

February 4, 2002

**NOTICE OF ISSUANCE OF BENCH REQUESTS
(February 8, 2002)**

RE: WUTC v. Rainier View Water Company, Inc.
Docket No. UW-010877

TO PARTIES OF RECORD:

Evaluation of the questions framed in this proceeding may be enhanced if the Rainier View Water Company, Inc. ("RVW") provides certain information. Therefore, RVW is asked to provide the following information no later than Friday, February 8, 2002.

In the following bench requests, refer to a Company sponsored adjustment as C-RA-# or C-PA-# and refer to the WUTC Staff's sponsored adjustments as S-RA-# or S-PA-#, as the case may be.

The following bench requests are for RVW witness Mr. Douglas Fisher related to his prefiled testimonies and pro forma statement, Exhibit No. ____ (DFT-T-1), Exhibit No. ____ (DFT-T-12) and Exhibit Nos. ____ (DF-13 through DF-22).

1. Mr. Fisher's Exhibit No. ____ (DF-22), page 1, line 36, column "Before Proposed Rates," reflects pro forma net operating income of \$213,620. However, Mr. Fisher's Exhibit No. ____ (DF-21) reflects a Pro Forma NOI of \$215,633. Please clarify and/or reconcile the difference between the two amounts.
2. An extrapolation of the loans listed on Mr. Fisher's Exhibit No. ____ (DF-21), totaling \$3,747,443, appears to yield a composite debt rate of 6.93122% rather than the 6.90725%, which was apparently used by Mr. Fisher to calculate the overall proposed return of 9.45%. Please clarify and/or reconcile the difference between the two percentages.
3. Mr. Fisher's Exhibit No. ____ (DF-21) reflects a proposed overall return on rate base of 9.45%. Mr. Fisher's Exhibit No. ____ (DF-22), page 1, line 50, column "After Proposed Rates" reflects a return of 9.42%. Please clarify and/or reconcile the difference between the two percentages.

4. Mr. Fisher's Exhibit No. _____ (DF-22), page 3, reflects a Rate Case Expense Adjustment, adjustment C-PA-4 of \$19,517. However, page 5 of the same exhibit reflects an amount of \$22,567, which appears to have been used on page 1 of the exhibit. Please clarify and/or reconcile the difference between the two amounts.
5. It is Mr. Fisher's position that the Commission treat RVW, for income tax purposes, as a C Corporation for rate making purposes. However, in imputing taxes in his Exhibit No. _____ (DF-22), he does not include a deferred tax component his proposed rate base to account for the tax timing differences between book depreciation and tax depreciation. Why has the Company not made such and adjustment or maintained a side-record or off-book record, for the WUTC Staff's examination?
6. Provide a detailed balance sheet as of December 31, 1999, 2000 and 2001.

The following bench request is for RVW witness Mr. Frank Ault, CPA related to his prefiled testimony and exhibits, Exhibit No. _____ (FA-T-1) and Exhibit Nos. _____ (FA-2 through FA-4).

7. In Mr. Ault's Exhibit No. _____ (FA-3), he makes a comparison of S Corporation and C Corporation, Federal Income Taxes. For the S Corporation he uses a tax rate of 39.6%. What is the source of this percentage?

Please respond no later than 4:00 p.m., Friday, February 8, 2002 with an original and the appropriate number of copies.

Sincerely,

MARJORIE R. SCHAER
Administrative Law Judge