

[Service Date February 5, 2007]

February 5, 2007

**NOTICE OF SETTLEMENT HEARING,
NOTICE OF PUBLIC HEARING AND
NOTICE OF OPPORTUNITY FOR CONSUMERS
TO PROVIDE WRITTEN COMMENTS
(Set for Thursday, February 22, 2007, at 5:30 p.m.)
(Deadline for Written Comments February 22, 2007)**

RE: *Washington Utilities and Transportation Commission v. Fragaria Landing Water Co.*, Complaint against Rates and Charges
Docket UW-060662

TO ALL PARTIES:

On January 26, 2007, the parties to this proceeding, the Staff of the Washington Utilities and Transportation Commission (Commission Staff) and Fragaria Landing Water Co. (Fragaria) filed a Settlement Agreement resolving all disputed issues in this proceeding. In the filing, the Commission Staff noted that while the Settlement Agreement proposes rates that are revenue neutral to Fragaria, there are changes in the rate design that would result in modest rate increases for many consumers. Commission Staff further noted that, unlike other proceedings, the consumers have not received notice of these proposed increases or had an opportunity to file comments with the Commission regarding these increases.

Accordingly, the Commission determines that the consumers should be given notice of the potential rate increases and the opportunity to present comments before the Commission considers the merits of the Settlement Agreement. The most expeditious and effective way to provide notice to affected consumers is via a mailing by Fragaria. The notice should specify the terms and conditions of the settlement agreement that will affect the rates to be paid by consumers under the proposed rate design and provide consumers with a copy of this notice of the opportunity to present comments on the proposed settlement.

The Commission will convene a settlement hearing with the opportunity for public comment. Counsel for Fragaria and the Commission Staff should be prepared to make a brief statement summarizing the terms and conditions of the settlement agreement and respond to any inquiry regarding the settlement. At the same hearing, the Commission will allow consumers to present oral comments. A telephonic bridge will be established to allow consumers to present their comments without traveling to Olympia. Consumers may also file written comments to be considered by the Commission. Written comments must be filed by February 22, 2007.

Any consumer may appear telephonically at the public hearing. That participation will be effected through use of the Commission's conference bridge. The conference bridge number is (360) 664-3846.

NOTICE IS GIVEN That the Commission will hold a settlement hearing and a public hearing in this matter on Thursday, February 22, 2007, beginning at 5:30 p.m., in Room 206 of the Commission's Headquarters, Chandler Plaza Building, 1300 S. Evergreen Drive S.W., Olympia, Washington.

Sincerely,

PATRICIA CLARK
Administrative Law Judge