

NORTHWEST WATER COMPANY  
PO BOX 20429  
SEATTLE, WA 98102

NOTICE OF RATE INCREASE

Date: December 23, 2009

The City of Everett has again increased its water rates for 2010 that will affect an increase for the Northwest Water System. The Northwest Water System has filed for approval from the Washington Utilities and Transportation Commission (commission) for an increase in basic service rates. The filing is expected to generate approximately \$4,000.00 in additional revenue on an annual basis. If approved, the rates will become effective on February 1, 2010.

The filing is a straight pass-through of the increase in the water utility rates adopted by the City of Everett. The City increase means that the base rate will increase by approximately 2% for the base rate; approximately 43% for the first usage block and approximately 26.5% for the second usage block. The table below sets out the current and proposed rates:

	<u>Base Rate/Month</u>	<u>0-1,200 cu. ft.</u>	<u>&gt;1,200 cu. ft.</u>
Current Rate	\$32.85	\$0.046/cu.ft.	\$0.075/cu. ft.
Proposed Rate	\$33.45	\$0.0664/cu. ft.	\$0.0954/cu. ft.

This tariff filing does no more than pass through the City's rate increase. There is no additional profit or cost recovery for the Company.

If you have any questions about the proposed filing and how it will affect you, please call Northwest Water System at 1-800-928-3750.

The commission has the authority to set final rates that may vary from the company's request, depending on the results of its investigation. Commission staff will make a recommendation to the commissioners at an open meeting in Olympia, which is scheduled for 9:30 a.m. on January 28, 2010. You will have an opportunity to comment in person at this meeting. If you are unable to attend the open meeting, 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. You can also comment by using the "Public Comment" feature at the commission's Web site at [utc.wa.gov](http://utc.wa.gov) or by using the contact information below.

Washington Utilities and Transportation Commission  
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P.O. Box 47250, Olympia, WA 98504-7250  
E-mail: [comments@utc.wa.gov](mailto:comments@utc.wa.gov)  
Telephone: 1-888-333-WUTC (9882)

Sincerely,  
Northwest Water System