

THE OAK PARK WATER COMPANY, INC.
P.O. Box 2026
Shelton, Washington 98584
360-427-0678
IMPORTANT NOTICE

July 10, 2009

To Oak Park Water Customers:

The Oak Park Water Company (Oak Park Water) has filed for approval from the Washington Utilities and Transportation Commission (commission) to initiate a surcharge to pay for new storage tanks and upgrades to the pump house. This upgrade is required for Oak Park Water to stay in compliance with Department of Health (DOH) regulations.

The present reservoirs have been leaking water for years. The leaking has reached the point where the DOH has mandated that we replace the tanks before they fail completely. If they fail, the Oak Park Water system will be out of water requiring very expensive temporary tanks to provide water until new tanks can be installed. This would also require chlorination of the system.

The route we have chosen to take is to install dual 55' steel reservoirs. These reservoirs will benefit the customers of Oak Park Water by providing water flow during power outages. Our calculations indicate that you will have gravity flow at lower pressure for 12 hours - we have never seen a power outage lasting longer than that. This will negate the necessity for us to install a stand by generator at a cost of \$40,000. Also, when one tank requires maintenance, the system will be able to operate on the other tank so that the system would not have to be shut down completely. This is an initial first step to providing fire protection for the Oak Park Water system.

We chose to use steel tanks rather than concrete tanks because steel tanks have an interior epoxy coating that is more resistant to the growth of bacterial contaminants. The top of the steel tank is completely sealed while the concrete tank may allow contaminated water to seep into the potable water and cause contamination of your drinking water.

The proposed surcharge is to pay for the cost of the reservoir replacement and interest costs on the loan. The Company is seeking a low-interest 20 year loan in the amount of \$400,000 of which \$200,000 will be forgiven through the American Recovery and Reinvestment Act. If the surcharge is approved, the Company is requesting an effective date of September 1, 2009.

<u>Capital Improvement Surcharge</u>	<u>Proposal</u>
Residential	\$4.00
Multi-family per unit	\$4.00

Surcharge to expire **September 1, 2029 or upon recovery of \$ \$400,000** loan principal plus interest charges and state excise taxes, whichever occurs first


NOTE: THIS IS IN ADDITION TO YOUR MONTHLY RATES

If you have questions about the filing and how it will affect you, please call the Oak Park Water Company at 427-0678.

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 <http://www.utc.wa.gov>. The commission is scheduled to consider this proposal for a decision at its open meeting on August 27, 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: <http://www.utc.wa.gov/comment>
Telephone: 1-888-333-WUTC (9882)

Sincerely,



Drew Noble
Manager