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April 28, 2017

VIA E-FILING

Mr. Steven V. King, Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive SW
Olympia, WA 98504-7250

Re: Southgate Water Company – Fourth Revision Sheet No. 22 Canceling Third
Revision Sheet No. 22; First Revision Sheet No. 23 Canceling Second Revision
Sheet No. 23

Dear Mr. King:

Attached you will find the above-referenced tariff pages. The purpose of this filing is to seek a general rate increase on behalf of Southgate Water Company. Attached is a copy of the customer notice that was mailed to the customers on April 27.

The purpose of this filing is to seek rates that cover the company's operating costs. The filing also seeks faster depreciation lives to create a source of revenue to be used to fund repairs to the company's wells. This is explained further in the customer notice.

This filing requests an increase in company revenues of \$37,277. This represents a 52.6 percent increase in the company's revenues. The base rate would increase to \$45.00 from its current rate of \$40.00 (12.5%). The current rate of \$1.00 for 0 – 40,000 gallons would increase to \$1.60 for Tier 1 usage of 0 – 20,000 gallons (60%) and increase to \$2.60 for Tier 2 usage of 20,001 – 40,000 gallons (160%). Tier 3 Usage for over 40,000 gallons would increase to \$4.60 from its existing rate of \$3.00 (53%). Ready to Serve rates would increase to \$45.00 from the current rate of \$17.00 (164%).

The company is submitting the work papers as required by WAC 480-07-530. The company has completed the UTC Rate Model, copy attached. This includes the material required by WAC 480-02-530(4) (calculation of revenue impact, balance sheet, statement of

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revenues and expenses, depreciation schedule, restating and proforma adjustments and usage statistics).

There are no non-regulated operations. Services provided by an affiliate, Jerry Magnoni, are set out in the Pro Forma Income Statement as Salary and Wages – Employees.

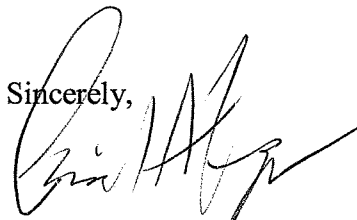
The public water system identification numbers are set out on Tariff Sheet No. 20 which is included with the work papers.

The undersigned has the authority to issue and file tariff pages on behalf of the company.

The company respectfully request that the Commission approved the filed revised tariff sheets.

If you have any questions concerning this matter, please contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read 'Richard A. Finnigan', written over a light blue horizontal line.

RICHARD A. FINNIGAN

RAF/cs
Enclosures

cc: Client (via e-mail)