

NOTICE OF RATE INCREASE

Scenic Shores Water Company
PO Box 260
Rainier, WA 98576

Date: March 08, 2010

Scenic Shores Water Company has filed for approval from the Washington Utilities and Transportation Commission for an increase in basic service rates. The filing is expected to generate approximately \$5,000 in additional revenue on an annual basis. If approved, the rates would become effective April 10, 2010.

The filing is designed to allow the Company to operate on a break-even basis. The Company had approximately \$120,000 in expenses for calendar year 2009 with approximately \$100,000 in revenues. This increase has already been put into effect for the customers served by the Company within the association and is designed to make the same usage rate apply to customers outside of the association. The usage rate will increase as set out in the table below. As an example, if you previously had 1,000 cubic feet of usage in a month in excess of the first 1,000 cubic feet, you paid \$10.00 for that usage. Under the new tariff, you will pay \$20.00 for that usage.

Current Rate: \$0.01 per cubic foot over 1,000 cubic feet in a month

New Rate: \$0.02 per cubic foot over 1,000 cubic feet in a month

If you have any questions about the proposed filing and how it will affect you, please call the Company at 360-878-0375.

The commission has the authority to set final rates that may vary from the company's request, depending on the results 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 March 25th, 2010. 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 or listen by telephone. Call 360-664-1234 for instructions the day before the open meeting. 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 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)

Sincerely,



Phil Gothro WDM1 CCS
Scenic Shores Water Company