

Docket UW-111789 is opposed by the Glenwood Homeowners Assoc. for the following reasons:

- (1) In the 10-27-11 Item A6 Staff Recommendation there is a sentence in the paragraph entitled "Discussion" which states: "The filing is prompted by the company not receiving the revenue expected from the last rate increase, increased operating costs and additional capital investment." If that statement is accurate then it says volumes about Washington Water Service's ( hereinafter WWS) in ability to forecast future use of a commodity which is almost inelastic. Given WWS dismal record – playing revenue catch up it proposes creating a "Water Revenue Adjustment and a Water Cost Balancing Account" which would "supposedly" take out the revenue lows by instituting surcharges on customer's bills. Theoretically this account would also have so-called "credits" when WWS received too much revenue – meaning that once again WWS couldn't forecast the revenue stream – ended up with "too much" revenue and would give it back to the customers via a credit on the next bill. This feature in the proposed rate increase is insane – and comparable to one driving an automobile by way of only the rear view mirror. It's entirely credible to believe that WWS will always err on the side of maximum revenue AND having obtained extra funds will expend them not on credits but on more corporate spending. This spending will be defended with such euphuisms as "increased capital expenditures' offsetting increased operating costs etc. Why is it credible to believe WWS would act in this manner? It's simple: if the reader had the ability to adjust his/her paycheck based on an agreed upon target amount, then every adjustment would be "UP" – to think otherwise is to fly in the face of human nature and in the case of WWS its clear inability to make accurate forecasts. This feature alone should doom the rate increase request, but at a minimum it should be denied and removed from consideration.
  
- (2) WWS has the ability NOW to increase revenues. A careful review of WWS financials and their own admission there is a category of "UNMETERED" customers. Under the current rate structure as well as the one proposed this group of customers are charged a flat amount viz: currently \$44.67 or as proposed \$52.05 per month. Taking the gross revenue of this category of customers and dividing that number by the \$44.67 seems to indicate a sizeable number of customers who are getting a free ride so to speak. After all, for example, if the reader was charged a flat monthly rate for all the vehicle fuel used, there would be no economic reason to limit consumption. There's no question that EVERY product pipe should be metered. Once metered WWS revenue would be enhanced. WWS may say that there is no way to apply such metering – well, they certainly found a way to install RF meters and do away with individual meter reading.

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- (3) WWS fails as a good corporate citizen. The phone companies, with UTC blessing, have rates which apply on low income customer users. WWS has no such provision and has, to our knowledge, never proposed such a rate feature. Puget Sound Energy (hereinafter PSE) offers one FREE high efficiency shower head per home in order to reduce electrical demand for heating water. The side benefit is that these shower heads also conserve water. "IF" WWS had the resource as well as the interests of its customers in mind it would partner with PSE to provide a second FREE high efficiency shower head because most households have two bathrooms. Unfortunately, WWS offers NOTHING to conserve a finite resource – which takes thousands of years to recharge the aquifer.
- (4) Lastly, WWS 21.8% rate increase is driven in large measure by the pressure exerted by its parent California Water Service GP (hereinafter CWT) to generate more revenue to fill its -7.1% revenue shortfall. See financial highlights at: MSN, Com investments stock symbol CWT

The prayer of this petitioner is to have the WWS water rate increase under UW-111789 denied and subject to a thorough investigation to determine exactly what WWS deserves in terms of a rate structure.