Law Office of Richard A. Finnigan

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February 2, 2006

Ms. Carole J. Washburn, Executive Secretary Washington Utilities and Transportation Commission 1300 South Evergreen Park Drive SW Olympia, WA 98504-7250

Re: Canterwood Water Company, Inc. - UW-040651

RDS MANAGEME TEB -2 PM 3: 3 TATE OF WASH. L. AND TRANSP COMMISSION

Dear Ms. Washburn:

Pursuant to Commission rules, enclosed is the Customer Notice for the above-referenced filing. The Customer Notice was mailed to customers on January 31, 2006.

Thank you for your attention to this matter.

Sincerely,

RICHARD A. FINNIGAN

Richard a. Finnigan / km

RAF/km Enclosure

cc: Russell Tanner (via e-mail) Lisa Raysby (via e-mail)

Danny Kermode (via e-mail)

CANTERWOOD WATER COMPANY IMPORTANT NOTICE

January 27, 2006

Canterwood Water Company was required by the Washington Utilities and Transportation Commission (WUTC) to re-evaluate the rates that went into effect May 27, 2004. Canterwood Water Company is not proposing to change your current monthly water rate, however this filing may result in increased revenue to the company. If approved by the WUTC, this filing will go into effect on March 1, 2006.

On May 27, 2004, the company instituted a new rate structure, designed to promote water conservation and efficiency. Surplus revenues generated by the new rate structure were placed into a capital improvement fund to be used for capacity related projects due to high customer water use. This filing proposes that the company be allowed to use future revenue for increased operating expenses. Canterwood will also continue to make system improvements necessary to meet maximum day and peak hourly demands from high customer water use.

Your current rates are as follows:

Monthly Rate	Monthly Minimum at Zero Allowance
5/8" or 3/4"	\$16.50
1"	\$28.05
1 1/2"	\$54.45
2"	\$87.45
3"	\$165.00
Cubic Feet	Per 100 Cubic Feet
0 to 1,500	\$0.75
1,501 to 4,000	\$1.25
over 4,000	\$3.50

If you have questions about the proposed filing and how it will effect you, please call Peninsula Light Company at: 253-857-1511

If you have questions about the rate making process, you may contact the Washington Utilities and Transportation Commission at:

WUTC
P.O. Box 47250
Olympia, WA 98504-7250
1-800-562-6150 (toll-free)
or by e-mail comments@wutc.wa.gov.

If you would like to comment on the proposal, it is important for you to do so now. Comments may be submitted in writing to the above-referenced address 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, Washington. If you would like to be added to the Commission's mailing list to be notified of the open meeting date, please call 1-800-562-6150 and leave your name, complete mailing address, the Company's name, and a description of the proposal you are interested in.