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Mr. Steven V. King, Director and Secretary
Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive SW
Olympia, WA 98504-7250

May 19, 2017

Re: H&R Waterworks, Inc. - Docket No. 170216
Comments of Castlerock Estates at Talcott Ridge Homeowners Association

Dear Mr. King:

This letter is to submit comments in the above-referenced matter on behalf of my client Castlerock Estates at Talcott Ridge Homeowners Association ("Castlerock"). Based on the Commission's direction at the May 11 open hearing, we understand that a conservation-based tariff including a fourth tier will be considered at the May 31 open hearing. While it is my client's understanding that Castlerock's water rights are not of concern to the Department of Ecology, my client supports the goal of wise use of water resources. We remain concerned that the conservation tariff is not fully justified from a revenue and cost standpoint. However, we also understand that a thorough analysis of the conservation rate may not be possible before this year's high demand season. That said, the conservation rate should be implemented in combination with a proactive conservation program, in cooperation with the community. Utilities have successfully implemented such programs, at reasonable cost, by engaging consultants with expertise in communications and conservation.

We respectfully request that the Commission order that (1) H&R will retain tariffs at current levels for the three existing tiers, and no changes to those tariffs will be considered without analysis justifying such adjustments; (2) during a one-year pilot period for the conservation tariff, the volume of water consumption included in the third tier will be capped at 3,000 cu ft., to allow for reasonable use by homeowners; (3) a fourth (conservation) tier will be added on a one-year pilot basis, for volumes of 3001 cu. ft. and above; (4) the tariff for the fourth tier will be set at \$5.00/ccf; (5) information submitted quarterly by H&R to the UTC regarding water use will be provided to the HOA to allow residents to understand their use relative to conservation goals; (6) a description of H&R's conservation-related actions and the results of the one-year conservation program, including a summary of water use for the period, will be provided in a brief written report to the Commission and Castlerock residents; and (7) further analysis of revenues and costs will be provided to the Commission if the conservation rate is proposed to be continued beyond one year. Thank you for the opportunity to provide comments on behalf of Castlerock Estates Homeowners Association.

Very truly yours,



Kathleen Callison

KC:sdr

cc: Mr. Ward, Mr. Cupp, and Mr. Reese (via email); client file