

# THUNDER RIDGE WATER CO, INC.

FIRST NATIONAL PROFESSIONAL CENTER  
10101 270<sup>TH</sup> STREET NW  
STANWOOD, WASHINGTON 98292

October 7, 2020

Washington State Utility & Transportation Commission

RE: Surcharge Handling-Thunder Ridge Water Co., Inc  
Docket No. 200053

Dear Commissioners,

The purpose of this letter is to outline the methodology of our handling of the surcharge payments made by customers.

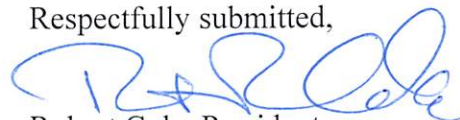
The Company's Satellite Management Agency (SMA) is King Water Co, of Oak Harbor. They handle the billing, collection and deposits of all customer funds.

The bill sent to the customers separately itemizes the surcharge payment, along with the basic and usage payments. Payments of the surcharge are also separately reported to the company by King Water. All payments are deposited by King Water into the Thunder Ridge Water Co., Inc. (TRWC) account.

After receiving King Water's monthly report TRWC totals the surcharge payments, deducts the 5.22% Water Distribution tax, and sends the balance to the Lender. The monthly interest is computed on the declining balance, and the remainder of the payment is applied to the principal balance. The Water Distribution tax on the surcharge is paid to the Department of Revenue by TRWC along with the tax on normal customer payments, in TRWC's quarterly reports.

There is no separate account for the surcharge as it would unnecessarily complicate this simple system.

Respectfully submitted,



Robert Cole, President  
Thunder Ridge Water Co, Inc.

RC/kg

State Of WASH.  
UTIL. AND TRANSP.  
COMMISSION

10/19/20 13:56

Received  
Records Management