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April 20, 2010

Mr. David Danner, Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive SW
Olympia, WA 98504-7250

Re: Deer Meadows Water Company, Incorporated – Second Revision of
Sheet No. 22 Canceling First Revision of Sheet No. 22; First
Revision of Sheet No. 23 Canceling Original Sheet No. 23; First
Revision of Sheet No. 45 Canceling Original Sheet No. 45

Dear Mr. Danner:

Enclosed you will find the original and three copies of the above-referenced tariff sheets. The purpose of this filing is to initiate a general rate increase. The Company's costs of operation far exceed its revenues and is the reason for this filing.

The filing will increase revenues by 80%. The base rate and Ready to Serve rate each increase from \$26.25 to \$48.25. The usage rate increases from \$0.46 per 1,000 gallons to \$1.06 per 1,000 gallons. The filing establishes a new NSF check charge of \$25.00 and a new site visit charge of \$75.00. The reconnection charge increases from \$25.00 to \$75.00. A copy of the Customer Notice that has been sent this day to the Company's customers is attached. That Notice includes information delineating both the existing rates and proposed rates that would be produced by this filing.

The net effect of the filing would produce additional revenue in the amount of \$114,234. Work papers showing results of operations and all restating and proforma adjustments are enclosed.

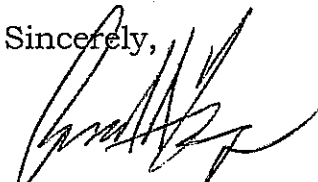
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The Usage Schedule and Depreciation Schedule have been sent to Commission Staff electronically. All other work papers are available upon request. To the extent that anything is not filed with this cover letter that is otherwise required by WAC 480-07-530, the Company requests waiver of that filing requirement.

The undersigned has authority to file tariff sheets on behalf of the Company.

Thank you for your consideration of this request.

Sincerely,



RICHARD A. FINNIGAN

RAF/km
Enclosures

cc: Brent Swalling (via e-mail)