

**Customer Notice
and
Revised Tariff**

SOLMAR WATER SYSTEM, INC.
P.O. Box 1989 – Sequim, Washington 98382

IMPORTANT NOTICE

November 16, 2013

Solmar Water System, Inc. has filed for approval from the Washington Utilities and Transportation Commission with an estimated annual revenue increase of \$13,800.00. If approved, the rates will become effective on January 1, 2014.

We have not applied for a rate increase in over a decade; the reason for this rate increase is to recover costs that have exceeded our revenues. This includes adjusting for the ever-increasing costs of labor, testing, insurance, and operations (i.e. electricity, maintenance, postage, telephone, transportation, etc.). The proposed rates are also to promote overall water conservation. Below is a comparison of current and proposed rates:

Service	Current Rate	Proposed Rate
Service Connection Fee	\$425.00	\$650.00
Flat rated, unmetered service	\$29.50	\$33.00
Ready to Serve	\$10.00	\$10.00
3/4" Metered Base Rate	\$22.00	\$25.00
Tier 1, 0 - 1000 cubic feet	\$1.00	\$1.00
Tier 2, 1001 - 2000 cubic feet	\$1.00	\$1.50
Tier 3, >2000 cubic feet	\$1.00	\$2.00
3" Metered Base Rate	*N/A	\$1,250.00
Tier 1, 0 - 10,000 cubic feet	N/A	\$1.00
Tier 2, 10,001 - 20,000 cubic feet	N/A	\$1.50
Tier 3, >20,000 cubic feet	N/A	\$2.00
Installation of Approved Backflow	N/A	at Customer's Expense by approved certified BAT
Service Visit Charge	N/A	\$15.00
NSF Check Charge	\$15.00	\$20.00
Water Availability Letter	Free	\$20.00
Backflow Assembly Testing and Inspection	N/A	BAT Fee + 10%
Credit/Debit Card Processing Fee	N/A	4.00%
Credit/Debit Card Chargeback	N/A	\$10.00
Damage and Repair Charge	Labor & Materials	Labor & Materials

*Previously billed at a non-metered mobile home unit rate of \$24.00 per unit for 74 units

In addition to the rate increase, we are requesting the following changes to our tariff rules to better serve our customer's needs and meet the current State regulations:

- We will be adding the ability to process credit/debit card payments. Rule 22.
- The payment due date shall be changed from 15 days to 20 days after the date mailed. Rule 11.

- Water Leak Procedure, currently customers are responsible for all water usage occurring during normal and leak event. Under the revised tariff a customer can request a credit for excessive usage during a relevant two month period using half the usage rate . Rule 27.
- Customer shall complete a cross connection control survey and, if deemed necessary, install and maintain a backflow assembly to comply with cross connection control regulations. Rule 14, 20, and 21 and Schedule 8.

The commission has the authority to set final rates that may be lower or higher than 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 December 27, 2013. You will have an opportunity to comment in person at this meeting. The UTC is committed to providing reasonable accommodation to participants with disabilities. If you need reasonable accommodation, please contact the commission at (360) 664-1132 or human_resources@utc.wa.gov.

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 "Submit a 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
P.O. Box 47250, Olympia, WA 98504-7250

E-mail: comments@utc.wa.gov
Telephone: 1-888-333-WUTC (9882)

If you have questions about the proposed filing and how it will affect you, please call Solmar Water System, Inc. at 360-683-7191. If you have questions about the rate making process, you may contact the Washington Utilities and Transportation Commission at the following address: UTC, 1300 S. Evergreen Park Drive S.W., P.O. Box 47250, Olympia, WA 98504-7250; 1-888-333-9882 (toll-free) or by e-mail comments@utc.wa.gov.

If you would like to comment on this proposal, it is important for you to do so now. Comments must be submitted in writing or presented at the commission's open meeting to be included as part of the formal record. The commission is interested in receiving your views regarding this proposal whether in favor or not. All open meetings are held in Olympia, WA. If you would like to be added to the commission's mailing list to be notified of the open meeting date, please call 1-888-333-9882 and leave your name, complete mailing address, the water company's name, and a description of the proposal you are interested in.

Sincerely,
Solmar Water System, Inc.
P.O. Box 1989
Sequim, WA 98382
(360) 683-7191