

April 2nd, 2012



Re: **IMPORTANT NOTICE OF REQUEST FOR RATE INCREASE**

To: Copalis Rocks Water System Customers

Copalis Rocks Mutual Benefit Association (CRMBA) will file for approval from the Washington Utilities and Transportation Commission (commission) to eliminate the Capital Improvement Surcharge, and increase total annual revenue \$1,463.28, or approximately \$56.28 per year per user.

The initial rate filing did not provide any justification for the rates charged, it was only a "rate setting" which established the rates as they were at the time. In this filing, CRMBA will publish its expenses and set a rate to generate sufficient revenue to meet its obligations. The Capital Improvement Surcharge triggers significant accounting and management procedures that will increase the overall cost of operating the system by as much as 5% and will therefore be discontinued in favor of simple rate base. Since the system is approaching a final round of capital improvements, CRMBA believes it is imperative that any available steps to control costs be taken.

Below is a schedule that shows the proposed changes:

Service	Current Rate	Proposed Rate
Flat rated, unmetered service	\$45.00	79.69
Capital Improvement Surcharge	\$30.00	\$0
Ready to Serve	\$45.00	\$19.92
Service Connection Fee (5/8" service)	\$1,000.00	\$500.00
Service Visit Charge	\$100.00	\$85.00
NSF Charge (each check)	\$25.00	\$35.00

If approved, the rates will be effective on June 1, 2012. CRMBA anticipates having a community meeting where questions concerning this rate case can be addressed prior to the WUTC open meeting. For questions about how the proposed filing will affect you, please call CRMBA at (425) 778-8500.

The commission has the authority to set rates that may vary from the company's request, depending on the outcome 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 (open meeting date). 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 by telephone. Call 360-664-1234 the day before the open meeting for instructions and to sign in. You can also comment by using the "Public Comment" feature at the commission's web site, at utc.wa.gov, or by using the contact information below.

Washington Utilities and Transportation Commission
1300 S Evergreen Park Drive SW
Post Office Box 47250
Olympia, WA 98504-7250
E-mail: comments@utc.wa.gov
Telephone: 1-888-333-WUTC (9882)

Sincerely,
Copalis Rocks Mutual Benefit Association

250 4th Ave S Suite 200
Edmonds, WA 98020

.....
Phone: 425.778.8500
Fax: 425.778.5536
Email: admin@copalisrockswater.org