT customer notice adda, change, delete.  
If approved, I will send notice April23, 2024 by US Postal  
[Quoted text hidden]

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**Scan0315.pdf**  
504K

## **Exhibit G**

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

WASHINGTON WATER SUPPLY,  
INC.,

Respondent.

DOCKET UW-240079

ORDER 01

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

DOCKET UW-230598

ORDER 02

COMPLAINT AND ORDER  
SUSPENDING TARIFF REVISIONS;  
CONSOLIDATING DOCKETS

**BACKGROUND**

- 1 On July 12, 2023, Washington Water Supply, Inc., (Washington Water or Company) filed with the Washington Utilities and Transportation Commission (Commission) a tariff revision in Docket UW-230598 to include a surcharge of \$60 per month for the recovery of purchased water expenses due to well issues and high summer usage on the Echo Glenn water system located in Maple Valley. The total number of customers on the Echo Glenn water system is 42 connections.
- 2 On August 10, 2023, the Commission issued Order 01 in Docket UW-230598 that allowed the surcharge in the amount of \$60.00 per month to become effective August 15, 2023, subject to the following conditions:



- (1) the surcharge will expire on November 15, 2023,
- (2) the Company file a general rate case with an effective date no later than February 15, 2024, and
- (3) per WAC 480-110-455(4), the Company report to the Commission within 60 days of the end of each calendar quarter that the surcharge is in effect:
  - i. Quarter beginning balance.
  - ii. Amounts received, detailed by source (i.e., customer billing, customer one-time payments, or interest earned on amounts held in accounts).
  - iii. Amounts spent, detailed by project or type of expense.
  - iv. Quarter ending balance; and,
  - v. Reconcile the bank balance to the general ledger.

3 The Company completed well rehabilitation and ceased trucking water in September 2023. The system is no longer on a Boil Water Advisory.

4 On December 8, 2023, the Company filed tariff pages to re-institute the \$60.00 per month surcharge for a period of six months or until it collects \$13,710.00 whichever occurs first. This filing was suspended by the Commission in Order 01, Docket UW-230997, issued on January 11, 2024.

5 On January 22, 2024, the Company filed tariff pages in this docket requesting a surcharge in the amount of \$24,000, to recover the costs incurred by the Company to rehabilitate the Echo Glen well.

6 On February 1, 2024, the Company notified customers of the proposed surcharge.

7 Commission Staff (Staff) reviewed the Company's documentation. Staff does not believe a surcharge is warranted in this instance and that allowing the surcharge would result in rates that are not fair, just, reasonable, or sufficient.

8 In reviewing the filing, Staff looked at the costs to be recovered, the proper mechanism to recover allowable costs, and other requirements of the Company imposed by the Commission. While Staff believes that the costs the Company is seeking to recover are better recovered through a general rate case, which the Company has not filed since 2001, and that this filing should be combined with the docket requiring a general rate filing.

9 Staff further expresses that it does not believe that these costs properly fit into any of the categories of surcharges as outlined in WAC 480-110-455. Although Staff recognizes it could be argued that the Department of Health ordered these repairs, there was no

requirement by the Department of Health that Staff is aware of prior to when issues began in 2022. Staff believes the costs at issue are capital costs, and therefore not special operating expenses. Staff note that the Company was granted a surcharge to recover the costs of trucked water, which qualified as a special operating expense.

- 10 Staff's review further determined that the Company has not yet complied with the requirements in paragraph 7 of Order 01 in Docket UW-230598. One of those requirements was for the Company to file a general rate case by February 15, 2024. Staff believes combining this filing with the UW-230598 docket will allow these costs to be recovered in rates over all customers as part of the single tariff pricing concept.
- 11 Staff recommends that the Commission suspend the revised tariff, combine this docket with UW-230598, and set the matter for adjudication.
- 12 This matter came before the Commission at its regularly scheduled open meeting on February 22, 2024. The Commission heard additional comments from Staff, which reiterated its recommendation.

#### DISCUSSION AND DECISION

- 13 We agree with Staff that the tariff should be suspended for adjudication and combined with a general rate filing as required in Docket UW-230598. The Commission therefore suspends the tariff filing and orders this docket combined for consideration with the Company's pending general rate case.
- 14 Surcharges, as described in WAC 480-110-455, are designed to fund three types of financing needs:
- (1) Future water utility plant.
  - (2) Current water utility plant as required by the Department of Health or the Department of Ecology.
  - (3) Special expenses, which are operating expenses independent and unique from normal operating expenses.
- 15 The Commission regulates investor-owned utilities and requires owners to make the necessary capital investments to maintain safe and sufficient drinking water. Owner investment is normally recovered in general rates, which repays the owner through depreciation of the capital asset, and return earned on rate-base. Commission practice

when previously granting surcharges for capital cost recovery has been to limit the amount collected through the surcharge to no more than 70 percent of the total costs.

- 16 We note Staff's argument that the costs Washington Water seeks to recover in this docket are better recovered through general rates. The costs for well rehabilitation are costs to extend the life of the asset and is a normal capital investment required to maintain safe and sufficient drinking water. However, we reserve a ruling on this issue until the conclusion of the proceeding.

### FINDINGS AND CONCLUSIONS

- 17 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, regulations, and practices of public service companies, including water companies.
- 18 (2) Washington Water is a water company and a public service company subject to Commission jurisdiction.
- 19 (3) The tariff revisions Washington Water filed on January 22, 2024, would increase charges and rates for service provided by Washington Water and might injuriously affect the rights and interest of the public.
- 20 (4) Washington Water has not yet demonstrated that the tariff revisions would result in rates that are fair, just, reasonable, and sufficient.
- 21 (5) Washington Water's rates and charges for water service shown on any tariffs that Washington Water does not propose to revise may also be investigated to determine if they are fair, just, reasonable, and sufficient.
- 22 (6) In order to carry out the duties imposed upon the Commission by law, and as authorized in RCW 80.04.130, the Commission believes it is necessary to investigate Washington Water's books, accounts, practices, and activities; to make a valuation or appraisal of Washington Water's property; and to investigate and appraise various phases of Washington Water's operations. The Commission finds that this docket meets the criteria of WAC 480-07-400(2)(b)(i) and that the parties may conduct discovery pursuant to the Commission's discovery rules in WAC 480-07-400 – 425.
- 23 (7) As required by RCW 80.04.130(4), Washington Water bears the burden to prove that the proposed increases are fair, just, reasonable, and sufficient.

- 24 (8) Washington Water may be required to pay the expenses reasonably attributable and allocable to such an investigation, consistent with RCW 80.20.
- 25 (9) The Commission should consolidate the present docket with Docket UW-230598.

**ORDER**

**THE COMMISSION ORDERS:**

- 26 (1) The tariff revisions Washington Water Supply, Inc. filed on January 22, 2024, are suspended.
- 27 (2) The Commission will hold hearings at such times and places as may be required. Such hearings may also examine Washington Water Supply, Inc.'s rates and charges for water service shown on any tariffs that Washington Water Supply, Inc. does not propose to revise.
- 28 (3) Washington Water Supply, Inc., must not change or alter the tariffs filed in this docket during the suspension period unless authorized by the Commission.
- 29 (4) The Commission will institute an investigation of Washington Water Supply, Inc.'s books, accounts, practices, activities, property, and operations as described above.
- 30 (5) The parties may conduct discovery pursuant to the Commission's discovery rules in WAC 480-07-400 – 425.
- 31 (6) Washington Water Supply, Inc., shall pay the expenses reasonably attributable and allocable to the Commission's investigation to the extent required in Chapter 80.20 RCW.
- 32 (7) Dockets UW-240079 and UW-230598 are consolidated.

DATED at Lacey, Washington, and effective February 22, 2024.

**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**DAVID W. DANNER, Chair**

**ANN E. RENDAHL, Commissioner**

**MILTON H. DOUMIT, Commissioner**