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October 21, 2016

**VIA E-FILING**

Mr. Steven V. King, Executive Director and Secretary

Washington Utilities and Transportation Commission

1300 South Evergreen Park Drive SW

Olympia, WA 98504-7250

Re: Iliad Water Company, LLC – Second Revised Sheet No. 2.1 Canceling First Revised Sheet No. 2.1; Third Revised Sheet No. S-1 Canceling Second Revised Sheet No. S-1; Second Revised Sheet No. W-1 Canceling First Revised Sheet No. W-1; Second Revised Sheet No. W-2 Canceling First Revised Sheet No. W-2; Third Revised Sheet No. W-3 Canceling Second Revised Sheet No. W-3; Fourth Revised Sheet No. W-4 Canceling Third Revised Sheet No. W-4; Third Revised Sheet No. W-5 Canceling Second Revised Sheet No. W-5; First Revised Sheet No. W-5.1 Canceling Original Sheet No. W-5.1; First Revised Sheet No. W-5.2 Canceling Original Sheet No. W-5.2; Third Revised Sheet No. W-6 Canceling Second Revised Sheet No. W-6; First Revised Sheet No. W-6.1 Canceling Original Sheet No. W-6.1; Original Sheet No. W-6.2; Original Sheet No. W-7; Original Sheet No. W-8 – **Confidential Material Included**

Dear Mr. King:

Attached you will find the above-referenced tariff pages. The purpose of this filing is to seek a general rate increase on behalf of Iliad Water Company, LLC. Attached is a copy of the customer notice that was sent to the customers. The company is providing more than thirty days notice to customers.

The purpose of this filing is to seek rates that cover the company's operating costs. This filing requests an increase in company revenues of $318,300. This represents a 143 percent

increase in the company's revenues. Increases to each water system's rates are set out in the customer notice. This filing is based on the company's operations from January 1, 2016, through August 31, 2016, which is the period of time the company has been in operation for which it has accurate records.

The company is filing for an increase to the base/non-metered rates and not an increase to the usage rates. The company understands that Commission Staff will want to realign the filing to produce a standard usage rate matrix. However, the company was unable to perform that detailed work. The company commits to work with Commission Staff to be able to develop appropriate metered rates.

The company is making all supporting backup material, including usage detail and all invoices available to Commission Staff through electronic access via Drop Box. The electronic link will be provided to Staff by separate email.

The public water system identification numbers are set out on Tariff Sheet S-1. Please note the addition of two systems. Graham Sunwood has become jurisdictional. The former owners of Northwest Water System have apparently abandoned to the System to Iliad.

The company is submitting the depreciation schedules, pro forma adjustments, and other materials as required by WAC 480-07-530.

There are no non-regulated operations. Services provided by an affiliate, Iliad, Inc. are set out in the Pro Forma Income Statement as Contractual Operations. The affiliated relationship with Iliad, Inc. has been previously reported to and approved by the Commission as an affiliated transaction with the company's predecessor, Iliad Water Services Company, Inc., which has been merged into the company. The relationship predates the test period and continued throughout the test period. An income statement and balance sheet for Iliad, Inc. are also enclosed as confidential material.

Mr. David Dorland has the authority to issue tariff pages on behalf of the company and the undersigned has authority to file those tariff pages on behalf of the company.

The company respectfully request that the Commission approved the filed revised tariff sheets.

If you have any questions concerning this matter, please contact the undersigned.

Sincerely,

RICHARD A. FINNIGAN

RAF/cs

Enclosures

cc: Client (via e-mail)

Scott Sevall (via e-mail)

Jim Ward (via e-mail)