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7 **BEFORE THE WASHINGTON**
8 **UTILITIES AND TRANSPORTATION COMMISSION**

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WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION, Complainant, v. WASHINGTON WATER SUPPLY, INC., Respondent.	DOCKETS UW-240079 and UW-230598 <i>(consolidated)</i> WASHINGTON WATER SUPPLY, INC.'S ANSWER TO THE COMPLAINT
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1. Respondent Washington Water Supply, Inc. (the “Company”), through its undersigned counsel, answers the Washington Utilities and Transportation Commission’s (“UTC”) Complaint as follows:

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I. PARTIES

2. Admit.
3. Admit.

II. BACKGROUND

4. Deny the first and second sentences to the extent they imply any wrongdoing by the Company. Admit the remaining allegations in the first and second sentences. Deny the third sentence: The meeting occurred in September 2022, and the Company informed customers of the options to drill a new well or rehabilitate the existing well. The Company informed customers that the costs were unknown at that time. No decision was made at that

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2 meeting. Deny the fourth sentence: No agreement was made regarding rates because costs
3 were unknown, and the Company cannot file nonexistent rates.

4 5. The Company is without knowledge or information sufficient to form a belief
5 as to the truth or falsity of the allegations set forth in paragraph five, and therefore denies the
6 same.

6 6. Admit paragraph six.

7 7. Admit paragraph seven.

8 8. The Company is without knowledge or information sufficient to form a belief
9 as to the truth or falsity of the allegations set forth in paragraph eight regarding
10 communications between the DOH and UTC Staff, and therefore denies the same. Admit the
11 remaining allegations in the first sentence. Admit only that the document referenced in the
12 second sentence speaks for itself.

13 9. Deny paragraph nine to the extent the allegations imply that the DOH did not
14 receive the water quality sample results or customer notifications. The lab automatically sends
15 all test results directly to the DOH, and the Company later sent the lab results and customer
16 notices to the DOH. The Company received no notice from the DOH that it had violated any
17 regulations. Admit the remaining allegations in paragraph nine.

18 10. Deny paragraph ten to the extent the allegations imply that the Company did
19 something wrong by emailing one customer with instructions to forward to the other water
20 system users. The customers decided that it would be better for one person to receive emails
21 from the Company, and for that person to then forward the email to the rest of the customers.
22 The Company paid this person a monthly rate to forward emails from the Company. Admit
23 the remaining allegations in paragraph ten.

24 11. Deny the first sentence. The Company hired the well driller via verbal
25 agreement in February 2023, paid the deposit in March 2023, and entered into the formal
26 written agreement in May 2023. Admit the second sentence.

27 12. Admit paragraph twelve.

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2 13. Deny the date in the first sentence. The Company filed the tariff revision on
3 July 13, 2023. Admit the remaining allegations in the first sentence. Admit the second and
4 third sentences.

5 14. Admit the first sentence. The Company is without knowledge or information
6 sufficient to form a belief as to the truth or falsity of the allegations set forth in the second and
7 third sentences, and therefore denies the same. Admit the fourth sentence with the explanation
8 that the Company tried to attend the meeting but was unable to do so due to the UTC's
9 connectivity issues.

10 15. The Company is without knowledge or information sufficient to form a belief
11 as to the truth or falsity of the allegations set forth in paragraph fifteen regarding what Mr. Pell
12 said at the Open Meeting as the Company was not present, and therefore denies the same.
13 However, the Company did have an independent conversation with Mr. Pell that reflects the
14 allegations in paragraph fifteen.

15 16. The Company is without knowledge or information sufficient to form a belief
16 as to the truth or falsity of the allegations set forth in paragraph sixteen regarding what Mr.
17 Pell said at the Open Meeting as the Company was not present, and therefore denies the same.
18 However, the Company did have an independent conversation with Mr. Pell that reflects the
19 allegations in paragraph sixteen.

20 17. The Company objects to the legal conclusion set forth in the first sentence and
21 denies the same. The Company is without knowledge or information sufficient to form a belief
22 as to the truth or falsity of the allegations set forth in the second sentence regarding the
23 Commission's communications with Staff, and therefore denies the same.

24 18. Admit only to the extent that Order 01 speaks for itself.

25 19. Deny regarding the dates. The Company filed the tariff on July 13, 2023 and
26 revised the tariff on July 27, 2023. Admit the remaining allegations to the extent that Order
27 01 speaks for itself.

20. Admit paragraph twenty to the extent that Order 01 speaks for itself.

21. Deny that the Company has not filed a general rate case. The Company filed
its general rate case on June 27, 2024. Admit the remaining allegations in the first sentence.

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2 The Company is without knowledge or information sufficient to form a belief as to the truth
3 or falsity of the allegations set forth in the second sentence because the Company is still
4 reviewing its records, and therefore denies the same.

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6 **III. JURISDICTION**

7 22. Admit.

8 **IV. APPLICABLE LAW**

9 23. This paragraph contains a legal conclusion to which no answer is required.

10 24. This paragraph contains a legal conclusion to which no answer is required.

11 25. This paragraph contains a legal conclusion to which no answer is required.

12 26. This paragraph contains a legal conclusion to which no answer is required.

13 27. This paragraph contains a legal conclusion to which no answer is required.

14 28. This paragraph contains a legal conclusion to which no answer is required.

15 29. This paragraph contains a legal conclusion to which no answer is required.

16 30. This paragraph contains a legal conclusion to which no answer is required.

17 **V. FIRST CAUSE OF ACTION (RCW 80.28.010(2))**

18 31. The Company realleges paragraphs two through thirty above.

19 32. Deny.

20 **VI. SECOND CAUSE OF ACTION (RCW 80.28.010(11))**

21 33. The Company realleges paragraphs two through thirty above.

22 34. Deny.

23 **VII. THIRD CAUSE OF ACTION (WAC 480-110-415(1))**

24 35. The Company realleges paragraphs two through thirty above.

25 36. Deny.

26 **VIII. FOURTH CAUSE OF ACTION (VIOLATION OF ORDER 01)**

27 37. The Company realleges paragraphs two through thirty above.

38. Deny.

IX. FIFTH CAUSE OF ACTION (VIOLATION OF ORDER 01)

39. The Company realleges paragraphs two through thirty above.

40. Deny.

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X. REQUEST FOR RELIEF

- 41. The Company denies that the UTC is entitled to any of the requested relief.
- 42. The Company denies that the UTC is entitled to any of the requested relief.
- 43. The Company denies that the UTC is entitled to any of the requested relief.
- 44. The Company denies that the UTC is entitled to any of the requested relief.
- 45. The Company denies that the UTC is entitled to any of the requested relief.
- 46. The Company denies that the UTC is entitled to any of the requested relief.
- 47. The Company denies that the UTC is entitled to any of the requested relief.

XI. PROBABLE CAUSE

- 48. To the extent an answer is required, the Company denies all allegations.

XII. AFFIRMATIVE DEFENSES

- 1. The UTC fails to state a claim upon which relief may be granted.
- 2. The Company has acted in full compliance with all Department of Health requirements and regulations.
- 3. The Company has acted in full compliance with Washington law and UTC regulations.
- 4. Some or all of the UTC's claims or requested relief is barred by the Company's tariff, which operates with the force and effect of law.
- 5. Some alleged statutory violations are the result of conduct from third parties over which the Company had no authority or control.
- 6. Some of the alleged Order violations are moot.
- 7. Some or all of the claims are barred by the doctrines of waiver, estoppel, bad faith, and unclean hands.
- 8. Some or all of the claims are frivolous and advanced without reasonable cause.
- 9. The Company had a good faith basis for its lawful actions.

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DATED this 12th day of July, 2024.

Bagwell Law, PLLC



Kenneth W. Bagwell, WSBA #32814

Alysa M. Grimes, WSBA #54658

Attorneys for Respondent

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2 DECLARATION OF SERVICE

3 I, the undersigned, certify under penalty of perjury under the laws of the State of
4 Washington that on the date indicated below, I caused service of a copy of this document to:

5 Assistant Attorney General:

6 Cassandra Jones
7 Cassandra.jones@atg.wa.gov

8 Lisa Gafken
9 Lisa.gafken@atg.wa.gov

10 Public Counsel:

11 Tad O'Neill
12 Tad.oneill@atg.wa.gov

13 Via: First Class Mail
14 Hand Delivery
15 Email
16 Electronic Filing via UTC Portal

17 **DATED** this 12th day of July, 2024.

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19 _____
20 Alysa M. Grimes