

**RED MOUNTAIN WATER ASSOCIATION  
1232 COLUMBIA PARK TRAIL  
RICHLAND, WA 99352  
PHONE 509-736-1133 OR FAX 509-736-1144**

April 3, 2009

**IMPORTANT NOTICE**

Red Mountain Water Association (Red Mountain Water) has filed for approval from the Washington Utilities and Transportation commission (commission) to increase rates by \$10,000 annually, about a 20% increase, to cover the cost of the supplemental well and increased operating costs. This is an average of \$10 per month per customer. If approved, the rates will be effective on June 1, 2009.

Red Mountain Water's main well has started pumping air due to the lowering water level. It is necessary to drill a supplemental well to solve this problem. The supplemental well is estimated to cost \$41,000.

Red Mountain Water's last rate increase was in 2002. Red Mountain Water's operating costs have increased about \$3,600 per year for water samples, water testing, chemicals, utility taxes and professional services.

The commission requires Red Mountain Water establish a tiered rate schedule based on usage to encourage water conservation. The current and proposed rates are as follows:

<u>Monthly Rate</u>	<u>Current</u>	<u>Proposed</u>
1 inch meters:		
Base charge (6,000 gal. in current base chg.)	\$19/mo	\$19/mo.
0 - 8,000 gallons	\$0.078/100 gal.	\$0.75/1000 gal.
8,001 - 80,000 gallons	\$0.078/100 gal	\$0.91/1000 gal.
Over 80,000 gallons	\$0.078/100 gal.	\$1.00/1000 gal.
1 ½ inch meters:		
Base charge (6,000 gal. in current base chg.)	\$26	\$31/mo.
0 - 16,000 gallons	\$0.078	\$0.75/1000 gal.
16,001 - 160,000 gallons	\$0.078/100 gal	\$0.91/1000 gal.
Over 160,000 gallons	\$0.078/100 gal.	\$1.00/1000 gal.

If you have any questions about the filing and how it will affect you, please call Red Mountain Water at 509-736-1133.

The commission has the authority to set final rates that may vary from the company's request, depending on the results of its investigation. 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 by using the "Public Comment" feature at the commission's Web site, at [utc.wa.gov](http://utc.wa.gov). The commission is scheduled to make a decision at its open meeting on \_\_\_ May 28, 2009 \_\_\_. 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  
Post Office Box 47250, Olympia, WA 98504-7250  
E-mail: [utc.wa.gov/comment](mailto:utc.wa.gov/comment)  
Telephone: 1-888-333-WUTC (9882)

Sincerely,

Red Mountain Water Association  
General Partner