
SCENIC SHORES WATER COMPANY

PO BOX 260 Rainier, WA 98576 Tel: 360-878-2204 Fax: 360-894-8322

Date: July 26, 2016

Dear Customer,

Scenic Shores Water Company ("Company") has filed for approval from the UTC ("Commission") to increase its revenue by approximately \$3,024 annually. The proposed effective date is August 26, 2016, and will take effect on billings based on the September 2016 meter reading. This is a general rate increase which will increase the base rate. The filing also creates a third rate block to address high consumption for all customers.

The chart below sets forth the rates that are currently charged and what charges would be if the rate request is approved. The \$3,024 in additional revenue represents an 8.7% increase in total revenue compared to revenue received in 2015. The UTC last approved new rates for the Company on December 20, 2012. This filing represents an increase of about 2% a year since the last increase.

	Existing Rate	Proposed Rate
3/4 inch meter	\$46.75	\$53.75
1st Rate Block	\$1.15/100	No Change
0-1000 cubic feet	cubic foot or portion	
2nd Rate Block	\$0.028 per	Rate modified to per 100 cubic feet
1001-1,900 cubic feet	cubic foot or portion	or portion thereof and usage capped at 1,900 cubic feet
3rd Rate Block	N/A	\$0.0305/cubic foot
Over 1,900 cubic feet		

The base rate for 3/4" meter connections is increasing by 15%. The Company is not projecting any increase in revenue from the third block since conservation should result in lower usage.

The base rate for 1" meter connections is increasing by 15%. The Company is not projecting any increase in revenue from the third block since conservation should result in lower usage.

Since our last rate increase, cost of operations have continued to increase. Overall costs to provide service, such as contractor costs, electricity, taxes and other factors, have increased and, as always, regulatory compliance costs continue to rise.

The commission has the authority to set final rates that may be lower or higher than the company's request, depending on the outcome of its investigation. You can submit comments by going to www.utc.wa.gov and clicking "Submit a Comment," or by one of the following options:

Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
P.O. Box 47250, Olympia, WA 98504-7250
E-mail: comments@utc.wa.gov
Telephone: 1-888-333-WUTC (9882)

Commission staff will make a recommendation to the commissioners at an open meeting in Olympia, which is scheduled for 9:30 a.m. on August 18, 2016, and you will have an opportunity to comment in person at this meeting. If you are unable to attend the open meeting, you can participate by telephone by calling 360-664-1234 the day before the open meeting for instructions and to sign in.

A memo containing the staff recommendation will be available on the commission website three days prior to the open meeting. To view the memo, go to www.utc.wa.gov. Under "Quick Links," click on "Open Meeting Agenda." When the open meeting date appears, click on the memo for this filing. This will take you to a page with the memo and any associated attachments.

The commission is committed to providing reasonable accommodation to participants with disabilities. If you need reasonable accommodation, please contact the commission at (360) 664-1132 or human_resources@utc.wa.gov.

If you have any questions, please contact us at (360)-878-2204.

Sincerely,

Scenic Shores Water Company