

SEA VIEW WATER L.L.C.

ID # 77148Y

P.O. Box 1241

Mount Vernon, WA 98273

(360) 632-1049

IMPORTANT NOTICE

May 22, 2014

Sea View Water has asked the Washington Utilities and Transportation Commission to approve an application to increase rates. If approved, the new rates will become effective July 1, 2014. It is estimated this rate change could generate an additional \$18,000 annually (a thirty-two percent increase), compared to the current rates.

Following is a comparison of the current and proposed rates:

Monthly Rates	Current Rate	Proposed Rate
Base Rate (zero allowance)	\$13.00	\$18.00
0-4,000 gallons per 1,000 gallon	\$2.50	\$3.20
4,001-8,000 gallons per 1,000 gallon	\$3.00	\$3.70
Over 8,001 gallons per 1,000 gallons	\$4.00	\$4.70

Current rates have been in effect since 2008. The average customer, using 5,000 gallons per month, will see a monthly increase of about \$8.50.

The change in the rates is requested to help fund Sea View Water operation costs, which have risen gradually, as well as previous capital expenditures. Keeping the base rate at nearly half of the revenues helps even out the seasonal fluctuations. The increase in usage charges is approximately proportional to the present rates. It has been our experience that the tiered usage charges encourage water conservation.

Sea View Water system began operating in 1969 and most of the infrastructure is over forty-five years old. As the system ages, more maintenance and repairs are required. During the last five years we have replaced valves in the distribution system, filter media, an electrical control panel in the #1 pump house, and a fire hydrant. We have found that some periodic maintenance, for example, cleaning the

water storage reservoirs, needs to be done more frequently. Water meters and meter boxes are being replaced every year. The gradual rise in the prices of our supplies is also a factor contributing to the need for this rate increase.

The practice of billing in arrears every two months will be continued. Meters will be read within a week before or after the end of February, April, June, August, October and December. Bills will be mailed within a week after the meters are read.

If you have any questions about the filing and how it will affect you, please call Sea View Water at (360) 632-1049 or E-mail: seaviewwater@yahoo.com.

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 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. Commission staff will make a recommendation to the commissioners at an open meeting in Olympia, which is scheduled for 9:30 a.m. on June 26, 2014. 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) 664-1132 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.

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,

JOHN MORGAN

JOEL MARQUARDT