Crosswoods Water Company, Inc. P.O. Box 1075 Oak Harbor, WA 98277 Tel: 360-678-5336 or 360-675-2504

IMPORTANT NOTICE

October 22, 2015

We have asked the Washington Utilities and Transportation Commission to approve an application to increase revenue by \$7,600 (17%) annually. Current rates have been in effect for over 5 years. Based upon an average monthly use of 695 cubic feet (c.f.), the average customer will see a monthly increase in water cost from \$26.47 to \$31.46. If approved, the new rates will become effective January 1, 2016. It is also noted that the surcharge of \$3.84, which expires in December, causes a net increase to the customer of \$1.15 per month.

The need for an increase is based on the increase costs of maintenance, primarily due to service lines developing leaks. As the system ages more repairs are required. This year alone the cost of repairing leaks has increased \$15,000 from the 2011 estimate which was the basis for the current rates.

Following is a comparison of the current and proposed rates:

Monthly Rates	Current Rate /100 cu. ft.	Proposed Rate
Base Rate per month	\$ 17.70	\$ 20.25
0 - 500 c.f	1.15	1.50
500 – 1,000 c.f	1.55	1.90
>1,000 c.f.	2.25	2.40

If you have any questions about the filing and how it will affect you, please call the management at 360-678-5336 or 360-675-2504.

If you would like to comment on this filing, be added to the commission's mailing list, or have questions about the ratemaking process, please use the contact information below. You may also comment in person at the commission's open meeting in Olympia at 9:30 a.m. on December 30, or by using the "Public Comment" feature at the commission's web site, at http://www.utc.wa.gov.

The commission is scheduled to make a decision at its open meeting on December 30. If you are unable to attend an open meeting in person, the commission has a bridge line which enables you to participate or listen by telephone. Call 360-664-1234 for instructions the day before the open meeting. The UTC 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.

Washington Utilities and Transportation Commission Post Office Box 47250, Olympia, WA 98504-7250 E-mail: <u>comments@utc.wa.gov</u> Telephone: 1-800-562-6150

Sincerely,

Crosswoods Water Co., Inc.