



SILVER LAKE WATER COMPANY, Inc.
 41 NE Midway Blvd., Suite 101
 Oak Harbor, WA 98277
 (360) 675-9091 ♦ Fax (360) 675-5341
 e-mail: silverlakewtr@gmail.com

IMPORTANT NOTICE

Date: April 7, 2017

Dear Customer,

Silver Lake Water Company ("Company") has filed for approval from the UTC ("Commission") to increase its monthly water rates and revenue by approximately \$27,713 annually, a 30.8% increase. This general rate case will move customers from being billed a flat, unmetered rate, to a three-block rate design where customers will be billed based on their water usage. If approved, the rates will be effective on May 15, 2017

We have recently started to read meters in order to determine our customers' water usage. This is being prompted by the Department of Health's requirement that meters start being read in 2017. To promote conservation of our vital drinking water, customers will be charged based on the amount of water they use.

The Company's most recent rate change took effect in 1991. Since then, the cost of operations have steadily increased. For example, the costs of contractors, electricity, taxes, and regulatory compliance have continued to rise since 1991. The chart below shows the rates that are currently being charged and the proposed rates pending Commission approval.

Meter Size/Service	Current Rates	Base Rate	1 st Block (gal.)	1 st Usage Rate*	2 nd Block (gal.)	2 nd Usage Rate*	3 rd Block (gal.)	3 rd Usage Rate*
5/8-inch	-----	\$ 35.00	0-6,000	\$ 1.00	6,001-12,000	\$ 2.00	Over 12,000	\$ 2.50
1-inch	-----	\$ 87.50	0-15,000	\$ 1.00	15,001-30,000	\$ 2.00	Over 30,000	\$ 2.50
Ready to Serve	-----	\$ 35.00	-----	-----	-----	-----	-----	-----
Unmetered	\$ 36.10	\$ 48.79	-----	-----	-----	-----	-----	-----

*Usage per 1,000 gallons or portion thereof

The average 5/8" metered customer, which represents nearly all of our customers, will see about a \$12.69 increase per month. The usage blocks are based on master well readings from 2016, which is the best estimate of average usage among our customers. In addition, a base rate and block rates have been added for 1" metered customers, of which there are currently two on the system.

Commented [SR(1): I don't see this rate in your current tariff. Is there something I'm missing or should there be no rate listed here?

Along with the new base rate and blocks the company has also updated its governing tariff to include ancillary charges for services that the company will provide. Those charges are as follows:

Disconnection Visit Charge	\$25.00
Reconnection Visit Charge	\$25.00
Service Visit Charge (1 hour minimum)	\$45.00
Late Payment Charge of Unpaid Balance or Minimum Charge	2% or \$1.00
Account Set-up Charge	\$17.50
NSF Charge (each Check)	\$21.00
Damage and Repairs Charge	\$45.00
Fire Hydrant Meter Rental (security deposit)	\$1200.00

Commented [SR(2)]: Your current tariff shows you have a \$25 reconnect charge. Is this charge different than what is currently in your tariff?

Commented [SR(3)]: Is there a maximum or minimum of this charge?

Commented [SR(4)]: What does damage and repair charges consist of? Does there need to be a definition of what these will be or should they be able to stand as is?

The commission has the authority to set final rates that may be lower or higher than the company's request, depending on the outcome of its investigation. You can submit comments by going to www.utc.wa.gov and clicking "Submit a Comment," or by one of the following options:

Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
P.O. Box 47250, Olympia, WA 98504-7250
E-mail: comments@utc.wa.gov
Telephone: 1-888-333-WUTC (9882)

Commission staff will make a recommendation to the commissioners at an open meeting in Olympia, which is scheduled for 9:30 a.m. on May 11, 2017 and you will have an opportunity to comment in person at this meeting. If you are unable to attend the open meeting, you can participate by telephone by calling (360) 664-1234 the day before the open meeting for instructions and to sign in.

Commented [SR(5)]: I added a space here.

Commented [SR(6)]: For consistency sake, I added () around 360.

A memo containing the staff recommendation will be available on the commission website three days prior to the open meeting. To view the memo, go to www.utc.wa.gov. Under "Quick Links," click on "Open Meeting Agenda." When the open meeting date appears, click on the memo for this filing. This will take you to a page with the memo and any associated attachments.

The commission is committed to providing reasonable accommodation to participants with disabilities. If you need reasonable accommodation, please contact the commission at (360) 664-1132 or human_resources@utc.wa.gov.

If you have any questions, please contact Silver Lake Water Company at (360)-675-9091 or (360) 751-0981, or email at Silverlakewtr@gmail.com

Sincerely,

Silver Lake Water Company