

BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

SARAH HAND AND GRETCHEN HAND,
a married couple

Complainant,

v.

RAINIER VIEW WATER COMPANY, INC.,

Respondent.

DOCKET UW 170924

**SARAH HAND'S EXHIBIT 50 TO
CROSS EXAMINATION**

EXHIBIT 50

TO CROSS EXAMINATION OF BOB BLACKMAN AND RACHEL STARK

July 25, 2018

1995 MOU between DOH and UTC

MEMORANDUM OF UNDERSTANDING

November 22, 1995

Between the
Washington Department of Health
and the
Washington Utilities and Transportation Commission

Related to the

**COORDINATION OF THE DEPARTMENT OF HEALTH'S DRINKING WATER PROGRAM
AND THE UTILITIES AND TRANSPORTATION COMMISSION'S WATER PROGRAM**
for the
STATE OF WASHINGTON

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AUTHORITY

This Memorandum of Understanding (MOU) is made and entered into by and between the Washington Department of Health (DOH) and the Washington Utilities and Transportation Commission (UTC) pursuant to the authorities granted them by statute.

UTC, through the investor-owned utility water program, regulates in the public interest, as provided by the public service laws, the rates, services, facilities, and practices of jurisdictional water companies supplying water service to the public for compensation (Title 80 RCW).

DOH, through the Drinking Water Program, protects the public health by assuring safe (quality) and reliable (quantity) drinking water (Title 70 RCW and Chapter 43.20 RCW).

I. PURPOSE AND SCOPE

This MOU 1) identifies authorities, roles and responsibilities for each agency and establishes a framework to better manage them through enhanced coordination and communication and 2) provides for clear lines of communication with DOH, UTC, Regulated Investor Owned Utilities and their customers.

II. DEFINITIONS

"Water System Plan" (WSP) is a comprehensive planning document that identifies present and future needs of a water system, including a financial program to meet those needs. DOH is the lead agency for reviewing and approving WSPs for all public water systems required to submit a WSP for review and approval (WAC 246-290-100).

"Regulated Investor Owned Utility" (RIOU) is any privately-owned water company regulated by the UTC.

III. GENERAL ROLES AND RESPONSIBILITIES

Department of Health

- Water system design and construction
- Water System Plan review and approval
- Project Plan review and approval
- Source water quality and quantity
- Monitoring
- Operation and maintenance
- Planning
- Customer complaints - direct follow up regarding quality, quantity, and health issues
- Inspections

Utilities and Transportation Commission

- Approves RIOU water rates
- Customer complaints - direct follow up regarding rates, service, and management
- Audits nonmunicipal water systems as referred by DOH pursuant to RCW 80.04.110(4)

IV. PROCEDURAL AGREEMENTS

A) Water System Plans

- DOH receives the WSP and forwards a copy to UTC for review.
- DOH will require WSPs to contain a statement from the submitting Professional Engineer that, in the engineer's opinion, the proposed projects in the WSP are prudent and cost effective alternatives.
- DOH is responsible for approving WSPs.
- UTC will review the financial portion of the WSP.
- UTC staff will, within 30 days of receipt, provide written comments to DOH on the submitting RIOU's financial viability and its WSP feasibility.
- DOH and UTC will develop financial viability and feasibility criteria, including the appropriate level of review.

B) Project Reviews

- DOH will require Professional Engineers to provide a statement that, in the engineer's opinion, the proposed projects are prudent and cost effective alternatives.
- DOH is responsible for approving project reports.
- UTC staff, when analyzing RIOU rate filings, will accept, for rate making purposes, appropriate costs associated with projects approved by DOH that are identified in a current approved WSP or approved projects for companies with an approved WSP development schedule.

C) Audit Procedures for Nonmunicipal Water Systems

- DOH and UTC agree to first define the purpose and objectives of ordering an audit:
- Ownership or identification of system(s)
 - Determine financial viability, as defined by DOH
 - UTC jurisdiction
 - Public disclosure of management and financial conditions.

DOH Role

- Determine jointly with UTC staff, before issuing an order, that a system has a problem that a UTC audit would be helpful to resolve.
- Send a letter of request to UTC stating the purpose of the request and identifying the information needed, including the level of detail required.
- Take appropriate follow up action; e.g., issue order to the system or hold a public meeting.

ATTACHMENT A

to Staff's Response to Bench Request No. 1

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UTC Role

- Consult with DOH staff regarding the value and purpose of the audit; assist DOH in identifying and defining the information needed, including the level of detail required; and, agree on an appropriate time frame for completion.
- Conduct audit and submit results to DOH within the agreed time frame.
- As requested by DOH, participate in public meetings, if DOH schedules, or legal proceedings if required.

D) Rate Proceedings Before the UTC

DOH Role

- DOH will, as requested by UTC, advise UTC of the current status of the company, including compliance with DOH requirements, permit category, customer complaints (received, resolved, and outstanding), quality, and adequacy of quantity.
- DOH will independently determine whether or not it will testify at UTC Open Meetings and formal case hearings regarding DOH issues.
- DOH personnel will, as requested by UTC or on its own volition, testify at UTC Open Meetings and formal case hearings regarding DOH issues.

UTC Role

- UTC staff will accept, for rate making purposes, appropriate costs associated with projects approved by DOH that are identified in a current approved WSP or approved projects for companies with an approved WSP development schedule.
- Unless otherwise advised by legal counsel, UTC staff will not recommend the Commission approve rate filings if DOH advises UTC the company is in violation of relevant statutes, rules, and regulations administered by DOH, unless the company is complying with agreements or orders to bring it into compliance.
- UTC will confer with DOH to determine whether or not DOH has concerns regarding the water company which should be presented to the Commission for consideration in conjunction with the rate filing.

E) Customer Complaints

- Purpose of agreement is to provide a simple process for customers to register a complaint and be assured of follow up. DOH and UTC agree to work together to classify specific complaints and develop appropriate processes and procedures for referring complaints to the other agency and responding to information requests.

DOH Role

- If a complaint concerns water quality, water quantity, or a health issue, DOH will follow up complaint by letter to RIOU owner. The letter will address complaint, suggest corrective action and requires RIOU to inform DOH of corrective actions taken.
- Complaints concerning rates or service will be forwarded to UTC.
- DOH will provide UTC information on individual complaints and summary data (received, resolved, and outstanding) on request.

UTC Role

- If complaint concerns rates or service, UTC will investigate and resolve. As a part of the informal complaint investigation, UTC will require RIOUs to inform UTC of corrective actions taken.
- Complaints concerning water quality, water quantity, or health issues will be forwarded to DOH for processing.
- UTC will provide DOH information on individual complaints and summary data (received, resolved, and outstanding) on request.
- UTC may process informal complaints concerning water quality, water quantity, or health issues pursuant to WAC 480-09-150, and will so advise DOH.
- UTC will conduct formal hearings as appropriate and UTC staff will consult with DOH in assessing formal complaints regarding the purity, quality, volume, and pressure of water pursuant to RCWs 80.04.110, 80.28.030, or 80.28.040.

F) Legislative Communications

- UTC and DOH shall each designate a person to track legislative issues. The designated persons shall keep each other informed regarding legislative and policy issues affecting drinking water regulation.

V. MOU OVERSIGHT, REVIEW, AND UPDATE


- DOH and UTC supervisors will discuss development of processes and procedures monthly, until completed.
- DOH and UTC supervisors will discuss implementation, maintenance, improvement of processes and procedures quarterly.
- DOH and UTC signatories agree to discuss MOU development, implementation, and effectiveness every six months.
- DOH and UTC agree to review this MOU on an annual basis and update as necessary.

VI. GOOD FAITH

DOH and UTC agree to assume good faith of the other party as a general principle; to notify the other party if any problems arise and work together to resolve those issues; and, through improved coordination and communication, demonstrate effective interagency cooperation and trust.

The undersigned, on behalf of their respective agencies, hereby execute this Memorandum of Understanding, which becomes effective when signed by both parties.

For the Washington Department of Health:



B. David Clark
Director, Drinking Water Program

Date: 11/22/95

For the Washington Utilities and Transportation Commission:



Steve McLellan
Executive Secretary

Date: 11/22/95