## PARKLAND WATER SYSTEM

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September 11, 2012

## Dear Parkland Water Customer:

Parkland Water System is currently regulated by the Washington Utilities and Transportation Commission (commission). The commission (UTC) regulates the company's rates and business practices. Parkland Water has maintained its current UTC rate of \$40 per month over the past 15 years. During that time the cost of everything from stamps to electricity has substantially increased. Every cash strapped government agency has imposed additional fees. Thurston County recently imposed a \$100 annual licensing fee. We now pay over 10% of the gross annual revenue to Thurston County for water testing and licensing.

Several years ago the UTC implemented annual report and fee requirements. The report that is required to be filed by May 1 of every year, mandates the calculation and reporting of total income, expenses, evaluation of the system, depreciation of the assets and computation of fees due the UTC. Since Parkland Water's annual income is so low, no fees are normally paid to the UTC. It is unlikely that that will remain the case in the future.

Recently, the UTC imposed a \$2,100 fine and invoiced Parkland Water for filling its annual report 21 days late. That fine exceeds 50% of the total annual income received by Parkland Water. As a result, Parkland Water has had to spend many hours attending hearings and responding to the UTC (my file is now over 1" thick). We have still not received any official notice of a fine reduction which we requested.

As a result of the actions of the UTC, Parkland Water petitioned the UTC to become a deregulated water utility in accordance with RCW 19.86. That RCW limits the amount Parkland water can charge its customers to \$46.41 per month which is more than our current rate of \$40 per month. That action was taken by Parkland Water to remove the company from the draconian clutches of a bureaucratic agency run-amok in order to assure the survival of the water company.

As a prerequisite for removal from regulation the UTC has required Parkland Water to notify its customers of the requested action (WAC 480-110-425(5) (c), which says, "The commission may require other notification to the public as it determines necessary.") If you read the regulations you will find that the UTC can do anything it wants to do because it can.

The following is the required notice:

The company has petitioned to be removed from the commission's regulation. Unregulated companies are not required to comply with commission's numerous statutes and regulations. If deregulated, Parkland Water would be subject to the provisions of Chapter 19.86 RCW (Revised Code of Washington) and remain under the jurisdiction of Thurston County Health and the Washington State Department of Health.

The commission will decide on the company's petition at one of its regularly scheduled open meetings. If you would like to comment on this filing, or have questions about the open meeting, please use the contact information below. You may comment by using the "Submit a Comment" feature at the UTC's Web site, at http://www.utc.wa.gov. If you are unable to attend an open meeting in person, the UTC has a bridge line which enables you to participate or listen by telephone. Call 360-664-1234 for instructions the day before the open meeting.

Washington Utilities and Transportation Commission

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Sincerely yours,

Dennis Burke