

MARBELLO WATER COMPANY, INC.

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IMPORTANT NOTICE

March , 2008

Marbello Water Co., Inc. (Marbello) has asked the Washington Utilities and Transportation Commission (commission) to approve an application to increase rates, to cover an increase in the City of Monroe water utility taxes.

The filing is a straight pass-through of the 2.5% increase in water utility taxes recently adopted by the City of Monroe. The city increased its tax rate from 7.5% to 10%, effective January 1, 2008. Since the tax is on usage, the usage rate increases from \$2.90 per hundred cubic feet or portion thereof to \$2.97 per hundred cubic feet or portion thereof.

The tariff filing merely allows us to collect the correct amount to be paid to the city. The amount of increase you will see depends entirely on how much water you consume. For example, if you consume 500 cubic feet in a month, the increase is \$0.35.

If approved, the new rates will become effective April 7, 2008.

If you would like to comment on this filing or have questions about the rate making process, you can contact the commission at the following address:

Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
Olympia, Washington 98504-7250
Phone: 1-800-562-6150 Fax: 1-360-664-4291
E-mail: comments@utc.wa.gov

You may also make comments in person at the commission's Open Meeting on March 13, 2008. The commission will make a decision on this request at the March 27, 2008 Open Meeting.

If you have any questions about the proposed filing and how it will affect you, please call Marbello at 1-800-928-3750.