North Beach Public Development Authority 2101 Bay Ave Ocean Park, WA 98640 360.665.5371

February 6, 2006

Carole Washburn, Executive Secretary Washington State Utilities and Transportation Commission 1300 S. Evergreen Park Drive P.O. Box 47250 Olympia, WA 98504-7250

> North Beach Public Development Authority Re:

Dear Ms. Washburn:

This is to advise you that the North Beach Public Development Authority (the "PDA"), a public corporation created by Pacific County, Washington, has acquired substantially all of the assets of Pacific Water Company, Inc. ("PWC").

The sale was effective on Friday, February 3, 2006, and the PDA will from that date provide service to all former customers of PWC. As a public corporation created by Pacific County, the PDA is exempt from regulation by the WUTC.

Please let me know if you have questions about this matter.

Sincerely,

R.D. Williams

President, Board of Directors North Beach Public Development Authority

Kathy Noren, Secretary to the Board of Commissioners, Pacific County, Washington CC: Theresa Walker, Washington State Department of Health