

PATTISON WATER COMPANY, INC.

PO Box 3374 • Lacey, WA 98509-3374 • (360) 412-1252 • Fax (360) 412-0677

October 30, 2006

Notice of Proposed Rate Changes

Pattison Water Company has asked the Washington Utilities and Transportation Commission for permission to increase the rates that we charge. In addition, we are proposing to change our billing cycle from a bi-monthly cycle (six bills per year) to a monthly cycle where you will receive twelve bills per year. Our last rate increase took effect in September 1995, over 11 years ago. In fact, our residential minimum charge has been unchanged at \$19.50 per month since 1990. The net effect of the proposed increase will increase our total revenue by \$130,000 per year. If the proposed rates are approved, they will take effect on December 1, 2006.

Several improvements have been made to the water system since our last rate increase: We have added four reservoirs that have more than doubled our reservoir storage capacity which enhances our reliability. We have installed an emergency generator at one of our primary wells to keep the water flowing and help maintain pressure during extended power outages. We have added a second feed line from our primary reservoir down Spurgeon Creek Road to the Yelm Highway to increase reliability and help even out pressure during peak use times. We have increased the production of some of our wells to keep up with our growing demand. We are now in the process of replacing our meters with radio-read meters that will substantially reduce the time it takes to read the meters and provide us with more accurate reads. This will free up some of our time to focus on maintenance and other needed improvements.

Growth has necessitated an increase in staffing (and labor cost) which is partially reflected in this proposed rate increase request. To keep costs down, we have kept our office staffed only two days per week. Once we go to monthly billing, our office will be open four days per week. Other costs have increased since our last rate increase, such as power, fuel, water testing and insurance. Looking into the future, our biggest cost drivers will be drilling for new wells and acquiring water rights for those wells. Minimizing the need to develop new sources will help us keep our costs down.

To that end, this rate increase proposal will promote water conservation by eliminating the consumption allowance for the first 500 cubic feet used per month. Over one half of our customers use *less* than our current minimum allowance during the winter months. With our proposed rates, you will pay for each unit of water that you use. Those of you who use little or no water will see a modest increase in your bill. Heavier users, especially those who use more in the summer months, will get substantially larger bills. We are proposing four consumption rate blocks. The smallest consumption block will run from zero to 500 cubic feet (c.f.) per month. The next block will be from 501 c.f. to 2000 c.f. per month. Over 75% of our customers used this amount or less during the July/August billing cycle in 2005. The next block will be from 2001 c.f. to 4000 c.f. per

month. Fifteen percent were in this category in the summer of 2005. The final block will be from 4001 c.f. and up. About 9% of our customers used more than 4,000 c.f. per month in the July/August billing period in 2005.

An example of our proposed rates is shown below:

Monthly Rates	Current Rate	Proposed Rate
Base Rate at 500 c.f.	\$19.50	
Base Rate (Zero c.f.)		\$19.00
0-500 c.f. per 100 c.f.	Included in base rate	\$ 1.20
501-2,000 c.f. per 100 c.f.	\$1.00	\$ 1.50
2,001-4,000 c.f. per 100 c.f.	\$1.00	\$ 1.80
Over 4,000 c.f. per 100 c.f.	\$1.00	\$ 3.00
Fire Hydrant Charge*	\$1.00	\$1.00
Bill calculated on 1,000 c.f. of usage with fire hydrant charge	\$25.50	\$33.50

*The Fire Hydrant charge applies to all customers within a 500 foot radius of a company fire hydrant.

Your actual bill will vary based upon your consumption.

Other proposed changes that may affect you are as follows:

	Current Rate	Proposed Rate
Service Visit Charge	\$ 0.00	\$20.00
Late Payment Charge*	\$ 0.00	\$ 2.50
Account Set-up Charge	\$ 0.00	\$15.00
NSF Check Charge	\$15.00	\$20.00
Water Availability Letter Charge	\$ 0.00	\$20.00

* Bills are considered "late" fifteen days after they have been sent to you.

If you have questions about the proposed filing and how it will affect you, please call Pattison Water Company, (360) 412-1252. If you would like to comment on this filing, be added to the commission's mailing list, or have questions about the ratemaking process, please use the contact information below. You may also comment in person at the commission's open meeting in Olympia at 9:30 a.m. on November 8, or by using the "Public Comment" feature at the commission's web site, at <http://www.wutc.wa.gov>. The commission is scheduled to make a decision at its open meeting on November 29. If you are unable to attend an open meeting in person, the commission has a bridge line which enables you to participate or listen by telephone. Call (360) 664-1234 for instructions the day before the open meeting.

Washington Utilities and Transportation Commission
 PO Box 47250, Olympia, WA 98504-7250
 E-mail: comments@wutc.wa.gov
 Telephone: 1-800-562-6150

PATTISON WATER COMPANY, INC.

PO Box 3374 • Lacey, WA 98509-3374 • (360) 412-1252 • Fax (360) 412-0677

October 30, 2006

Notice of Proposed Rate Changes

Pattison Water Company has asked the Washington Utilities and Transportation Commission for permission to increase the rates that we charge. In addition, we are proposing to change our billing cycle from a bi-monthly cycle (six bills per year) to a monthly cycle where you will receive twelve bills per year. As most of you are aware, Pattison Water Company purchased the former M&R Lady Dawn Estates water system in May 2005. When we took over the billing, we kept the same rates that were in place from Trident Utilities. A comparison of those rates and our proposed rates are in the chart on the other side of this letter. If approved, these rates will be effective December 1, 2006.

In the process of integrating the M&R system with the Pattison system we made a few changes and improvements to the water service down your street. The most visible change is the installation of six fire hydrants along Dawn Hill Drive. If you haven't done so, you may wish to call your insurance company to see if they will lower your insurance premium. We also added two booster pumps in the pumphouse and increased the system pressure by 10-15psi. Because our reservoirs are higher than Dawn Hill Drive you will continue to get water during power outages, however the pressure will be noticeably lower than normal. We are now in the process of replacing our meters with radio-read meters that will substantially reduce the time it takes to read the meters and provide us with more accurate reads. This will free up some of our time to focus on maintenance and other needed improvements.

Growth has necessitated an increase in staffing (and labor cost) which is partially reflected in this proposed rate increase request. To keep costs down, we have kept our office staffed only two days per week. Once we go to monthly billing, our office will be open four days per week. Other costs have increased since our last rate increase, such as power, fuel, water testing and insurance. Looking into the future, our biggest cost drivers will be drilling for new wells and acquiring water rights for those wells. Minimizing the need to develop new sources will help us keep our costs down.

To encourage conservation, we are proposing four consumption rate blocks (you currently have two). The smallest consumption block will run from zero to 500 cubic feet (c.f.) per month. The next block will be from 501 c.f. to 2000 c.f. per month. Over 75% of our customers used this amount or less during the July/August billing cycle in 2005. The next block will be from 2001 c.f. to 4000 c.f. per month. Fifteen percent were in this category in the summer of 2005. The final block will be from 4001 c.f. and up. About 9% of our customers used more than 4,000 c.f. per month in the July/August billing period in 2005.

An example of our current and proposed rates is shown on the table on the other side.

Monthly Rates	Current Rate	Proposed Rate
Base Rate (Zero c.f.)	\$22.50	\$19.00
0-1,000 c.f. per 100 c.f.	\$1.10	
Over 1,000 c.f. per 100 c.f.	\$1.35	
0-500 c.f. per 100 c.f.		\$ 1.20
501-2,000 c.f. per 100 c.f.		\$ 1.50
2,001-4,000 c.f. per 100 c.f.		\$ 1.80
Over 4,001 c.f. per 100 c.f.		\$ 3.00
Fire Hydrant Charge*		\$ 1.00
Utility Excise Tax @ 5.029%	\$1.68	included
Bill calculated on 1,000 c.f. of usage	\$35.18	\$33.50

*The Fire Hydrant charge applies to all customers within a 500 foot radius of a company fire hydrant.

Your actual bill will vary based upon your consumption.

Other proposed changes that may affect you are as follows:

	Current Rate	Proposed Rate
Reconnection Charge	\$20.00	\$30.00
Reconnection Charge, After Hours	\$20.00	\$45.00
Service Visit Charge	\$20.00	\$20.00
Late Payment Charge*	\$ 2.50	\$ 2.50
Account Set-up Charge	\$10.00	\$15.00
NSF Check Charge	\$25.00	\$20.00
Water Availability Letter Charge	\$25.00	\$20.00

* Bills are considered “late” fifteen days after they have been sent to you.

If you have questions about the proposed filing and how it will affect you, please call Pattison Water Company, (360) 412-1252. If you would like to comment on this filing, be added to the commission’s mailing list, or have questions about the ratemaking process, please use the contact information below. You may also comment in person at the commission’s open meeting in Olympia at 9:30 a.m. on November 8, or by using the “Public Comment” feature at the commission’s web site, at <http://www.wutc.wa.gov>. The commission is scheduled to make a decision at its open meeting on November 29. If you are unable to attend an open meeting in person, the commission has a bridge line which enables you to participate or listen by telephone. Call (360) 664-1234 for instructions the day before the open meeting.

Washington Utilities and Transportation Commission
 PO Box 47250, Olympia, WA 98504-7250
 E-mail: comments@wutc.wa.gov
 Telephone: 1-800-562-6150

PATTISON WATER COMPANY, INC.

PO Box 3374 • Lacey, WA 98509-3374 • (360) 412-1252 • Fax (360) 412-0677

October 31, 2006

Notice of Proposed Rate Changes for ¾” Meters

Pattison Water Company has asked the Washington Utilities and Transportation Commission for permission to increase the rates that we charge. In addition, we are proposing to change our billing cycle from a bi-monthly cycle (six bills per year) to a monthly cycle where you will receive twelve bills per year. Our last rate increase took effect in September 1995, over 11 years ago. In fact, our residential minimum charge has been unchanged at \$19.50 per month since 1990. The net effect of the proposed increase will increase our total revenue by \$130,000 per year. If the proposed rates are approved, they will take effect on December 1, 2006.

Several improvements have been made to the water system since our last rate increase: We have added four reservoirs that have more than doubled our reservoir storage capacity which enhances our reliability. We have installed an emergency generator at one of our primary wells to keep the water flowing and help maintain pressure during extended power outages. We have added a second feed line from our primary reservoir down Spurgeon Creek Road to the Yelm Highway to increase reliability and help even out pressure during peak use times. We have increased the production of some of our wells to keep up with our growing demand. We are now in the process of replacing our meters with radio-read meters that will substantially reduce the time it takes to read the meters and provide us with more accurate reads. This will free up some of our time to focus on maintenance and other needed improvements.

Growth has necessitated an increase in staffing (and labor cost) which is partially reflected in this proposed rate increase request. To keep costs down, we have kept our office staffed only two days per week. Once we go to monthly billing, our office will be open four days per week. Other costs have increased since our last rate increase, such as power, fuel, water testing and insurance. Looking into the future, our biggest cost drivers will be drilling for new wells and acquiring water rights for those wells. Minimizing the need to develop new sources will help us keep our costs down.

To that end, this rate increase proposal will promote water conservation by eliminating the consumption allowance for the first 500 cubic feet used per month. Over one half of our customers use *less* than our current minimum allowance during the winter months. With our proposed rates, you will pay for each unit of water that you use. Those of you who use little or no water will see a modest increase in your bill. Heavier users, especially those who use more in the summer months, will get substantially larger bills. We are proposing four consumption rate blocks. The smallest consumption block will run from zero to 500 cubic feet (c.f.) per month. The next block will be from 501 c.f. to 2000 c.f. per month. Over 75% of our customers used this amount or less during the July/August billing cycle in 2005. The next block will be from 2001 c.f. to 4000 c.f. per

month. Fifteen percent were in this category in the summer of 2005. The final block will be from 4001 c.f. and up. About 9% of our customers used more than 4,000 c.f. per month in the July/August billing period in 2005.

An example of our proposed rates for ¾ x ¾ meters is shown below:

Monthly Rates	Current Rate	Proposed Rate
Base Rate at 750 c.f.	\$29.25	
Base Rate (Zero c.f.)		\$28.50
0-750 c.f. per 100 c.f.	Included in base rate	\$ 1.20 to 500 c.f., then \$1.50 to 2,000 c.f.
501-2,000 c.f. per 100 c.f.	\$1.00 after 750 c.f.	\$ 1.50
2,001-4,000 c.f. per 100 c.f.	\$1.00	\$ 1.80
Over 4,000 c.f. per 100 c.f.	\$1.00	\$ 3.00
Fire Hydrant Charge*	\$1.00	\$1.00
Bill calculated on 1,000 c.f. of usage with fire hydrant charge	\$31.75	\$42.00

*The Fire Hydrant charge applies to all customers within a 500 foot radius of a company fire hydrant.

Your actual bill will vary based upon your consumption.

Other proposed changes that may affect you are as follows:

	Current Rate	Proposed Rate
Service Visit Charge	\$ 0.00	\$20.00
Late Payment Charge*	\$ 0.00	\$ 2.50
Account Set-up Charge	\$ 0.00	\$15.00
NSF Check Charge	\$15.00	\$20.00
Water Availability Letter Charge	\$ 0.00	\$20.00

* Bills are considered "late" fifteen days after they have been sent to you.

If you have questions about the proposed filing and how it will affect you, please call Pattison Water Company, (360) 412-1252. If you would like to comment on this filing, be added to the commission's mailing list, or have questions about the ratemaking process, please use the contact information below. You may also comment in person at the commission's open meeting in Olympia at 9:30 a.m. on November 8, or by using the "Public Comment" feature at the commission's web site, at <http://www.wutc.wa.gov>. The commission is scheduled to make a decision at its open meeting on November 29. If you are unable to attend an open meeting in person, the commission has a bridge line which enables you to participate or listen by telephone. Call (360) 664-1234 for instructions the day before the open meeting.

Washington Utilities and Transportation Commission
 PO Box 47250, Olympia, WA 98504-7250
 E-mail: comments@wutc.wa.gov
 Telephone: 1-800-562-6150

PATTISON WATER COMPANY, INC.

PO Box 3374 • Lacey, WA 98509-3374 • (360) 412-1252 • Fax (360) 412-0677

October 30, 2006

Notice of Proposed Rate Changes for One Inch Meters

Pattison Water Company has asked the Washington Utilities and Transportation Commission for permission to increase the rates that we charge. In addition, we are proposing to change our billing cycle from a bi-monthly cycle (six bills per year) to a monthly cycle where you will receive twelve bills per year. Our last rate increase took effect in September 1995, over 11 years ago. In fact, our residential minimum charge has been unchanged at \$19.50 per month since 1990. The net effect of the proposed increase will increase our total revenue by \$130,000 per year. If the proposed rates are approved, they will take effect on December 1, 2006.

Several improvements have been made to the water system since our last rate increase: We have added four reservoirs that have more than doubled our reservoir storage capacity which enhances our reliability. We have installed an emergency generator at one of our primary wells to keep the water flowing and help maintain pressure during extended power outages. We have added a second feed line from our primary reservoir down Spurgeon Creek Road to the Yelm Highway to increase reliability and help even out pressure during peak use times. We have increased the production of some of our wells to keep up with our growing demand. We are now in the process of replacing our meters with radio-read meters that will substantially reduce the time it takes to read the meters and provide us with more accurate reads. This will free up some of our time to focus on maintenance and other needed improvements.

Growth has necessitated an increase in staffing (and labor cost) which is partially reflected in this proposed rate increase request. To keep costs down, we have kept our office staffed only two days per week. Once we go to monthly billing, our office will be open four days per week. Other costs have increased since our last rate increase, such as power, fuel, water testing and insurance. Looking into the future, our biggest cost drivers will be drilling for new wells and acquiring water rights for those wells. Minimizing the need to develop new sources will help us keep our costs down.

To that end, this rate increase proposal will promote water conservation by eliminating the consumption allowance for the first 500 cubic feet used per month. Over one half of our customers use *less* than our current minimum allowance during the winter months. With our proposed rates, you will pay for each unit of water that you use. Those of you who use little or no water will see a modest increase in your bill. Heavier users, especially those who use more in the summer months, will get substantially larger bills. We are proposing four consumption rate blocks. The smallest consumption block will run from zero to 500 cubic feet (c.f.) per month. The next block will be from 501 c.f. to 2000 c.f. per month. Over 75% of our customers used this amount or less during the July/August billing cycle in 2005. The next block will be from 2001 c.f. to 4000 c.f. per month. Fifteen percent were in this category in the summer of 2005. The final block will

be from 4001 c.f. and up. About 9% of our customers used more than 4,000 c.f. per month in the July/August billing period in 2005.

An example of our proposed rates for **one inch meters** is shown below:

Monthly Rates	Current Rate	Proposed Rate
Base Rate at 1,200 c.f.	\$48.75	
Base Rate (Zero c.f.)		\$47.50
0-1,250 c.f. per 100 c.f.	Included in base rate	
0-500 c.f. per 100 c.f.	Included in base rate	\$1.20
501-2,000 c.f. per 100 c.f.	\$1.00 <i>after</i> 1,200 c.f.	\$ 1.50
2,001-4,000 c.f. per 100 c.f.	\$1.00	\$ 1.80
Over 4,000 c.f. per 100 c.f.	\$1.00	\$ 3.00
Bill calculated on 4,000 c.f. of usage	\$76.75	\$112.00

Your actual bill will vary based upon your consumption.

Other proposed changes that may affect you are as follows:

	Current Rate	Proposed Rate
Service Visit Charge	\$ 0.00	\$20.00
Late Payment Charge*	\$ 0.00	\$ 2.50
Account Set-up Charge	\$ 0.00	\$15.00
NSF Check Charge	\$15.00	\$20.00
Water Availability Letter Charge	\$ 0.00	\$20.00

* Bills are considered "late" fifteen days after they have been sent to you.

If you have questions about the proposed filing and how it will affect you, please call Pattison Water Company, (360) 412-1252. If you would like to comment on this filing, be added to the commission's mailing list, or have questions about the ratemaking process, please use the contact information below. You may also comment in person at the commission's open meeting in Olympia at 9:30 a.m. on November 8, or by using the "Public Comment" feature at the commission's web site, at <http://www.wutc.wa.gov>. The commission is scheduled to make a decision at its open meeting on November 29. If you are unable to attend an open meeting in person, the commission has a bridge line which enables you to participate or listen by telephone. Call (360) 664-1234 for instructions the day before the open meeting.

Washington Utilities and Transportation Commission
 PO Box 47250, Olympia, WA 98504-7250
 E-mail: comments@wutc.wa.gov
 Telephone: 1-800-562-6150

PATTISON WATER COMPANY, INC.

PO Box 3374 • Lacey, WA 98509-3374 • (360) 412-1252 • Fax (360) 412-0677

October 31, 2006

Notice of Proposed Rate Changes for 1 ½” Meters

Pattison Water Company has asked the Washington Utilities and Transportation Commission for permission to increase the rates that we charge. In addition, we are proposing to change our billing cycle from a bi-monthly cycle (six bills per year) to a monthly cycle where you will receive twelve bills per year. Our last rate increase took effect in September 1995, over 11 years ago. In fact, our residential minimum charge has been unchanged at \$19.50 per month since 1990. The net effect of the proposed increase will increase our total revenue by \$130,000 per year. If the proposed rates are approved, they will take effect on December 1, 2006.

Several improvements have been made to the water system since our last rate increase: We have added four reservoirs that have more than doubled our reservoir storage capacity which enhances our reliability. We have installed an emergency generator at one of our primary wells to keep the water flowing and help maintain pressure during extended power outages. We have added a second feed line from our primary reservoir down Spurgeon Creek Road to the Yelm Highway to increase reliability and help even out pressure during peak use times. We have increased the production of some of our wells to keep up with our growing demand. We are now in the process of replacing our meters with radio-read meters that will substantially reduce the time it takes to read the meters and provide us with more accurate reads. This will free up some of our time to focus on maintenance and other needed improvements.

Growth has necessitated an increase in staffing (and labor cost) which is partially reflected in this proposed rate increase request. To keep costs down, we have kept our office staffed only two days per week. Once we go to monthly billing, our office will be open four days per week. Other costs have increased since our last rate increase, such as power, fuel, water testing and insurance. Looking into the future, our biggest cost drivers will be drilling for new wells and acquiring water rights for those wells. Minimizing the need to develop new sources will help us keep our costs down.

To that end, this rate increase proposal will promote water conservation by eliminating the consumption allowance for the first 500 cubic feet used per month. Over one half of our customers use *less* than our current minimum allowance during the winter months. With our proposed rates, you will pay for each unit of water that you use. Those of you who use little or no water will see a modest increase in your bill. Heavier users, especially those who use more in the summer months, will get substantially larger bills. We are proposing four consumption rate blocks. The smallest consumption block will run from zero to 500 cubic feet (c.f.) per month. The next block will be from 501 c.f. to 2000 c.f. per month. Over 75% of our customers used this amount or less during the July/August billing cycle in 2005. The next block will be from 2001 c.f. to 4000 c.f. per

month. Fifteen percent were in this category in the summer of 2005. The final block will be from 4001 c.f. and up. About 9% of our customers used more than 4,000 c.f. per month in the July/August billing period in 2005.

An example of our proposed rates is shown below:

Monthly Rates	Current Rate	Proposed Rate
Base Rate at 2,500 c.f.	\$98.00	
Base Rate (Zero c.f.)		\$95.00
0-2,500 c.f. per 100 c.f.	Included in base rate	
0-500 c.f. per 100 c.f.	Included in base rate	\$ 1.20
501-2,000 c.f. per 100 c.f.	Included in base rate	\$ 1.50
2,001-4,000 c.f. per 100 c.f.	\$1.00 after 2,500 c.f.	\$ 1.80
Over 4,000 c.f. per 100 c.f.	\$1.00	\$ 3.00
Bill calculated on 10,000 c.f. of usage	\$173.00	\$244.50

*

Your actual bill will vary based upon your consumption.

Other proposed changes that may affect you are as follows:

	Current Rate	Proposed Rate
Service Visit Charge	\$ 0.00	\$20.00
Late Payment Charge*	\$ 0.00	\$ 2.50
Account Set-up Charge	\$ 0.00	\$15.00
NSF Check Charge	\$15.00	\$20.00
Water Availability Letter Charge	\$ 0.00	\$20.00

* Bills are considered "late" fifteen days after they have been sent to you.

If you have questions about the proposed filing and how it will affect you, please call Pattison Water Company, (360) 412-1252. If you would like to comment on this filing, be added to the commission's mailing list, or have questions about the ratemaking process, please use the contact information below. You may also comment in person at the commission's open meeting in Olympia at 9:30 a.m. on November 8, or by using the "Public Comment" feature at the commission's web site, at <http://www.wutc.wa.gov>. The commission is scheduled to make a decision at its open meeting on November 29. If you are unable to attend an open meeting in person, the commission has a bridge line which enables you to participate or listen by telephone. Call (360) 664-1234 for instructions the day before the open meeting.

Washington Utilities and Transportation Commission
 PO Box 47250, Olympia, WA 98504-7250
 E-mail: comments@wutc.wa.gov
 Telephone: 1-800-562-6150

PATTISON WATER COMPANY, INC.

PO Box 3374 • Lacey, WA 98509-3374 • (360) 412-1252 • Fax (360) 412-0677

October 31, 2006

Notice of Proposed Rate Changes

Mr. Dennis Daly
525 SW 160th St
Seattle WA 98166

Dear Dennis,

Pattison Water Company has asked the Washington Utilities and Transportation Commission for permission to increase the rates that we charge. In addition, we are proposing to change our billing cycle from a bi-monthly cycle (six bills per year) to a monthly cycle where you will receive twelve bills per year. Our last rate increase took effect in September 1995, over 11 years ago. In fact, our residential minimum charge has been unchanged at \$19.50 per month since 1990. The net effect of the proposed increase will increase our total revenue by \$130,000 per year. If the proposed rates are approved, they will take effect on December 1, 2006.

Several improvements have been made to the water system since our last rate increase: We have added four reservoirs that have more than doubled our reservoir storage capacity which enhances our reliability. We have installed an emergency generator at one of our primary wells to keep the water flowing and help maintain pressure during extended power outages. We have added a second feed line from our primary reservoir down Spurgeon Creek Road to the Yelm Highway to increase reliability and help even out pressure during peak use times. We have increased the production of some of our wells to keep up with our growing demand. We are now in the process of replacing our meters with radio-read meters that will substantially reduce the time it takes to read the meters and provide us with more accurate reads. This will free up some of our time to focus on maintenance and other needed improvements.

Growth has necessitated an increase in staffing (and labor cost) which is partially reflected in this proposed rate increase request. To keep costs down, we have kept our office staffed only two days per week. Once we go to monthly billing, our office will be open four days per week. Other costs have increased since our last rate increase, such as power, fuel, water testing and insurance. Looking into the future, our biggest cost drivers will be drilling for new wells and acquiring water rights for those wells. Minimizing the need to develop new sources will help us keep our costs down.

The flat rate that we have been charging the two Mobile Home Parks that you own was last changed in 1995 along with our other rate changes. We are proposing to continue billing you on a flat rate basis. We arrived at the current rate per unit by figuring the over-all percentage increase in revenue that we are requesting versus our revenue in 2005. We anticipate that the overall increase will be 33.7%. We then multiplied your

current rate per residential unit by 1.337 to arrive at \$22.86 per residential unit. We believe that this is a fair way to determine the new rate, but we do not yet know how this proposal will be viewed by the Utilities Commission. They may ask us to begin metering your water, and charging you on a consumption basis. If that is the situation we will let you know, and provide you with a revised proposed rate structure.

An example of our proposed rate is shown below:

Monthly Rates	Current Rate	Proposed Rate
Base Rate per Residential Unit	\$17.10	\$22.86
Bill calculated on 89 Residential Units	\$1,521.90	\$2,034.54

Other proposed changes that may affect you are as follows:

	Current Rate	Proposed Rate
Service Visit Charge	\$ 0.00	\$20.00
Late Payment Charge*	\$ 0.00	\$ 2.50
Account Set-up Charge	\$ 0.00	\$15.00
NSF Check Charge	\$15.00	\$20.00
Water Availability Letter Charge	\$ 0.00	\$20.00

* Bills are considered "late" fifteen days after they have been sent to you.

If you have questions about the proposed filing and how it will affect you, please call Pattison Water Company, (360) 412-1252. If you would like to comment on this filing, be added to the commission's mailing list, or have questions about the ratemaking process, please use the contact information below. You may also comment in person at the commission's open meeting in Olympia at 9:30 a.m. on November 8, or by using the "Public Comment" feature at the commission's web site, at <http://www.wutc.wa.gov>. The commission is scheduled to make a decision at its open meeting on November 29. If you are unable to attend an open meeting in person, the commission has a bridge line which enables you to participate or listen by telephone. Call (360) 664-1234 for instructions the day before the open meeting.

Washington Utilities and Transportation Commission
 PO Box 47250, Olympia, WA 98504-7250
 E-mail: comments@wutc.wa.gov
 Telephone: 1-800-562-6150