Harrison-Ray Water Company, Inc. P O Box 2818 Pasco, WA 99302-2818 (509) 545-1908

August 30, 2007

NOTICE OF PROPOSED RATE CHANGES FOR 1/2" PIPE CUSTOMERS

Harrison-Ray Water Company, Inc. has asked the Washington Utilities and Transportation Commission for permission to increase the water rates we charge all our customers. The proposed rates will increase annual revenues to the company by approximately \$65,000 (36%) per year to cover increased expenses due to the new well installed, improvements to the pump house, electricity, insurance, fuel, etc. If approved the new rates will be effective October 1, 2007. The rate increase will be based on water used after October 1, and reflected on your November 2007 billing.

Below is a table showing the current and proposed water rates (cu ft = cubic feet):

Monthly Rates	Current Rate
Base Rate incl. 500 cu ft	\$27.50
501-5,000 cu ft per 100 cu ft	\$0.50
Over 5,000 cu ft per 100 cu ft	\$0.70

Monthly Rates	Proposed Rate	ı
Base Rate (zero cu fi)	\$33.50	
0-1,500 cu ft per 100 cu ft	\$0.60	
1,500-4,000 cu ft per 100 cu ft	\$1.00	`
Over 4,000 cu ft per 100 cu ft	\$1.50	

Below is a list of changes to other fee charges that may affect you:

Charge	Current Rate	Proposed Rate
Reconnection Charge	\$50.00	\$25.00
Disconnection Charge	\$0	\$25.00
Service Visit Charge	\$0	\$25.00
Late Payment Charge (minimum)*	\$0	\$2.50
Account Setup	\$0	\$15.00
NSF Check Charge	\$10.00	\$25.00
Service Connection Charge	\$0	\$600.00
Water Availability Letter Charge	\$0	\$20.00

*The late payment charge is a minimum of \$2.50 or 2% of the delinquent balance, whichever is greater. Payments are considered late 15 days after bills are sent to you.

If you have questions about the proposed filing and how it will affect you, please call Harrison-Ray Water Company, Inc. at (509) 545-1908.

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 on September 12, 2007, or by using the "Public Comment" feature at the commission's website at www.wutc.wa.gov. The commission is scheduled to make a decision at its open meeting on September 26, 2007. If you are unable to attend an open meeting in person, the commission has a bridge line that 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 1300 S. Evergreen Park Drive S.W. P O Box 47250 Olympia, WA 98504-7250 Email: comments@wutc.wa.gov

Telephone: 1-800-562-6150

Harrison-Ray Water Company, Inc. P O Box 2818 Pasco, WA 99302-2818 (509) 545-1908

August 30, 2007

NOTICE OF PROPOSED RATE CHANGES FOR 2" PIPE CUSTOMERS

Harrison-Ray Water Company, Inc. has asked the Washington Utilities and Transportation Commission for permission to increase the water rates we charge all our customers. The proposed rates will increase annual revenues to the company by approximately \$65,000 (36%) per year to cover increased expenses due to the new well installed, improvements to the pump house, electricity, insurance, fuel, etc. If approved the new rates will be effective October 1, 2007. The rate increase will be based on water used after October 1, and reflected on your November 2007 billing.

Below is a table showing the current and proposed water rates (cu ft = cubic feet):

Monthly Rates	Current Rate
Base Rate incl. 500 cu it	\$146.58
501-5,000 cu ft per 100 cu ft	\$0.50
Over 5,000 cu ft per 100 cu ft	\$0.70

Monthly Rates	Proposed Rate
Base Rate (zero cu ft)	\$178.56
0-7,995 cu ft per 100 cu ft	\$0.60
7,995-21,320 cu ft per 100 cu ft	\$1.00
Over 21,320 cu ft per 100 cu ft	\$1.50

Below is a list of changes to other fee charges that may affect you:

Charge	Current Rate	Proposed Rate
Reconnection Charge	\$50.00	\$25.00
Disconnection Charge	\$0	\$25.00
Scrvice Visit Charge	\$0	\$25.00
Late Payment Charge (minimum)*	\$0	\$2.50
Account Setup	\$0	\$15.00
NSF Check Charge	\$10.00	\$25.00
Service Connection Charge	\$0	\$600.00
Water Availability Letter Charge	\$0	\$20,00

*The late payment charge is a minimum of \$2.50 or 2% of the delinquent balance, whichever is greater. Payments are considered late 15 days after bills are sent to you.

If you have questions about the proposed filing and how it will affect you, please call Harrison-Ray Water Company, Inc. at (509) 545-1908.

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