BEFORE THE WASHINGTON UTILITIES & TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

CASCADIA WATER, LLC

Respondent.

DOCKET UW-240151

CROSS-EXAMINATION EXHIBIT OF MATTHEW J. ROWELL AND CULLEY J. LEHMAN ON BEHALF OF THE WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL PUBLIC COUNSEL UNIT

EXHIBIT MJR-CJL-_X

Cascadia Supplemental Discovery Response to WCAW DR No. 69

February 6, 2025



Rates & Regulatory Affairs UW-240151

Cascadia Water LLC Proposed General Rate Case Data Request Response

Date of Response: 9/24/2024

Responder/Witness: Perkins Coie LLP (Pamela Anderson and Byron Starkey)

Date of Supplemental Response: 01/16/2025

Responder/Witness: Culley Lehman

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Email: culley@cascadiawater.com

Request No.: UW-240151 WCAW DR 69

Public Counsel's prior PC IR 6 requests:

"For each of the Company's major water systems (Seaview/Lehman, Estates/Monterra, Pedersen, NWWS, Aquarius, Discovery Bay, Pelican Point), please provide an estimate of the dollar value of the outstanding investment required to bring the system into compliance and full working order. For example, during its 2021 GRC, the Company estimated approximately \$5 million would be necessary to bring its Estates system into full working order".

Cascadia's Response states:

"We are unable to provide a system-by-system estimation in the format being requested. Instead, we have projected spending \$3-\$4 million each year for the next five years to focus solely on bringing source/storage components into compliance across all of the existing systems. This does not account for water main line replacement (to combat water loss and conservation), nor does this include any projections for potential PFAS filtration or future changes to DOH/EPA maximum contaminate levels related to water quality".

For each of the aforementioned systems "please provide an estimate of the dollar value of the outstanding investment required to bring each system into compliance and full working order" in whatever "format" you can.

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 that is beyond the

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scope of this proceeding to the extent it requests projections that are not at issue in this case.

Supplemental Response:

Cascadia Water LLC (the "Company") provides this supplemental response in accordance with Order 04 issued in this docket by Administrative Law Judge Fukano on January 6, 2025. As noted in Order 04 (p. 5), "all parties will have an opportunity to object to the introduction of evidence both before and during the evidentiary hearing."

The Company is responding in the format that it can do so, as sought in the request. The Company reiterates, as mentioned in the initial response to UW-240151 PC IR 6, it does not have a system-by-system estimation as requested in UW-240151 PC IR 6. Further, the Company follows standard industry practice and creates an annual budget on an annual basis for its system as a whole; it does not create a budget covering the next five years. The Company does higher level planning for the next five years, and that planning has identified types of projects that in total could be \$3-\$4 million on an annual basis during that period of time. The specific timing of projects during that five-year period will depend, in part, for example, on weather, the need to address emergencies and other issues not known at this time, requests for service and capacity requirements, and the need to comply with new regulations from the Department of Health and the Department of Ecology.

At this point in time, the Company expects the following types of projects over the next five years that, in total, average \$3-\$4 million on an annual basis during that timeframe: installing and replacing pumps, booster stations, reservoirs, wells, meters, fire hydrants, valves and other system equipment; purchase of vehicles and related equipment; installing and replacing chlorination and filtration equipment; installing supervisory control and data acquisition (SCADA) equipment; installing information technology; installing security measures; the intertie of systems; conducting master plans; and miscellaneous activities.

As noted in the Company's response to UW-240151 PC IR 6, this "does not account for water main line replacement (to combat water loss and conservation), nor does this include any projections for potential PFAS filtration or future changes to DOH/EPA maximum contaminate levels related to water quality."