

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**CASCADIA WATER, LLC,**

**Respondent.**

**DOCKET UW-240151**

**WATER CONSUMER ADVOCATES OF WASHINGTON, INTERVENOR**

February 6, 2025

**Cross-Examination Exhibit of Culley Lehman**

**CJL-\_\_X**

**Cascadia Responses to WCAW DRs 97-112**



**Rates & Regulatory Affairs**

UW-240151

Cascadia Water LLC Proposed General Rate Case

**Data Request Response**

Date of Response: October 22, 2024

Responder/Witness: Culley Lehman

Telephone: 360.661.7781

Email: [culley@cascadiawater.com](mailto:culley@cascadiawater.com)

**Request No.:** UW-240151 WCAW DR 97

Please produce all Water Use Efficiency Annual Performance Reports for Del Bay (Water System ID#18575) in your possession, custody or control.

**Response:**

We are providing the fourteen Water Use Efficiency Annual Performance Reports for 2010-2023, as listed on the DOH Sentry database. See UW-240151 WCAW DR 97 Attachment 1. Cascadia Water does not have any reports prior to this, as it was much prior to our acquisition of the Del Bay system in 2020.

The reports for 2021, 2022 and 2023 were prepared by Cascadia Water. All reports prior to that were prepared by the contracted management agency that previously managed the system.



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Responder/Witness: Culley Lehman

Telephone: 360.661.7781

Email: culley@cascadiawater.com

**Request No.:** UW-240151 WCAW DR 98

Please produce the "water loss control action plan" submitted per WAC 246-290-820(4) for Del Bay.

**Response:**

Cascadia Water LLC objects to this request as overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Cascadia Water further objects to this request to the extent it calls for a legal conclusion. Without waiving the foregoing objections, Cascadia Water LLC responds as follows:

This question is the same request as UW-240151 WCAW DR 76.

As already stated in that answer, Cascadia Water's action plan was the replacement of existing distribution piping. This decision was based on several factors including:

- Lack of established easements to be able to legally access portions of the existing distribution piping for servicing and repairs.
- History of frequent leak repairs to the distribution piping by the previous system owners, indicating that the pipe has reached the end of its serviceable life.
- Existing distribution piping not being in compliance with the requirements of Island County Code 13.03A.

No formal water loss control action plan was filed. As stated in Cascadia Water's response to UW-240151 WCAW DR 77, this project was completed as a submittal exemption for distribution main extensions consistent with WAC 246-290-125 (2).

In discussions with the DOH's Office of Drinking Water, the DOH indicated a preference to have Cascadia Water run the project as a submittal exemption as part of the W&B Consolidation.



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Telephone: 360.661.7781  
Email: [culley@cascadiawater.com](mailto:culley@cascadiawater.com)

**Request No.:** UW-240151 WCAW DR 99

Please produce all documents memorializing complaints of low water pressure, leakage and repairs at Del Bay.

**Response:**

Please see the Company's responses to UW-240151 WCAW DRs 75, 80, 95 and 100.



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Telephone: 360.661.7781  
Email: [culley@cascadiawater.com](mailto:culley@cascadiawater.com)

**Request No.:** UW-240151 WCAW DR 100

Please identify those members of the "executive board" of the HOA to which you refer in your response to WCAW 75.

**Response:**

Cascadia Water LLC objects to this request as overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Cascadia Water LLC further objects to this request to the extent it seeks information not relevant to the litigated proceeding and the testimony in this case, and to the extent it seeks documents or information beyond the scope of Cascadia's possession, custody or control as it seeks documents regarding third-party entities that are not participants in this proceeding. Without waiving the foregoing objections, Cascadia Water LLC responds as follows:

The HOA president at the time who has given us permission to provide his information.

Del Bay HOA President 2020: David Armstrong

Email: [davearm@uw.edu](mailto:davearm@uw.edu).



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Email: [culley@cascadiawater.com](mailto:culley@cascadiawater.com)

**Request No.:** UW-240151 WCAW DR 101

Please produce all documents regarding the nature, extent and cause of the leakage and other problems experienced with the distribution system.

**Response:**

Cascadia Water LLC objects to this request as overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Cascadia Water LLC further objects to this request to the extent it seeks information not relevant to the litigated proceeding and the testimony in this case, and to the extent it seeks documents or information beyond the scope of Cascadia's possession, custody or control.



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Email: [culley@cascadiawater.com](mailto:culley@cascadiawater.com)

**Request No.:** UW-240151 WCAW DR 102

Please produce all documents regarding your analysis of the distribution system, the alternatives to address leakage that you considered, and the costs and benefits of each alternative.

**Response:**

A cost-benefit analysis is not prepared for each leak that needs to be addressed. A leak can be addressed either by patching the leak or by replacing a section of pipe. Due to the location, accessibility and age of the existing pipe at Del Bay, replacement was deemed necessary.





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Email: [culley@cascadiawater.com](mailto:culley@cascadiawater.com)

**Request No.:** UW-240151 WCAW DR 103

Introduction to WCAC DR 103: Culley Lehman testified that "The Company installed standby generators at each water system source that relies on electrical power. This project was included in our Island County Unified Master Plan (see Exhibit CJL-8)."

WCAC DR 103: For each system where Cascadia has installed a standby generator please state:

1. The name of the system
2. Whether Cascadia replaced an existing standby generator
3. If so, the capacity of the existing standby generator
4. When the existing standby generator was originally installed
5. How many times the existing standby generator operated because of a power outage
6. What was done with the existing standby generator
7. When the generator installed by Cascadia was installed
8. The capacity of the standby generator installed by Cascadia
9. If applicable, why the capacity of the new generator exceeded the capacity of the existing generator
10. The cost of the standby generator installed by Cascadia
11. Why a new generator was needed
12. Benefits to Cascadia of replacing the standby generator
13. Benefits to customer of replacing the standby generator
14. How many times the replacement generator has operated because of a power outage
15. Produce all documents regarding the condition of and any problems experienced with each generator that was replaced.
16. Produce all documents regarding your analysis of each generator before it was replaced, the alternatives to replacement you considered, the costs and benefits of each alternative, and the costs and benefits of each generator which did not replace an existing generator.

**Response:**

Cascadia Water LLC objects to this request as overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Cascadia Water LLC further objects to this request to the extent it seeks information not relevant to the litigated proceeding and the testimony in this case, and to the extent it seeks documents or information beyond the scope of Cascadia's possession, custody or control.

Cascadia further objects to this request as overbroad to the extent it has no temporal limitations. Without waiving the foregoing objections, Cascadia Water LLC responds as follows:

Cascadia Water is providing responses for the generators that were installed since Cascadia's last rate case.

For generators that were installed (and costs recovery authorized by the Commission) in the prior rate case, all were new installs. None replaced existing standby generators. These were for the following systems, all on the island: TEL 1, TEL 3, TEL 4, TEL 10, Sea View, Beachcombers, & WB Waterworks.

Cascadia Water also notes that Agate West and Island Lake (both on the Peninsula), Blanchard Knob (on the mainland), and Pelican Point all had standby generators prior to our acquisition. Cascadia Water did not replace those standby generators, as they are adequate and sufficient for system operation.

No other system that Cascadia Water has acquired has had a standby generator, with the exception of Estates. That generator was not large enough to power the booster pumps and the well pump to refill the reservoir or large enough to maintain fire flow, so Cascadia Water replaced it.

Therefore all standby generators installed in both the current and previous rate cases, with the exception of the Estates system, have been first time installations. We are noting this because this DR seems to be based on the misunderstanding that standby generators were *replaced*, which is not the case, except for Estates. As Cascadia Water has stated, standby generators generally were installed to improve system reliability during a power outage, not to replace existing generators.

Please see the excel file UW-240151 WCAW DR 103 Attachment 1 for detailed responses for each generator installed since the last rate case.



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Responder/Witness: Culley Lehman  
Telephone: 360.661.7781  
Email: culley@cascadiawater.com

**Request No.:** UW-240151 WCAW DR 104

Introduction to WCAC DR 104: Culley Lehman testified that "The Company installed SCADA (Supervisory Control and Data Acquisition) at each water system source to monitor real-time tank levels, pressure settings, pump controls (events, hours, etc.). This project was included in our Island County Unified Master Plan - see Exhibit CJL-8)." ."

WCAC DR 104: For each system where Cascadia has installed a SCADA system please state

1. The name of the water system
2. The cost of purchase and installation of the SCADA system
3. Whether and how a SCADA system benefits customers?
4. Whether and how a SCADA system benefits Cascadia?
5. Whether you contend that a SCADA system is required by DOH or any other entity
6. If so, please produce the regulation or other industry standard upon which you rely
7. All maintenance or other costs, such as security, hardware or software updates, do the Cascadia SCADA systems entail?
8. If you retain a security company to monitor the SCADA system, please state the name of the company and the annual cost of their services
9. Produce all documents regarding your analysis, including the costs and benefits, of each SCADA system that you considered.
10. Produce all documents regarding your analysis, including the costs and benefits, of each alternative to deploying any SCADA system.

**Response:**

Cascadia Water is providing responses for SCADA that were installed since the last rate case in the attached excel file UW-240151 WCAW DR 104 Attachment 1.

SCADA was installed (and cost recovery was authorized by the Commission) in the prior rate case for the following systems, both on the Island and the Peninsula: Beachcombers, Estates, Monterra, Sea View, TEL 1, TEL 3, TEL 4, TEL 5, TEL 10, TEL 11, & WB Waterworks.



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Date of Response:  
Responder/Witness: Culley Lehman  
Telephone: 360.661.7781  
Email: [culley@cascadiawater.com](mailto:culley@cascadiawater.com)

**Request No.:** UW-240151 WCAW DR 105

Introduction to WCAC DR 105: Mr. Lehman testified that: "The system actively pre-warns (with alarms to operators) events such as low pressure and/or low storage level, so the operator can act before customers notice any effect."

WCAC DR 105: Identify all documented actions taken by Cascadia based upon "pre-warnings" by the SCADA system

**Response:**

Cascadia Water LLC objects to this request as overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving the foregoing objections, Cascadia Water LLC responds as follows:

We do not document actions taken by Cascadia Water based upon "pre-warnings" by the SCADA system. An operator receives an alert and responds accordingly.

The attached excel file, UW-240151 WCAW DR 105 Attachment 1 is a list of the alerts that were received in the test year.

For example, if an operator receives an alert that a system has low water, that operator may go to the reservoir to investigate.

Another example is if an operator receives an alert that there is low pressure, that operator may go to the pumphouse to investigate.

These investigations are real-time checks of the system components that are not documented.



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Responder/Witness: Culley Lehman

Telephone: 360.661.7781

Email: [culley@cascadiawater.com](mailto:culley@cascadiawater.com)

**Request No.:** UW-240151 WCAW DR 106

Please produce all records documenting actions taken by Cascadia based upon "pre-warnings" by the SCADA system.

**Response:**

Cascadia Water LLC objects to this request as overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving the foregoing objections, Cascadia Water LLC responds as follows:

As stated in Cascadia Water's response to UW-240151 WCAW DR 105, we do not document actions taken based upon "pre-warnings" by the SCADA system. As such, we have no records to produce other than the list of alerts that were received in the test year for Cascadia's rate case UW-240151 that was provided as an attachment to Cascadia Water's response to UW-240151 WCAW DR 105.



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Date of Response:  
Responder/Witness: Culley Lehman  
Telephone: 360.661.7781  
Email: culley@cascadiawater.com

**Request No.:** UW-240151 WCAW DR 107

With respect to metering, please identify by each water system

1. Whether existing meters have been replaced
2. If so, please identify how many meters were replaced and how many were not replaced
3. the cost of purchasing and installing the replacement meters
4. the time frame when meters were replaced
5. why the meters were replaced
6. whether you contend replacement of meters was required, and if so, how and by whom
7. who replaced the meters
8. the differences in functions, if any, between the existing and replacement meters
9. the benefit to Cascadia of the replacement meters
10. the benefit to consumers of the replacement meters

**Response:**

Cascadia Water LLC objects to this request as overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving the foregoing objections, Cascadia Water LLC responds as follows:

Cascadia Water is providing responses for meters installed since the last rate case in UW-240151 WCAW DR 107 Attachment 1. Cascadia Water is continuing to review Attachment 1 and will supplement this response as necessary.



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Date of Response: October 22, 2024

Responder/Witness: Culley Lehman

Telephone: 360.661.7781

Email: [culley@cascadiawater.com](mailto:culley@cascadiawater.com)

**Request No.:** UW-240151 WCAW DR 108

Introduction to WCAC DR 108: Mr. Lehman testified "DOH has required the completion of the reservoir and treatment project to provide W&B Waterworks #1 with the capacity to serve an adequate number of equivalent residential units ("ERUs") to comply with the current and committed number of connections."

WCAC DR 108: With respect to the W&B Waterworks reservoir project please identify

1. the current number of Equivalent Residential Units.
2. The "committed" number of Equivalent Residential Units.
3. The number of "committed" ERUs that are currently "ready to serve" customers.
4. Explain how you calculated "committed" ERUs.

**Response:**

Please see our response to UW-240151 WCAW DR 57 for responses to 1, 2, and 4.

For 3, the utility is ready to serve all committed ERUs.



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Date of Response: October 22, 2024

Responder/Witness: Culley Lehman

Telephone: 360.661.7781

Email: culley@cascadiawater.com

**Request No.:** UW-240151 WCAW DR 109

Identify whether you have replaced booster pumps at each Cascadia water system and for each system:

1. Identify all reasons to replace the booster pumps in each system
2. Identify the type, manufacturer, energy requirement and model of each existing booster pump(s) in each system
3. Identify the type, manufacturer, energy requirement, model, additional features and cost of each replacement booster pump(s), including installation cost
4. Identify what electrical components of the system the existing generator served in the event of a power outage
5. What amount of electricity was required for the components of the system the existing generator served to operate in the event of a power outage
6. Reason for replacement

Was one reason increased power needs for new electrical components installed or planned to be installed, such as booster pumps?

Identify all such new components

Identify the amount of energy required for all such new components

Identify the total amount of energy required of the new generator to

insure system operation in the event of a power outage

Benefits to Cascadia of replacement

Benefits to customer of replacement

**Response:**

Cascadia Water is providing responses for booster pumps that were installed since the last rate case in UW-240151 WCAW DR 109 Attachment 1.





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Date of Response: October 22, 2024

Responder/Witness: Culley Lehman

Telephone: 360.661.7781

Email: [culley@cascadiawater.com](mailto:culley@cascadiawater.com)

**Request No.:** UW-240151 WCAW DR 110

Please provide a summary of Mr. Lehman's educational history.

**Response:**

Cascadia Water LLC objects to this request as overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Cascadia Water LLC further objects to this request to the extent it seeks information not relevant to the litigated proceeding and the testimony in this case. Without waiving the foregoing objections, Cascadia Water LLC responds as follows:

Please see Cascadia Water's response to UW-240151 WCAW DR 111.



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Date of Response: October 22, 2024  
Responder/Witness: Culley Lehman  
Telephone: 360.661.7781  
Email: [culley@cascadiawater.com](mailto:culley@cascadiawater.com)

**Request No.:** UW-240151 WCAW DR 111

With respect to Mr. Lehman's qualifications as Water Distribution Manager level 2, Water Treatment Plant Operator level 2, and Cross Connection Control Specialist, please identify for each:

1. Who provides such certification
2. A summary of what such certification means
3. What course of training, if any, is required to receive such certification

**Response:**

**Water Distribution Manager 2**

- 1) Washington State Department of Health, through certified examination and education centers.
- 2) "An individual meeting the requirements of this chapter and certified under chapter 70A.120 RCW to perform or manage routine on-site duties in the distribution system of a public water system that serves more than 250 people. WDM duties affect the public water system performance, water quality, water quantity, or public health protection."<sup>1</sup> Per WAC 246-292-050, "A purveyor of a public water system shall designate at least one certified operator in responsible charge of a distribution system".
- 3) "To become certified, applicants must meet minimum education and experience requirements (see WAC 246-292-060), obtain department approval, and pass an exam."<sup>2</sup> See UW-240151 WCAW DR 111 Attachment 1 for the requirements of WAC-246-292-060.

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<sup>1</sup> <https://app.leg.wa.gov/WAC/default.aspx?cite=246-292-010>

<sup>2</sup> <https://doh.wa.gov/sites/default/files/legacy/Documents/Pubs/331-466.pdf>

## **Water Treatment Plant Operator level 2**

- 1) Washington State Department of Health, through certified examination and education centers.
- 2) “An individual meeting the requirements of this chapter and certified under chapter 70A.120 RCW to perform or manage on-site duties in a water treatment plant. WTPO duties affect plant performance, public water system performance, water quality, water quantity, or public health protection.”<sup>3</sup>
- 3) “To become certified, applicants must meet minimum education and experience requirements (see WAC 246-292-060), obtain department approval, and pass an exam.”<sup>4</sup> See UW-240151 WCAW DR 111 Attachment 1 for the requirements of WAC-246-292-060.

## **Cross-Connection Control Specialist**

- 1) Washington State Department of Health, through certified examination and education centers.
- 2) A Cross-Connection Control Specialist is an individual certified in Washington State to develop, implement, and maintain a cross-connection control program. (WAC 246-292-033).<sup>5</sup>
- 3) “To become certified, applicants must meet minimum education and experience requirements (see WAC 246- 292-060), obtain department approval, and pass an exam.”<sup>6</sup> See UW-240151 WCAW DR 111 Attachment 1 for the requirements of WAC-246-292-060.

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<sup>3</sup> <https://app.leg.wa.gov/WAC/default.aspx?cite=246-292-010>

<sup>4</sup> <https://doh.wa.gov/sites/default/files/legacy/Documents/Pubs/331-466.pdf>

<sup>5</sup> <https://doh.wa.gov/community-and-environment/drinking-water/regulation-and-compliance/waterworks-operator-certification>

<sup>6</sup> <https://doh.wa.gov/sites/default/files/legacy/Documents/Pubs/331-466.pdf>



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Cascadia Water LLC Proposed General Rate Case

**Data Request Response**

Date of Response: October 22, 2024  
Responder/Witness: Matt Rowell  
Email: matt.rowell@nwnatural.com

**Request No.:** UW-240151 WCAW DR 112

Produce all documents regarding your analysis of the consolidated rate structure that you propose, including the costs and benefits of that rate structure for customers utilizing each water system, the extent to which the consolidated rates charged to customers utilizing each water system will differ from rates calculated for each water system separately, and the date by which total cumulative rates paid by all Cascadia customers will reach parity.

**Response:**

The Company produced a comparison of the systems' proposed revenue increases that would be applicable to customers within each of the six existing tariffs (excluding Pelican Point). That information is provided in the attached excel file, UW-240151 WCAW DR 112 Attachment 1.

While no formal cost analysis was produced to evaluate the benefits of consolidating the six systems into two, there are considerable efficiencies in doing so. The administration of six tariffs as opposed to two is material, as is the regulatory processing and evaluation by the UTC over time. The use of consolidation also ensures that customers in geographical areas that are receiving like service are billed similarly for that service. Additionally, as many of the systems are in need of substantial capital improvements, the ability to spread the incremental cost of service from capital projects to a larger customer base provides a mitigating rate effect on any one system. This last effect is apparent in the attached spreadsheet which shows the existing Island and Peninsula customers will experience a lower rate increase with the inclusion of the new systems\* in the Island and Peninsula tariffs than they would if those new systems were not consolidated into the Island and Peninsula tariffs.

The Company has not produced an analysis that would indicate the date by which total customer rates paid by all Cascadia customers will reach parity.

\*Pedersen, Northwest Water Services, Aquarius, and Discovery Bay.