

**From:** Luckysiberian@aol.com [mailto:Luckysiberian@aol.com]

**Sent:** Wednesday, July 09, 2008 12:31 PM

**To:**

**Cc:** Mickelson, Christopher (UTC); Shutler, Dennis (UTC); Halvorson, Clark R (DOH); Waybright, Bonnie (DOH); Klocke, Karen (DOH); Bezovics, Jozsef (DOH); Weisman, Kitty (DOH); Snyder, Kelly (PWB); MyWaterCompany@aol.com

**Subject:** New Rate Revelations FYI

Greetings:

I have some important news concerning our newly revised proposed rates which will come as a pleasant surprise to you and the vast majority of our Diamond Point customers. As you know, WUTC staff is recommending a rate increase which will produce an additional \$32,000 in annual revenue. More importantly, the WUTC has redesigned our rate structure to lower the base rate from \$30.95 to \$22.05 and increase the proportion of total revenue generated by usage.

We have calculated that customers whose average monthly usage is less than 575 cubic feet will actually experience LOWER WATER BILLS with the new rates. Because Diamond Point customers use only about one-half the water used by customers in our other 3 water systems, a large percentage of our Diamond Point customers will see their average monthly bill GO DOWN. For example, based on 2007 usage, your water bills will be decreased significantly as follows:

--t	\$3.46 decrease; 9 percent lower
--	\$4.60 decrease; 11.5 percent lower
--i	\$6.16 decrease; 18 percent lower
--	\$6.85 decrease; 20 percent

As you can see, these lower bill projections are striking. We also tabulated the average monthly usage for those who signed your petition. Of 81 accounts, a whopping 64 customers or 79 percent use less than 575 cubic feet and will see LOWER WATER BILLS; only 17 of petition signers (21 percent) will have higher water bills. I think those who signed a petition opposing the rate increase will be very interested to learn that 79 percent of them will have lower water costs in the future.

Finally, we took a look at the Diamond Point Water System overall, based on 2007 stats, and calculated that of 285 metered customers, 189 customers (66 percent) will have LOWER WATER BILLS, while only 40 customers (14 percent) will have higher average bills. Twenty (20) percent of Diamond Point meters are dormant and non-revenue producing. Thus, the vast majority of our Diamond Point customers will see a financial benefit from the new rates as structured.

To address your concerns about water rates for the Diamond Point Water System versus rates in the other water systems, please note that, with the new rates, the percentage of total company revenue generated by Diamond Point will decrease significantly. The revenue shortfall will be made up by the other systems, where customers register twice the water usage of customers at Diamond Point.

I hope this information is helpful and encouraging. We recommend that you get the word out to your fellow customers, particularly those who signed the petition, and inform them of the benefits of the new rate structure.

---