



October 7, 2011

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

Dear Ms. Washburn;

Washington Water Service Company hereby requests permission to raise their rates. The proposed rates would increase revenues to the company by \$1,738,796 annually. The last rate increase for Washington Water Service Company went into effect on July 30, 2009.

The company has not received the level of revenue expected from the last rate increase. In addition, there have been increases in operating costs and the company has invested almost three million in plant. This filing also proposes the creation of a Water Revenue Adjustment Mechanism and a Water Cost Balancing Account. These would allow the company to create surcharges or credits to meet the target revenue. (subject to commission approval after annual review)

In this filing, Washington Water Service Company will be adopting the tariff format identified by the commission as WN U-2. The sheets are as follows:

- Tariff Cover Sheet No. 1, listing of counties where service is provided by the company.
- Tariff Index Sheet No. 2 & 3
- Tariff Rules and Regulations No. 4 – 19
- Tariff service area listing No. 20 – 27
- Tariff sheets for rates affected by the rate increase request
  - Sheet No. 28 Schedule No. 1
  - Sheet No. 29 Schedule No. 2
  - Sheet No. 30 Schedule No. 3
  - Sheet No. 31 Schedule No. 4
  - Sheet No. 32 Schedule No. 5
  - Sheet No. 33 - 36 Schedule No. 6
  - Sheet No. 37 Schedule No. 7
  - Sheet No. 38 Schedule No. 8
  - Sheet No. 39 - 40 Schedule No. 9
  - Sheet No. 41 Schedule No. 10
  - Sheet No. 42 Schedule No. 10.1
  - Sheet No. 43 - 45 Schedule No. 11
  - Sheet No. 46 Schedule X

Trial Balance, Income Statement and Balance Sheet for the period ending 12/31/10  
Customer notice  
Summary of affiliated interest activity

Due to the size of the file, the worksheet containing the depreciation schedule, rate of return calculation, rate base, proforma income statement and itemization of customer consumption by account by month, will be submitted directly to the commission.

Please do not hesitate to call if you need any additional information. I can be reached toll free at (877) 408-4060 ext 1105.

Sincerely,



Charlene E. Pratt  
Accounting Manager