

December 29, 2014

VIA EMAIL and U.S. MAIL



Steven King
Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive SW
Olympia, WA 98504-7250

RE: Docket No. UW-141363 – Rainier View Water Company, Inc.
Bethel School District #403's Comments on Revised Rates

Dear Director King:

This firm represents the Bethel School District ("Bethel") with respect to the above proposal. Bethel appreciates Commission Staff and Rainier View Water Company, Inc.'s ("Company") participation in discussions concerning an alternative rate design and, in compromise of this matter, confirms that Bethel does not object to imposition of the revised rate design as detailed in Staff's open meeting memorandum, and as reflected in the revised tariff sheets filed by the Company on December 23, 2014.

Bethel's non-objection is made reserving its rights without waiver as to its position in future rate filings regarding the two critical matters raised by Bethel. Specifically, the Purchase and Sale Agreement and Water Use and Delivery Supply Agreement (collectively, the "Agreements") between Bethel and the Company is relevant to water delivery charges to Bethel,¹ and Bethel reserves the right to rely on the Agreements in future rate filings or hearings before the Commission. Bethel reserves all its rights under the Agreements as between Bethel and the Company. Second, Bethel reserves its rights with respect to its position that, if presented in future rate filings, the conservation rates can be further revised to provide a more equitable distribution of any new revenue requirements and encourage conservation amongst a broader range of customers.

We appreciate Commission Staff's and Company representatives' time and efforts in reaching an agreement on the current proposed revised rate design.

¹ For purposes of clarification, in this rate filing, Bethel asserted the contract should be considered to the extent the rate design or increase was based on the Company's purported need to purchase water from the City of Tacoma.

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If you or Commission Staff have any questions regarding the above, please contact me. Thank you.

Sincerely,



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cc: Jim Ward, Regulatory Analyst
John Cupp, Consumer Protection Staff
Richard Finnigan, Counsel for Rainier Water View Company