PATTISON WATER COMPANY, INC.

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April 27, 2018

Important Notice Regarding Proposed Increase to Hook-up Charge and Facilities Charge

Dear Future Customer,

Pattison Water Company has petitioned the Washington State Utilities and Transportation Commission (UTC) for the right to increase the charges that are paid at the time a hook-up is requested by \$846.00. We are asking for this increase to cover our increase in materials cost and an increase in the taxes that we must pay. Changes in the Federal Tax Code now require that we pay tax on Facilities Charge revenue.

If the Commission approves our request, the new Hook-up Charge will be \$1,183.00. We estimate our labor and materials cost to be \$934.68.00 per service connection. The remaining \$248.32 that we propose to collect will be paid out in taxes. Our General Facilities Charge will remain the same as it is now at \$1,200.00 per residential hook-up, but we propose to collect the tax of \$319.00 for a total of \$1,519.00. Both fees are required to be paid prior to installation of a meter and activation of water service.

Should this increase be allowed, the new rate will become effective on June 1, 2018. **If you request and pay for a water service connection prior to June 1, 2018, the current connection rates will apply**. Following receipt of payment, a meter will be installed onsite, and the customer will be charged the monthly Base Rate (currently \$12.75/month) plus the monthly Fire Hydrant Charge (currently \$1.00/month). Usage charges will be added once water is being used. Below is a summary of the existing and proposed rates for service connection:

	Current Rates:	Proposed Rates:
Hook-up Charge:	\$ 656.00	\$1,183.00
Facilities Charge:	<u>\$1,200.00</u>	<u>\$1,519.00</u>
Total Charge:	\$1,856.00	\$2,702.00

Questions regarding this proposal can be addressed to Jim Casebolt at Pattison Water Company at (360) 412-1252 or by email: office@pattisonwater.com. If you have questions or comments about the ratemaking process, you may contact the Washington State Utilities and Transportation Commission at any of the following:

By mail: UTC, P.O. Box 47250, Olympia, WA 98504-7250 By phone: 1-888-333-9882 or by email: comments@utc.wa.gov

If you would like to comment on this proposal, it is important for you to do so now. Only written comments or comments presented at the UTC open meeting will be included in the formal record. The commission encourages written comments, either in support or not. Be sure to include your return address and a description of the filing.

James Casebolt, President

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