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November 16, 2022

VIA ELECTRONIC FILING

Amanda Maxwell, Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, Washington 98503

Received
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 11/16/2022
 State Of WASH.
 UTIL. AND TRANSP.
 COMMISSION

Re: Suncadia Water Company, LLC – Affiliated Interest Filing

In accordance with RCW Section 80.16.020 and WAC 480-110-545, Suncadia Water Company, LLC (“Suncadia Water”) hereby files with the Washington Utilities and Transportation Commission (the “Commission”) a draft of an affiliated interest agreement, titled Commercial Lease (the “Lease Agreement”), between itself and its affiliate Suncadia Environmental Company, LLC (“Suncadia Environmental”) as Attachment 1. As the Commission knows, Suncadia Water (and Suncadia Environmental) lost their previous office building due to a fire on January 6, 2022.¹ On July 26, 2022, Suncadia Environmental purchased real property and the commercial building at 2906 Upper Peoh Point Road, Cle Elum, Washington 98922 (the “Property”). Suncadia Water wants to enter into the Lease Agreement to lease space at the Property, and Suncadia Environmental is willing to lease such space at the Property in accordance with the Lease Agreement. The Lease Agreement provides for a monthly rental price of \$3,000.00, subject to a rental escalator. Attached to this filing is a copy of our broker’s valuation of property that the Property would lease for at least \$3,000.00 a month on the market (Attachment 2). As the monthly rental cost to Suncadia Water is at the low end of the market valuation, Suncadia Water submits that the Lease Agreement is reasonable and consistent with the public interest. Accordingly, Suncadia Water respectfully requests that the Commission approve this affiliated interest filing or, in the alternative, to not institute an investigation of the to-be executed Lease Agreement, a verified copy of which Suncadia Water will file with the Commission.

Please address correspondence on this matter to me with copies to the following:

¹ See UW-220101, In the Matter of the Petition of Suncadia Water Company, LLC, Petitioner, For An Accounting Order Authorizing Deferred Accounting Treatment of Costs Associated with the Destruction of Its Office Building from a Severe Weather Event and Resulting Fire, Order 01 (served March 24, 2022).

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If you have any questions, please contact me.

Sincerely,

/s/ Eric W. Nelsen

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Attachments

NEW-Suncadia-Water-Affiliated-Interest-Attach-1-11-16-2022
NEW-Suncadia-Water-Affiliated-Interest-Attach-2-11-16-2022