IMPORTANT NOTICE

Rainier View Water Co., Inc. is filing two matters with the Washington Utilities and Transportation Commission. The first is an increase in service rates which affects the upper consumption block. The second is a treatment surcharge to address manganese and other contaminants.

The change in rates will in theory produce \$166,083 in additional revenue. This represents a little less than three percent of the company's total revenue received in 2013. The reason for the increase is to respond to the increase costs of operation, primarily in employee wage increases and increases in benefits, such as medical insurance. The company has also experienced an increase in Department of Health permitting fees and water quality testing requirements.

The increase will not affect the rates for basic service or for consumption in the first and second consumption blocks. Only those users who use more water than average will experience an increase. The increase in the third block is for consumption for most residential and small business customers of more than 3,000 cubic feet in a month. Consumption amounts vary for larger meter sizes. The change in rates is as follows:

Current New Rate Percent Increase

\$2.05/100 cu. ft. \$2.80/100 cu. ft. 2.98% overall revenue/36.6% Block

The second filing is to establish a new surcharge. Funds from the surcharge will allow the company to construct treatment facilities that will address manganese and iron issues. Customers should see an improvement in their water quality as a result of this surcharge. The surcharge will last for five years and will be \$0.75 cents per month per service connection.

The commission has the authority to approve or disapprove the request. The commission can establish a different rate, which may be either lower or higher than the Company's request. Commission staff will make a recommendation to the commissioners at an open meeting in Olympia, which is scheduled for 9:30 a.m. on July 24, 2012. You may 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 or listen by telephone. Call 360-664-1234 for instructions the day before the open meeting. 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 further questions about the surcharge, please contact Rainier View Water Co., Inc. at (253) 537-6634.

Sincerely,

Rainier View Water Co., Inc.