

SOLMAR WATER SYSTEM, INC.
P.O. Box 1989 – Sequim, Washington 98382

IMPORTANT NOTICE

February 27, 2018

Solmar Water System, Inc. has filed for approval from the Washington Utilities and Transportation Commission with an estimated annual revenue increase of \$11,200.00. If approved, the rates will become effective on March 31, 2018

It has been over four years since our last rate increase. We are applying for a rate increase to cover costs that exceed revenue. Some operating costs that have risen dramatically in the past four years are utilities (power and telecommunications) 100% increase, required water testing and treatment 75% increase, insurance 41% increase, and water distribution tax 10% increase. Other necessary capital improvements costs have included a new source pump, service meters, and distribution valves. These items are necessary for the continued supply of reliable water to our customers, and to comply with Washington State regulations. Below is a comparison of current and proposed rates:

Service	Current Rate	Proposed Rate
Service Connection Fee	\$ 650.00	\$ 700.00
Service Visit	\$ 15.00	\$ 25.00
Flat rated, unmetered service	\$ 33.00	\$ 36.00
Ready to Serve	\$ 25.00	\$ 25.25
3/4" Metered Base Rate	\$ 25.00	\$ 25.25
Tier 1, 0 - 1,000 cubic feet	\$ 1.00	\$ 1.50
Tier 2, 1,001 - 2,000 cubic feet	\$ 1.50	\$ 2.00
Tier 3, >2,000 cubic feet	\$ 2.00	\$ 3.00

The Washington State Utilities and Transportation Commission have the authority to set final rates that may be lower or higher than the company's request, depending on the outcome 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 29, 2018. You will have an opportunity to comment in person at this meeting. The UTC is committed to providing reasonable accommodation to participants with disabilities. If you need reasonable accommodation, please contact the commission at (360) 664-1133 or human_resources@utc.wa.gov.

If you are unable to attend the open meeting, the commission has a bridge line which enables you to participate by telephone. Call (360) 664-1234 the day before the open meeting for instructions and to sign in. You can also comment by using the "Submit a 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)

If you have questions about the proposed filing and how it will affect you, please call Solmar Water System, Inc. at 360-683-7191. If you have questions about the rate making process, you may contact the Washington Utilities and Transportation Commission at the following address: UTC, 1300 S. Evergreen Park Drive S.W., P.O. Box 47250, Olympia, WA 98504-7250; 1-888-333-9882 (toll-free) or by e-mail comments@utc.wa.gov.

Sincerely,
Solmar Water System, Inc.
P.O. Box 1989, Sequim, WA 98382
(360) 683-7191