

**Regarding:**

To: Washington Utilities and Transportation Commission

From: Columbia View Water System

Re: Rulemaking Inquiry to Consider the Need to Evaluate and Clarify Jurisdiction of Water Companies, WAC 480-110-255, Jurisdiction, and related rules Docket

Docket #UW-131386

Date: September 20, 2013

Dear Commission,

During a recent classification proceeding the Washington Utilities and Transportation Commission staff became aware that part of the Commission's rule on jurisdiction over water companies, WAC 480-110-255(e) and (f), may be read to exempt from Commission regulation certain entities that are not exempt.

On August 21, 2013, the Washington Utilities and Transportation Commission (Commission) filed with the Code Reviser a Preproposal Statement of Inquiry (CR-101) to **clarify** jurisdiction over water companies.

As stated in CR-101, the Commission staff proposes that the Commission repeal the WAC 480-110-255(e) and (f), relating to homeowner associations, cooperatives, mutual corporations and similar entities.

The Columbia View Water System is an exempt entity and is not under the Commission's jurisdiction. The water system was founded in the 1970's and is owned and managed by the members within its service area. The water system is considered to be financially viable and contributes its operations and management success to the voting member's ability to operate under the current RCW and WAC requirements and by following corporate by-laws, articles of incorporation and management policies that are determined by voting members.

Regulation by the Commission can be considered overly bureaucratic and its oversight will alter the character of small member owned water systems and limit the voting member's ability to successfully manage their own water system. More than likely, a full time staff will be needed to implement the additional regulations under the Commission's jurisdiction. This could result in extreme increase to Operation and Maintenance costs for small systems; a financial burden that would result in an increase of member rates.

The Columbia View Water System does not feel confident that the Commission has addressed how its regulatory policies will encourage and/or discourage the success of small, member owned water systems.

Therefore, the Columbia View Water System expressly disagrees with the Commission's request for repeal of the WAC 480-110-255(e) and (f) and questions why the Commission feels the repeal is the **only** solution for clarity.

Thank You,

Columbia View Water System