

Northwest Water Services, LLC 14263 Calhoun Road Mount Vernon, WA 98223 360-306-3692

December 29, 2017

IMPORTANT NOTICE

Dear Water Customer,

This letter is to inform you of Northwest Water Services, LLC request to the Utilities and Transportation Commission for consideration of a rate increase. If the commission agrees with our request the new rate will go into effect February 5, 2018. The current rate has been in effect since 2007 and there have been no increases to reflect the cost of providing safe drinking water to your home in the last 10 years. The costs of operations have increased 3% each year due to increased regulatory requirements, purchase of equipment and supplies as well as overall wages for operators and contractors. If you have any questions about how this rate may affect you, please call the Northwest Water Services at 360-306-3692 or Water & Wastewater Services Toll free at 800-895-8821.

The company revenue impact of this filing, based on a 2016 test year, will be an annual increase of \$28,450. The average customer bill would increase by \$9.30 per month based on our limited usage data. The revenue impact on each customer class affected is presented below.

Current Rates:

Meter Size	Base Rate	1st Block (gal.)	1st Usage Rate*	2nd Block (gal.)	2nd Usage Rate*	3rd Block (gal.)	3rd Usage Rate*
³ / ₄ - Inch	\$30.00	0-7500	\$1.50	7501-11,999	\$2.00	Over 11,999	\$2.50
1-inch	\$N/A	N/A	\$N/A	N/A	\$N/A	N/A	\$N/A

^{*}Per 1,000 Gallons

Proposed Rates:

Rate Design

Meter		Base		Block 1		Block 2		Block 3	
Size	Factor	Allowance	Rate	Usage (Max Gallons)	Rate*	Usage (Max Gallons)	Rate*	Usage (Min Gallons)	Rate*
3/4	1	0	\$35.00	5,000	\$1.50	10,000	\$ 2.50	10,001	\$ 3.50
1	1 2/3	0 .	\$58.33	8,333	\$1.50	16,667	\$ 2.50	16,668	\$3.50

^{*}Per 1,000 Gallons



www.northwestwaterservices.com

Other Current charges:

Proposed other charges:

Flat Rate:

\$20.00 and \$42.00/Month

Flat Rate:

\$45.00/Month

Ready to Serve:

\$42.00/Month

Ready to Serve: \$35.00/Month

Damage and Repairs/ Service Visit:

Damage and Repairs/ Service Visit:

\$68.50 per hour M-F 8am to 4pm \$102.75 per hour after business hours

N/A

Backflow Assembly Testing and Inspection:

\$68.50 per hour M-F 8am to 4pm

Connection Charge:

\$700.00

Connection Charge:

\$1,500.00

Credit/Debit card processing fee: N/A

Backflow Assembly Testing and Inspection:

Credit/Debit card processing fee: \$1.50 per transaction

Disconnection Visit Charge: \$50.00

Disconnection Visit Charge: \$68.50

Reconnection Visit Charge: \$200.00

Reconnection Visit Charge: \$68.50

The commission has the authority to set final rates that may be lower or higher than the company's request, depending on the outcome of its investigation. You can submit comments by going to www.utc.wa.gov and clicking "Submit a Comment,"

or by one of the following options:

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)

Commission staff will make a recommendation to the commissioners at an open meeting in Olympia, which is scheduled for 9:30 a.m. on January 25, 2018. You will have an opportunity to comment in person at this meeting. If you are unable to attend the open meeting, you can participate by telephone by calling 360-664-1234 the day before the open meeting for instructions and to sign in.

A memo containing the staff recommendation will be available on the commission website about three days prior to the open meeting. To view the memo, go to utc.wa.gov. Click on the link near the bottom that says "Documents." Under "Open Meetings," click on "Agendas, meeting minutes, orders." When the open meeting date (see above) appears, click on the memo for this filing. This will take you to a page with the memo and any associated attachments.

The commission is committed to providing reasonable accommodation to participants with disabilities. If you need reasonable accommodation, please contact the commission at (360) 664-1132 or human resources@utc.wa.gov.

Sincerely,

Carol Rofkar & Kelly Wynn, Owners, Northwest Water Services