

**CAMANO HILLS WATER CO., INC.**  
**P.O. BOX 2703**  
**STANWOOD, WA 98292**  
**(360) 387-6409**  
**lholbeck@wavecable.com**

**NOTICE OF RATE INCREASE**

January 28, 2015

*Higher costs and economic slowdowns continue to contribute to sluggish business trends. Camano Hills Water Company (CHWC) is not insulated from the economic pressures facing many businesses today. Therefore, CHWC has filed for approval from the Washington Utilities and Transportation Commission (commission) to increase rates by \$22,602.00 annually. This would result in a 11.8% increase in annual revenue. If approved, the rates will be effective on **April 1, 2015** and reflected on your May billing. This will fall in the middle of the billing period. You will receive two billings, one with the old rate and the other with the new rates. You will be paying from the second billing as they will be combined. These will not be sent on the blue cards you are used to seeing for this billing period. The blue cards will be sent thereafter.*

*We understand and are sensitive to the impact of rate increases, which is why we are continually looking for ways to cut operating costs and operate as efficiently as possible while providing excellent customer service and a reliable water supply that meets or exceeds water quality standards.*

*CHWC has not applied for a rate change in five years. We are currently charging a basic monthly rate of \$23.00 and a capital improvement surcharge of \$4.14, with 0 consumption. We added the 3 tier rate structure so those who use the most water pay the higher consumption rate. We feel the tiered rate structure is equitable to all our customers and encourages conservation.*

*The Arsenic treatment plant was approved by the Washington State Department of Health and went on line in July 2014. Our rate increase will help cover costs for the increases in the costs of all areas of the treatment plant operation such as, power, fuel, insurance, the costs of chemicals used for treatment, increased testing requirements and labor cost. In November of 2014 the water company purchased a used utility/service truck to better serve our customers. These additions make up most of the need for the requested increase.*

*The requested rate increase will allow us to continue to replace and improve the facilities and equipment necessary to provide you with reliable water service and meet increasingly stringent water quality standards for Washington State.*

	Current Rate	Proposed Rate
Base Charge, zero cubic feet		
• ¾" or smaller service	\$23.00	\$30.00

- 1" meter service \$38.41 \$50.00
- 1 1/2" meter service \$76.59 \$100.00
- 2" meter service \$122.29 \$160.00
- 3" meter service \$230.00 \$300.00
- 4" meter service \$384.10 \$500.00
- 6" meter service \$765.90 \$1,000.00
- Ready to Serve \$23.00 \$30.00
- Flat Rate \$55.00 \$60.18
- Fire Protection \$110.00 \$127.60

**Usage Rates Zero Allowance**

Meter Size	Consumption	Per 100 cubic feet Usage Rate	
		Old Rate	Proposed Rate
3/4" or smaller	0 to 950 cubic feet	\$3.30	\$3.50
3/4" or smaller	951 up to 2,200 cubic feet	\$4.30	\$4.55
3/4" or smaller	Greater than 2,201 Cubic feet	\$7.30	\$7.75
1" Customer	0 to 1,587 cubic feet	\$3.30	\$3.50
1" Customer	1,588 up to 3,674 cubic feet	\$4.30	\$4.55
1" Customer	Greater than 3,675 cubic feet	\$7.30	\$7.75
1 1/2" or smaller	0 to 3,164 cubic feet	\$3.30	\$3.50
1 1/2" or smaller	3,165 up to 7,326 cubic feet	\$4.30	\$4.55
1 1/2" or smaller	Greater than 7,327 cubic feet	\$7.30	\$7.75
2" Customer	0 to 5,064 cubic feet	\$3.30	\$3.50
2" Customer	5,065 up to 11,726 cubic feet	\$4.30	\$4.55
2" Customer	Greater than 11,727 cubic feet	\$7.30	\$7.75
3" Customer	0 to 9,500 cubic feet	\$3.30	\$3.50
3" Customer	9,501 up to 22,000 cubic feet	\$4.30	\$4.55
3" Customer	Greater than 22,001 cubic feet	\$7.30	\$7.75
4" Customer	0 to 15,865 cubic feet	\$3.30	\$3.50
4" Customer	15,866 up to 36,740 cubic feet	\$4.30	\$4.55
4" Customer	Greater than 36,741 cubic feet	\$7.30	\$7.75
6" Customer	0 to 31,635 cubic feet	\$3.30	\$3.50
6" Customer	31,636 up to 73,261 cubic feet	\$4.30	\$4.55
6" Customer	Greater than 73,262 cubic feet	\$7.30	\$7.75

***\*Please note: the March billing period you will be receiving 2 billings; one for March with the old rates and one for April with the new rates. Both billings will be combined on the second billing. You will be paying from the second combined billing.***

*If you have questions about the proposed filing and how it may affect you, please call Camano Hills Water Co. at (360) 387-4395.*

*The commission has the authority to set final rates that may vary from the company's request, depending on the results of its investigation. Commission staff will make a recommendation to the commissioners at an open meeting in Olympia, which is scheduled for March 26, 2015. You will have an opportunity to comment in person at this meeting. The UTC is committed to providing reasonable accommodations to participants with disabilities. If you need reasonable accommodation, please contact the commission at (360) 664-1132 or [humanresources@utc.wa.gov](mailto:humanresources@utc.wa.gov).*

*If you are unable to attend the open meeting, 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. You can also comment by using the "Public Comment" feature at the commission's Web site at [utc.wa.gov](http://utc.wa.gov) or by using the contact information below.*

*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](mailto:comments@utc.wa.gov)  
Telephone: 1-888-333-WUTC (9882)*

*Sincerely,*

*Laurel Holbeck, Secretary  
Camano Hills Water Company*