

IMPORTANT NOTICE

This notice is to inform you that the Company has filed for approval from the Washington Utilities and Transportation Commission to increase its rates for your water system to encourage conservation. This step is deemed necessary because summer usage has been resulting in the storage tank serving your water system frequently and routinely falling below the level of water needed to fight a fire. Attached is a graph which shows usage for the water system in July of 2015. It demonstrates that there is a substantial problem in drawing down the water tank below what is needed for fire fighting purposes. This is a dangerous situation that must be corrected. If approved by the Commission, the conservation rate will be effective May 2, 2016.

The rates for customers with a 3/4 inch meter for the summer period in the third usage block (over 3,000 cubic feet in a billing period) will be increased from \$2.42 per 100 cubic feet or portion thereof to \$5.00 per 100 cubic feet or portion thereof. One cubic foot of water equal 7.48 gallons. Usage rates for customers on a one inch meter for the summer period will see the second block limitation drop from 7,500 cubic feet to 3,000 cubic feet and the rates in the third block of over 3,000 cubic feet will go from \$2.42 per 100 cubic feet or portion thereof to \$5.00 per 100 cubic feet or portion thereof. The summer period is defined as May 1 through September 30.

What this means to you will vary by customer. If you do not use more than 3,000 cubic feet in a summer billing period, there will be no increase in rates. If you use more than 3,000 cubic feet in a summer billing period, the price for your use in the third block will be substantially higher on a per 100 cubic feet basis.

The Company projects that if customers use the same amount of water that they used in 2015, this filing will produce an increase in revenue related to your water system of \$7,118 or approximately thirty-seven percent. If customers decrease their usage, which is expected, it is projected that approximately \$3,500 in additional revenue would be raised or approximately eighteen percent higher revenue will be produced compared to 2015.

The Company intends to use any additional funds raised to work with customers on the system to control water usage, implement leak detection measures and find other ways to try to protect the water system so that fire flow is available in a time of need.

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 April 28, 2016. 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 that follows:

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)

If you have any questions, please contact us at (253) 537-6634.

Sincerely,

Rainier View Water Company