



**Summit View Water Works LLC
Docket UW-240589**

Staff Informal Data Request Set #5
Ref# 4-1242
Issued 9/16/24 & Due 9/19/24

Staff Informal Data Request #5-1

Please provide the W-2s for all Summit View employees.

Response for IDR #5-1

The W-2s for all SVWW employees are attached and labeled *240589 – IDR #5-1 – response*. All PII has been redacted and employee names have been anonymized as they have been throughout this case.

Staff Informal Data Request #5-2

Please provide the 2023 L&I report for all Summit View employees. And the 2024 rate notice from L&I.

Response for IDR #5-2

SVWW 2023 Quarterly L&I reports and the 2024 rate notice are attached and labeled *240589 – IDR #5-2 – response*.

Staff Informal Data Request #5-3

The provided documentation of the cellphone reimbursement indicates that the company is paying \$55 per eligible employee per month, based on prices set in 2016, at the full cost of a plan lines. Has the company reviewed version business class plans for cellphone service since 2016?

Response for IDR #5-3

Neither I nor the company have heard of any type of “version business class plans.”

The company affiliates used to provide cell phones to employees. Employee phones were used for streaming and data use, which caused increased costs, and was impossible to budget for and care of the cell phones was also an issue. Management decided in 2015-16 that providing cell phones was no longer appropriate and caused too much cost uncertainty and discontinued this practice. A stipend per pay period was deemed more appropriate and has been the consistent policy ever since, as was explained in SVWW’s response to IDR #4-2.

Staff Informal Data Request #5-4

Please provide copies of cellphone bills for December 2023 and June 2024 for all personnel who received cell phone plan compensation payments. Identify SVWW related calls.



Response for IDR #5-4

Employees receiving cell phone compensation are not required to submit phone records. SVWW employees use their personal cell phones for emergency contact purposes (as posted on SVWW website), general business and daily text data shared among employees that includes system data, water system flow data, system status data, and utility locate data.

Again, no cell phones are provided by the company to any employees, managers, or owners.

Staff Informal Data Request #5-5

In the Office Supplies account, it appears Kirk has several transactions indicating Kirk received distributions for a phone or personal device. Does SVWW provide Kirk or Geoff payments for owner personal devices or telephone plans?

- a) If so, please provide a list of all transactions and the accounts in which Kirk or Geoff received payments for cellphones or cellphone service.
- b) If not, does the company provide cellphones to Kirk or Geoff?

Response for IDR #5-5

No, neither Kirk nor Geoff receive payments for owner personal devices or telephone plans. No cell phones, tablets, or iPads are provided to employees, managers, or owners.

Reimbursements to Kirk, in the Office Supplies account, would be for the purchase of office supplies, not for any personal device. As was explained both in our responses to IDR #3-8a, and in IDR #4-4, this account captures office supply expenses and the company will make all necessary reconciliations going forward.

Response for IDR #5-5b

No, the company does not provide cell phones to Kirk or Geoff.

Staff Informal Data Request #5-6

If either is true 14-a or 14-b are true, please provide invoices for their cellphone service, identifying personal, SVWW related, and other affiliated interest related calls.

Response for IDR #5-6

Staff's IDRs #14a and #14b are not true or false questions and have nothing to do with cell phones, so we aren't sure what is being requested here.

Staff Informal Data Request #5-7

Provide a signed rental agreement between the water company and the lessor, and the docket number under which that agreement was filed with the commission.

Response for IDR #5-7

Assuming staff is requesting the lease agreement for the shop space, this is being provided in



the attached document labeled *240589 – IDR #5-7 – response*. This lease agreement began in 2024; therefore, docket UW-240589 is the docket in which this agreement was “filed with the commission.”

Staff Informal Data Request #5-8

Please provide the rent studies that were used to justify the rent rate, as referenced in AML-01T.

Response for IDR #5-8

The two market analyses used to determine a fair rent for the shop space are attached and labeled *240589 – IDR #5-8 – response*.

Staff Informal Data Request #5-9

During the test year, the company paid \$17,740 in rent. In the testimony AML-01T, Ms. LaRue states SVWW was not paying rent for facilities. Please explain what the \$17,740 rent expense paid for during the test year. Please provide copies of the rental agreement(s).

Response for IDR #5-9

To clarify, in the testimony AML-01T, nowhere did it state that SVWW was not paying rent for facilities. We stated that SVWW was previously using the shop space free of charge. With this filing, the \$17,740 rent expense during the test year was for the SVWW office and the lease agreement is attached and labeled *240589 – IDR #5-9 – response*.

Staff Informal Data Request #5-10

Please provide the mailing addresses for SVWW and all affiliated interests

Response for IDR #5-10

SVWW’s mailing address is PO Box 7224 Kennewick WA 99336.

The mailing address for both Candy Mountain LLC and Tri Cities Development is PO Box 1307 Gig Harbor WA 98335.

Candy Mountain Farms LLC’s mailing address is 4904 W 20th Ave, Kennewick, WA 99338.

Eagle Butte Vineyard’s mailing address is 101904 Wiser Parkway #103, Kennewick WA 99338.

And, currently, the mailing address for both Lewis and Clark Irrigation and DV and C Companies is PO Box 7223 Kennewick WA 99336.



Staff Informal Data Request #5-11

In DPK-01T, Mr. Kermode states the company wishes to use the allocation of usage established in the 2018 general rate case. Please provide the supporting calculations used to determine the allocation split used in the 2018 rate case.

Response for IDR #5-11

As Mr. Kermode stated in his testimony, the 73/27 split for irrigation and domestic water usage is based on the water from the source, as proposed by former commission staffer Jim Ward and accepted by the company ever since. Therefore, the information requested here should be in staff's possession and not in the company's since this is asking for backup to a staff workbook calculation.

Despite the reference to custody of the workbook, the company has nevertheless searched for any archival records of the staff's calculation of the water usage split and has not identified any such formula which, because it was not provided a copy of the staff's supporting calculations or audit notes, is not surprising.

Staff Informal Data Request #5-12

Please provide the total gallons or cubic feet pumped from all water sources for domestic and irrigation.

- a) If the company does not have specific information on water pumped for irrigation purposes, please provide the total water pumped at the wellhead, and total water billed through metered service.

Response for IDR #5-12

This information was already provided in our case in chief. Please see the workpapers tabs, WP 1.0 Usage – Gallons and WP 2.0- Usage – Cubic Feet, of Exhibit DPK-04.

Staff Informal Data Request #5-13

Please explain why irrigation water is not a metered service.

Response for IDR #5-13

Please see our answer to PC IDR #1-10. Staff should understand that SVWW follows the practice of Irrigation Districts in Washington State governed under RCW 87.03. As was explained in the company's response to PC's IDR #1-10, the cost of meters, reading them, and maintaining them is very expensive. And because meters don't work well with "dirty water," maintaining irrigation meters is usually cost prohibitive.



Staff Informal Data Request #5-14

In the company response to IDR #2-4, it appears that SVWW sources or purchases and distribute water from non-SVWW sources in its irrigation network.

- a) Please explain how costs for the additional water are recorded by the company.
- b) Please provide the ledger for the account showing water purchases from other water utilities.

Response for IDR #5-14a

Again, this information was previously provided in response to PC's IDR #1-6.

Response for IDR #5-14b

The general ledger detail for this account is attached and labeled *240589 – IDR #5-14b – response*.

Staff Informal Data Request #5-15

In response to IDR #2-4, the company indicates that Eagle Butte Vineyards pays for a percentage of the utility costs by SVWW.

- a) Does Eagle Butte Vineyards contribute to the costs of infrastructure for the irrigation services received?
 - i. If Eagle Butte Vineyards is not contributing to the costs of infrastructure, please show how the company ensured non-affiliated customers are protected from subsidizing the infrastructure for the affiliated operation.
- b) Please explain how the costs are recognized in SVWW's books for revenues and expenses.
- c) If available, provide copies of the bills issued to Eagle Butte.

Response for IDR #5-15

As explained in our response to staff's IDR #1-2, expanded on in IDR #2-4, and again in PC's IDR #1-10 – EBV is an affiliate that is being invoiced at arm's length as required by the SVWW tariff for all irrigation customers.

EBV has paid for all its own infrastructure. Prior to the vineyard being planted, the land was farmed under pivot irrigation. The mainline infrastructure that delivers water to the vineyard was installed circa 1993 to deliver irrigation to the pivot. The pivot was removed in about 2010. The mainline installed in 1993 is used to deliver water to the vineyard, which was planted in 2015.

This customer, while an affiliate, is billed for its "fair share" of its irrigation water usage, just as all other SVWW irrigation customers are invoiced for their irrigation water use in accordance with the UTC approved tariff. The requested invoices were previously provided in response to PC's IDR #1-6.

SVWW uses this same POU method for power costs, so that EBV pays its portion of power costs.



Staff Informal Data Request #5-16

Please provide the vehicle insurance policies and trailer insurance policy.

Response for IDR #5-16

The insurance policies requested are attached and labeled *240589 – IDR #5-16 – response*. Only VIN numbers have been redacted.

Staff Informal Data Request #5-17

Please explain why in the usage data workpapers, the volumes recorded are multiplied by 0.133681.

Response for IDR #5-17

This was done to convert gallons to cubic feet as shown in cell R26 of WP 1– 2023 usage gallons, of Exhibit DPK-04 Usage and Revenue Supporting Schedules, as filed in our initial case on July 31, 2024.

Staff Informal Data Request #5-18

- a) Please provide an invoice for Inline Computer & Communications, from December 2023.
- b) Please explain what services are provided by this vendor.
- c) There are 11 transactions. Is the company continuing receiving services from this vendor? Please provide the last 12-months of invoices.

Response for IDR #5-18a

The invoice requested for Inline Computers & Communications, from December 2023 is attached and labeled *240589 – IDR #5-18a – response*.

Response for IDR #5-18b

Inline Computers & Communications is an outside contracted IT Service.

Response for IDR #5-18c

Inline is SVWW’s contracted vendor for IT support and SVWW has an ongoing relationship with this vital vendor given the enhanced information technology requirements due to the phishing campaigns and ransomware attacks on the rise across the nation.

This vendor increased its rates, as so many others, mid 2023, while SVWW was entering its second year of its previous rate case which was unfortunately unsuccessful and withdrawn. The trend noticed in the support document provided in response to staff’s IDR #3-8a IT Support, is that this expense is increasing and that the test year GL was missing one month of these expenses. This results in the IT Support expense being understated and a pro forma adjustment of \$1,670 should have been included in SVWW’s original case.



Staff Informal Data Request #5-19

Please provide utility and power invoices for the months of August 2023 and December 2023.

- a) Are any utilities shared between SVWW and any affiliate or non-affiliate entities? If so, how are the costs allocated? Please show the calculation of utility allocation.

Response for IDR #5-19

The utility and power bills requested above are attached and labeled *240589 – IDR #5-19 – response*, all of which are the responsibility of SVWW (PO Box 7224) and EBV is subsequently billed for its portion through the POU method previously described. The invoices for account 90202001, are also the responsibility of SVWW. Originally this account was associated with CMF, and the company is working with Benton PUD to get this corrected.

Response for IDR #5-19a

To reiterate, SVWW shares no utilities with affiliates except as described in our responses here about Eagle Butte Vineyards and in response to staff IDR #1-2 and PC's IDRs #1-6 and #1-10. EBV shares power costs with SVWW and is billed on a POU method. There are no other shared utilities.