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May 20, 2010

VIA E-MAIL AND HAND DELIVERY

David Danner, Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
Olympia, WA 98504-7250

Re: Docket No. UW-091466 - Rainier View Water Company, Inc. -
Response to Bethel School District's Request for Continuance

Dear Mr. Danner:

On May 19, 2010, Bethel School District ("Bethel") requested that the Commission remove the Rainier View filing from the Open Public Meeting Agenda for May 27, 2010. This letter is in opposition to that request. Pursuant to the filing requirements for this docket, the original and twelve copies are enclosed.

Bethel alleges in their letter of May 19, 2010, that there are "discrepancies" in the data. That is not correct. Attached is a clear, concise Commission Staff analysis of the Bethel School District usage.

It is interesting to review the analysis of Bethel's usage. Bethel's arguments center around the concept that they should not be affected by a large rate increase because of their need to address educational requirements of their students. However, the usage data shows that the two months with the highest usage for most of their locations are in July and August. Schools are not in session in July and August. For example, forty-two percent of the water used at Cougar Mountain for 2008 occurred in July and August. Sixty percent of the usage at the Graham Kapowsin High School occurred in July and August. Forty-nine percent of the usage at Centennial Elementary occurred in

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July and August. Sixty percent of the usage at Frontier Junior High occurred in July and August when the schools are closed. At Northstar Elementary, water used for irrigation constituted over seventy-two percent of the total usage at that school. Irrigation constituted over sixty-eight percent of the usage at Graham Elementary.

What these facts demonstrate is that the issue is using water for irrigation. Bethel has the opportunity to control its own destiny under the new rate design. Simply by determining that lush, green lawns are not needed in July and August, the District can save considerable sums of money.

What the District is really presenting to the Commission is a policy question of whether residential customers should continue to subsidize Bethel's irrigation and presentation of green, lush lawns at the schools. Other customers of Rainier View pay \$5.00 per 100 cubic feet for any usage in excess of 3,000 cubic feet in a month. This is a strong monetary incentive to control irrigating for irrigation's sake. Bethel has not had to pay that charge and still does not have to pay as high a rate on a per 100 cubic feet basis as other customers. All the new rate design does is to make things a little more equitable.

The parties had a meeting scheduled for May 19 to go over usage detail and the rate design and discuss issues related to the rate design. Bethel canceled that meeting claiming an undisclosed prior conflict. Rainier View's filing should not be further continued so that Bethel can continue to delay the process by scheduling and then canceling meetings.

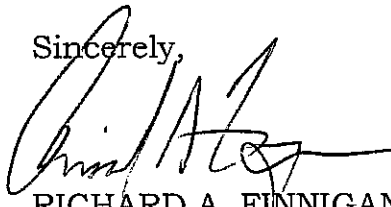
In closing its request, Bethel refers to WAC 480-110-425 and WAC 480-110-431 with the implication that those rules have not been complied with by Rainier View. That is not a correct implication. WAC 480-110-425 is the notice requirement for a general rate increase. Rainier View complied with that regulation in full when it filed its general rate increase in this docket in September. WAC 480-110-431 is a general statement that the Company must comply with the Commission's rules. It adds nothing more to what is in WAC 480-110-425. Rainier View has complied with all noticing requirements contained in statute and rule and any implication to the contrary should be completely dispelled.

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Finally, it is important that the Commission be aware that for every month the rate filing is delayed, the Company loses, on average, \$30,000 a month in additional revenue this filing will produce. Obviously, that loss of additional revenue is much greater in the summer months.

Under separate cover, Rainier View will be responding to the five points raised in Bethel's earlier letter. However, for purposes of Bethel's request to pull Rainier View's docket from the May 27, 2010, open meeting, the foregoing should adequately provide a basis to deny Bethel's request.

Sincerely,



RICHARD A. FINNIGAN

RAF/km
Enclosure

cc: Joseph A. Rehberger (via e-mail)
Gene Eckhardt (via e-mail)
Jim Ward (via e-mail)
Chris Mickelson (via e-mail)
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