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October 20, 2010

VIA E-MAIL AND HAND DELIVERY

Mr. David Danner, Executive Director and Secretary Washington Utilities and Transportation Commission 1300 South Evergreen Park Drive SW Olympia, WA 98504-7250

Re: Burton Water Company - Fifth Revised Sheet No. 22 Canceling Fourth Revised Sheet No. 22; Third Revised Sheet No. 23 Canceling Second Revised Sheet No. 23

Dear Mr. Danner:

Enclosed you will find the original and three copies of the above-referenced tariff sheets. The purpose of this filing is to file a general rate increase which would increase the base rate for all customers, including ready-to-serve customers, by \$11.80 per month. The reason for the increase is that revenues are falling below the level projected in the last rate case. In addition, the Company needs to replace its existing computers and billing software. Further, new rules and fee increases by regulating agencies continue. For example, King County right-of-way permits have risen dramatically. In addition, the new cross connection control program is proving expensive to implement.

Under the Company's proposed filing, the rate request will generate \$58,785 in additional revenue. This represents a 38.22% increase in total revenue from service, not including surcharge revenue.

The base rate for 3/4 inch connections and ready-to-serve customers is increasing by 54.65% from \$21.59 a month to \$33.39 a month. The base rate for 1 inch meter customers is increasing by 32.72% from \$36.06 per month to

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\$47.86 per month.

A copy of the customer notice that was mailed to the customers is attached.

Work papers for the filing are attached. This advice letter contains the result of the calculation of revenue and impact of proposed rates by each class affected per WAC 480-07-530(4). A Balance Sheet and Statement of Revenues and Expenses is attached. A Depreciation Schedule is attached. An Explanation of Pro Forma and Restating Adjustments is attached. Work papers that explain restating and pro forma adjustments are attached. Usage statistics are attached.

The Company's Public Water System Identification Number is 09800L.

There are no non-regulated operations. Other than the employment of the owners, which are described in the Results of Operations and in Adjustment PA-2, there are no affiliated interest transactions.

If you have any questions concerning this matter, please contact the undersigned. The undersigned has authority to file tariff sheets on behalf of the Company.

RICHARD A. FINNIGAN

RAF/km Enclosures

cc: Client (via e-mail)