



May 10, 2006

Carole Washburn, Secretary  
Washington Utilities and Transportation Commission  
PO Box 47250  
Olympia, WA 98504-7250

Dear Ms. Washburn:

Washington Water Service Company hereby request permission to raise their rates. The proposed rates would increase revenues to the company by about \$1,589,931 annually. The last rate increase for Washington Water Service Company went into effect on April 11, 2002.

This request is to cover increased operating costs and generate a positive rate of return for the company. In the four years since the last rate increase; we have experienced significant increases in transportation expenses, taxes, insurance and employee health care costs. This rate increase also reflects costs to add staff to respond quickly to customers reaffirming Washington Water Service Company's commitment to provide excellent customer service and meet the highest of water quality standards.

The following documents are being submitted to support this filing:

- Tariff Cover Sheet No. 1, listing the counties where service is provided by Washington Water Service Company
- Tariff Sheet No. 20.1 thru 20.8 listing service areas
- Tariff sheets for rates affected by this rate increase request.
  - Sheet No.21 Schedule No. 1
  - Sheet No. 21.1 Schedule No. 1.1
  - Sheet No. 21.2 Schedule No. 1.2
  - Sheet No. 21.3 Schedule No. 1.3
  - Sheet No. 21.4 Schedule No. 1.4
  - Sheet No. 22 Schedule No. 2
  - Sheet No. 22.1 Schedule No. 2.1
  - Sheet No. 22.2 Schedule No. 2.2
  - Sheet No. 22.3 Schedule No. 2.3
  - Sheet No. 23.1 Schedule No. 3.1
  - Sheet No. 24.2 Schedule No. 4.2

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- Tariff sheets for discontinued or transferred rates.
  - Raft Island Water Company Sheet No. 21 Schedule No. 1
  - Raft Island Water Company Sheet No. 22 Schedule No. 2
  - Raft Island Water Company Sheet No. 30 Schedule No. 11
  
  - Gamble Bay Water Inc. Sheet No. 21 Schedule No. 1
  - Gamble Bay Water Inc. Sheet No. 21.1 Schedule No. 1.1
  - Gamble Bay Water Inc. Sheet No. 23 Schedule No. 3
  - Gamble Bay Water Inc. Sheet No. 24 Schedule No. 4
  
- Summary page detailing each bill code, the current rate, the proposed rate, and the percent of increase or decrease.
  
- Schedule of Actual 2005 sales by bill code with calculations showing effect of proposed rate.
  
- Income Statement and Balance Sheet for the period ending 12/31/05.
  
- Rate Base Calculation, Rate of Return Calculation and proforma Income statement.
  
- Depreciation Schedule for period ending 12/31/05.
  
- Explanation of adjustments and supporting worksheets.
  
- Customer notices for all rate classes.

Please don't hesitate to call if you need any additional information. I can be reached toll free at (877) 408-4060.

Sincerely,



Charlene E. Pratt  
Accounting Manager