

OLYMPIC WATER AND SEWER, INC.
70 Breaker Lane
Port Ludlow, Washington 98365
(360) 437-2101 ows@portludlowassociates.com

IMPORTANT NOTICE

March 7, 2014

Olympic Water and Sewer, Inc. (OWSI) has filed for approval from the Washington Utilities and Transportation Commission (UTC) to temporarily increase annual revenue an average of \$52,124.80 for the next three years, in the form of a surcharge. If approved, the rates will become effective on April 24, 2014.

This surcharge is the result of costs incurred for drilling of Well No. 17 and subsequent investigation of the site 781 Walker Way, Port Ludlow, WA 98365 following discovery of contamination at the property. The UTC allowed the company to defer these costs in Docket UW-110436 pending completion of the site investigation.

Following site investigation, OWSI reached an agreement with the former site owner, Pope Resources (Pope), under which Pope would assume future costs related to clean-up of the site. The surcharge requested herein is for recovery of well drilling and for a share of prior site investigation costs.

The Surcharge is to expire **June 30, 2017, or upon recovery of \$165,059** whichever occurs first. Cost includes principal, plus interest charges and state excise taxes. The Surcharge may be paid (within 90 days of effective date) in a **one-time payment sum of \$94.19** per customer and save interest cost.

Below is a comparison of current and proposed rates:

	Current Rates	Proposed Rates
Each Customer or Connection (billed bi-monthly)	NA	\$ 2.70 per month

If you have questions about the proposed filing and how it will affect you, please call Olympic Water and Sewer, Inc. at 360-437-2101 or email 'ows@portludlowassociates.com.'

The UTC has the authority to set final rates that may vary from the company's request, depending on the outcome of its investigation. You can comment on this issue by using the "Submit a Comment" feature at the UTC's web site, at utc.wa.gov, or by using the contact information below. UTC staff will make a recommendation to the commissioners at an open meeting in Olympia, which is scheduled for 9:30 a.m. on April 10, 2014. You will have an opportunity to comment in person at this meeting. The UTC is committed to providing reasonable accommodation to participants with disabilities. If you need reasonable accommodation, please contact the UTC at (360) 664-1132 or human_resources@utc.wa.gov. If you are unable to attend the open meeting, the UTC has a bridge line which enables you to participate by telephone. Call 360-664-1234 the day before the open meeting for instructions and to sign in.

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)

Sincerely,



Larry Smith,
President
Olympic Water and Sewer, Inc.