

**BEFORE THE WASHINGTON
UTILITIES & TRANSPORTATION COMMISSION**

Washington Utilities and Transportation Commission,
Complainant,

v.

WASHINGTON WATER SUPPLY, INC.
Respondent.

DOCKET UW-230997

SETTLEMENT TESTIMONY OF JOHN POPPE
ON BEHALF OF
WASHINGTON WATER SUPPLY, INC.

May 24, 2024

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I. INTRODUCTION / SUMMARY

Q: Please state your name and business address.

A: My name is John Poppe, and my business address is 9278 Morning Side Drive NW, Silverdale, Washington 98383.

Q: What is your occupation?

A: I am the President of Washington Water Supply, Inc. (“WWS”).

Q: What is the purpose of your testimony?

A: I am testifying on behalf of WWS in this proceeding. I offer testimony in support of the Settlement Stipulation and Agreement (“Settlement”).

Q: Please describe your professional qualifications.

A: I have been in the utility industry for over 50 years, with more than 40 years in Kitsap County. My college degree is in Wastewater Management and Technology. I held a Washington State Water Distribution Manager License Level 4, and currently hold a Washington State Wastewater Management License Level 4. These licenses are the highest available in this industry. During my career, I have owned and managed several water systems, been a guest lecturer at conventions, and served as a board member for several organizations including, as pertinent here, the Silverdale Water District, Water Environment Federation, Pacific Northwest Clean Water Association, and the Department of Health Rule Making Committee.

Q: Please explain why Washington Water Supply Inc. is a party to the Settlement.

A: The Parties met on April 15, 2024 for settlement negotiations. The only issue in this case was the amount of the monthly surcharge. The Parties reached an agreement, the terms of which are detailed in the Settlement. WWS supports the Settlement terms because they are in the public interest.

II. TERMS OF SETTLEMENT

Q: Please detail the terms of the Settlement.

A: The Settlement addresses the amount of the monthly surcharge. The Parties agreed that WWS is entitled to recover \$13,709.90 for the cost of trucking water into the

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2 Echo Glen water system between June and September 2023. WWS will collect this
3 amount through a new surcharge that will be implemented over six months at \$60
4 per month for the first five months and at \$26.43 for the sixth month. Customers
5 will also have the option of a one-time payment of \$326.43. WWS has also agreed
6 to file a revised cost recovery surcharge reflecting the Settlement terms.

7 **III. THE SETTLEMENT IS IN THE PUBLIC INTEREST**

8 **Q: Has Washington Water Supply, Inc. provided any testimony on the issues
9 included in the Settlement?**

10 A: No. The Settlement was reached in principle before the direct testimony deadline.

11 **Q: Does the Settlement satisfy the proper standard?**

12 A: Yes, the Settlement is lawful, supported by the record, and is in the public interest.

13 **Q: Explain how the Settlement is in the public interest.**

14 A: WWS incurred a special operating expense when trucking in water to the Echo Glen
15 water system. WAC 480-110-455 allows WWS to recoup those expenses. WWS's
16 books and records, as well as this testimony, support reimbursement of those
17 expenses. The Settlement the most efficient and cost-effective resolution of the
18 Parties dispute regarding the monthly surcharge. The Settlement prevents the Parties
19 from spending additional time and money litigating this issue. The Settlement also
20 provides clarity to WWS customers regarding the monthly rate.

21 **Q: Are there components of the Settlement not discussed in this testimony?**

22 A: No.

23 **Q: What action do you recommend the Commission take on the Settlement?**

24 A: The Commission should approve the Settlement without condition.

25 **Q: Does this conclude your testimony?**

26 A: Yes.
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