

Aquarius Utilities, LLC

"At Your Service"

Diamond Point • Island Lake • Lynch Cove • Agate West

July 29, 2008

Ms. Carole J. Washburn, Executive Secretary
Washington Utilities and Transportation Commission
PO Box 47250
1300 South Evergreen Park Drive SW
Olympia, WA 98504-7250

Re:

Aquarius Utilities, LLC Proposed Rate Change

Dear Ms. Washburn:

Enclosed is a proposed surcharge tariff filing with an effective date of September 15, 2008. This tariff change is being sought to collect loan repayment funds for four Drinking Water State Revolving Fund improvement projects with a total loan amount of \$2,056,214.56. The subject loan contracts are in pending status, and commission approval of this surcharge filing is a condition of loan execution.

The revenue impact of this filing, based on a 20-year loan repayment schedule, will be an average of \$101,308 annually. The average customer bill would increase by \$4.00 per month until December 31, 2008, and then increase to \$8.70 per month until December 31, 2028, or until the loans are paid in full, whichever occurs first.

Attached is a copy of the customer notice, new and revised tariff pages, and supporting information per statute. Documents are provided in both electronic and paper formats. The paper version is complete in every detail; however, some documents could not be exported to disk. Thus, for documents not present on disk, commission staff is directed to the paper version of this filing.

If you have any questions about this filing, please contact my by phone, fax or email.

Very truly yours,

Gregory G. Roats, PE Engineer/Manager

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