

Exhibit B

Summit View Water Works LLC

Docket UW-240589

Informal Data Request (IDR) Examples with Added Highlights

Staff IDR #1-2 follow up

Regarding IDR 1-2b: This is asking if contracts between the company and its affiliated interest companies were submitted to the commission for review before the contracts took effect as required by RCW 80.16.020 and WAC 480-110-555. If the company submitted the contracts to the commission for review, please provide the docket numbers for the contracts.

Further, staff would like to remind the company that the submissions in the prior docket that was withdrawn are not part of the record of this docket. This docket uses revised information, test-year, and is a new docket that must be self-supported.

Response for Staff IDR #1-2 follow up

As a Class B water company, SVWW is not subject to annual affiliated interest reporting under WAC 480-110-575. And **as stated in testimony and in the company's previous responses to IDR #1-2**, the company believes that it is in compliance because all affiliated interests were disclosed to the UTC by its previous attorney.

We have been able to identify two dockets that are associated with SVWW's previous affiliated interest filings (Dockets UW-230202 and UW-230203) which disclosed the affiliated interest with Candy Mountain LLC and included three promissory notes with affiliate CMLLC. The company also provided affiliate information for Eagle Butte Vineyards in its previous rate case (UW-230555), but since that case was ultimately withdrawn, related information for Eagle Butte is attached to this IDR response.

In this rate case, the company is seeking approval of the newly executed lease for shop space with affiliate DV&C and all notes payable with affiliates which were provided in response to staff IDR #1-6. The additional information provided with this response should complete the affiliated interest disclosures required by the UTC and the Company's requisite submissions under the rule with the pendency of this rate case occurring in this same interval.

Staff Informal Data Request #1-4

With the tariff pages provided, the company proposes a two-year rate plan. What assurances does the company provide it will

Response for IDR #1-4

Ms. LaRue emailed Mr. Sharbono requesting clarification of this request. Mr. Sharbono responded via email. Therefore, a copy of that email string and the company's response is included in the attached file *240589 - IDR #1-4 response - email chain*.

Staff Informal Data Request #1-7

Please provide invoices for all assets placed in service on or after November 1, 2018.

Response for IDR #1-7

For tracking purposes, I've exported the assets in question from Exhibit AML-02 – Regulatory Depreciation, into the table below, with letters identifying each asset.

There are more than 20 assets listed on the company's regulatory depreciation schedule that were placed into service after 10/31/2018. Understandably, we are still working on locating a few of the requested invoices (identified in the following table with blue font) and will provide those as soon as they can be identified. The requested invoices, for the remaining assets, are included and identified in the attached, with file names beginning, "240589 – IDR #1-7 response – ."

SVWW Assets place into service after 10/31/18			
	Description	Original Cost	In-service Date
Domestic	A	Ph 8-11	1/1/2019
	B	Ph 12-14	3/20/2023
	C	Meters	various in-service dates
	D	Water System Plan	8/17/2023
	E	Kamstrup Meters	8/1/2024
Irrigation	F	Ph 8-11	1/1/2019
	G	Ph 12-14	3/20/2023
	H	Pond Rehab	1/18/2021
	I	Layne Pump Irrig	6/7/2021
Common	J	#2 Reservoir – dev costs	8/24/2019
	K	#2 Reservoir	3/20/2023
	L	Layne Pump S02	3/7/2019
	M	Ditch Witch	10/1/2020
	N	Hydrant Wrench	1/26/2023
	O	Fire Hydrant Meter	6/11/2021
	P	Detector	3/4/2020
	Q	Starlink Security System	3/16/2023
	R	Computers	3/28/2023
	S	2019 Chevy Silverado	12/31/2019
T	2019 Dodge Ram 5500	6/6/2020	

Follow up Response to IDR #1-7

Support for the remaining assets from staff's IDR #1-7 for SVWW, were apparently provided during its previous rate case, under docket UW-180801, on 2/13/2019. **With this, we have provided more than 95% of staff's requested invoices for six years which we trust you believe sufficiently closes the loop on your initial informal data requests.** The company has not yet been unable to locate the invoice for the asset, #2 Reservoir – development costs for \$9,903. And other than this isolated invoice, which is one of 24 requested, this therefore completes the company's responses for staff's first set of informal data requests (Ref # 4-1242) under docket UW-240589.

Staff Informal Data Request #1-9

In testimony, the company states that all water meters in service were replaced with new meters capable of remote reading. Were the old meters removed from the company asset list and depreciation expense as stranded assets that are no longer used?

Response for IDR #1-9

To clarify, only a small group of meters have been placed into service so far in 2024. As generally discussed in Exh AML-01T and Exh KR-01T, as part of a forward-looking, incremental meter replacement plan, the company purchased 32 new meters after exhaustive research by the company, which began in 2023 when it was notified that the current meters were no longer available nor was the vendor providing local support for these legacy meters.

In accordance with the company's FIFO inventory method, the newly purchased Kamstrup meters replaced the oldest meters in the system. These legacy meters were in place when the company purchased SVWW in 2004 and were not included in its tax or regulatory depreciation schedules. Therefore, no adjustment should be necessary.

Staff Informal Data Request #2-4

Please [provide] copies of the bills issued to each affiliated interest company using domestic or irrigation water from Summit View Water Works systems. If no bills were issued, please provide usage data for the water used.

Response for IDR #2-4

As explained in the company's responses to staff's first set of IDRs, Eagle Butte Vineyards is the only affiliate that uses water from SVWW and is billed for shared utility expenses based on its percentage of use (POU). The invoices to EBV are related to irrigation provided during the irrigation season. EBV is responsible for 5-6 percent of the expense based on the percentage of acres served.

All invoices for EBV for 2023 are attached and labeled 240589 – IDR #2-4 response - Invoices.

- Invoices for BMID (Badger Mountain Irrigation District) are for the seasonal water sourced from BMID through Booster A. The company sources additional irrigation water from BMID during peak hours to meet demand during the irrigation season. This occurs for approximately a month or two in mid-summer, depending on the year.
- Invoices for Benton PUD are for the seasonal power related to sourcing water from Well #1 and Well #2, both of which are irrigation only.
- Invoices for BMID Michael Pump are for the seasonal water sourced from BMID through the Michael outlet. This also serves as a back up for meeting peak demand but is used minimally.
- Invoices for BMID Pump are for the seasonal power expense related to the BMID Pump Station located at Sagebrush and Reata.

Staff Informal Data Request #3-3

In Exh. AML-03, one employee is marked as "Temp" in hours/week. Is this position still in use?

Response for IDR #3-3

Yes. The one employee identified as "Temp," is a relief field crew operator, as indicated in Ms. LaRue's testimony (Pg 4, Line 5), and is still available if the company needs coverage for employee vacations or other leave.

Staff Informal Data Request #3-6

Please explain the reduction of other revenue for R-01 Reclassify Ins Refund.

Response for IDR #3-6

Adjustment R-01, Reclassify Ins Refund, was explained in Mr. Kermode's testimony, on page 7, lines 1-10. There he stated: "I reduced test year revenues by an amount equal to an insurance policy refund received by the company which, for income tax purposes, was included in revenue. However, for regulatory purposes, it should be used to reduce maintenance expense, the area where the original loss was incurred. But since the amount relates to a prior period and is non-recurring, I removed the amount entirely to avoid distorting the company's maintenance expense on a forward-looking basis."

Staff Informal Data Request #4-1

Please provide the business purposes for each instance of where milage was reimburse and the milage. Why did employees use personal vehicles for this travel?

- a) Please confirm how the milage reimbursement was calculated (e.g., using receipts, mileage rate, or other).

Response for IDR #4-1

SVWW has determined that it is more cost effective to reimburse employees for mileage than to provide a company vehicle. Therefore, SVWW office staff use personal vehicles for any required business related travel, which may include picking up mail from the post office, purchasing supplies, or delivering banking transactions or payments. Mileage reimbursements are made monthly to qualifying office staff and are based on the federal IRS mileage rate for the applicable time period.

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 #5-6

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 #5-9

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 #5-11

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 #5-15

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 #5-17

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.

PC Informal Data Request #1-4

Please provide a list of all professional activities for which Mr. Kirk Rathbun receives compensation. Please also provide a list of all professional activities for which Mr. Geoff Clark receives compensation.

Response for PC IDR #1-4

Other professional activities and compensation for Mr. Rathbun and Mr. Clark unrelated to SVWW and its affiliates represent personal information outside their employment with SVWW and are confidential and irrelevant for the purposes of this case.

PC Informal Data Request #1-5

Please provide the years in which Mr. Kirk Rathbun has been employed by or served on the board of the Kennewick Irrigation District and the titles he has held there. Please also provide the years in which Mr. Geoff Clark has been employed by or served on the board of the Badger Mountain Irrigation District and the titles he has held there.

Response for PC IDR #1-5

Mr. Rathbun was elected to the KID board in 2010 and has been serving on the board since then. Mr. Clark served on the BMID board from 1985 to 1990 and has resumed service on that board.

PC Informal Data Request #1-10

Does Summit View track water usage of its irrigation customers? If so, does Eagle Butte Vineyards (EBV) use irrigation water at the same rate as Summit View's irrigation customers? Please explain why EBV's percentage of use for shared utility expenses is calculated based on acreage, rather than water usage.

Response for PC IDR #1-10

As explained in SVWW's responses to staff's first set of IDRs and further expounded on in SVWW's response to staff's IDR #2-4, irrigation water use is based on acreage, which also applies to EBV.

Irrigation rates are typically based on acreage because it provides a straightforward and practical way to estimate the amount of water needed for agricultural purposes. Given that the amount of water required for irrigation is closely related to the size of the land being irrigated, basing its allocation of shared expenses on acreage provides an acceptable allocator for estimating shared costs.

Notwithstanding the above, and assuming the practicalities of metering SVWW's irrigation customers could even be accomplished, the cost associated with obtaining, installing, and maintaining the commercial sized meters that would be required would be substantial and inconsistent with the goal of establishing the lowest reasonable costs for all customers.