

IMPORTANT NOTICE

Date: January 30, 2008

Oasis Water Corporation has filed for approval from the Washington Utilities and Transportation Commission (Commission) to put into place two charges, a Facilities Charge for new customers and an SRF loan surcharge for the existing customers of the water system. If approved by the Commission, this filing will be effective March 1, 2008.

The reason for the filing is to pay off a State Drinking Water Revolving Fund (SRF) loan of \$1,066,740 at a scheduled interest rate of 2.5%. The loan funds were used to fund improvements to the water system, including main repairs, installation of booster pump and generator, purchase of well house land and storage tank, construction of a transmission main, refurbishment and installation of wells and pumps and other improvements. The SRF loan surcharge is \$22.82 per month for 20 years or until the loan is paid back, whichever occurs first. This represents the portion of the loan that benefits existing customers. Your monthly water usage rates will not change because of this filing. The surcharge will be in addition to your current water usage rates.

The Facilities Charge applies only to new customers and is to pay back the portion of the loan used for future development. The Facilities Charge is a one-time fee of \$3,103.20. Again, the Facilities Charge does not apply to existing customers.

If you have any questions about the proposed filing, please call the Company at (509) 492-4050. Our pay location, Harms Engineering, has no information regarding this action.

If you would like to comment on this filing, be added to the Commission's mailing list, or have questions about the ratemaking process, please use the contact information below. You may also comment in person at the commission's open meeting in Olympia at 9:30 a.m. on February 14, 2008, or by using the "Public Comment" feature at the commission's web site, at <http://www.wutc.wa.gov>. The Commission is scheduled to make a decision at its open meeting on February 28, 2008. If you are unable to attend an open meeting in person, 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.

Washington Utilities and Transportation Commission
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Telephone: 1-800-562-6150

Sincerely,

Mel Christensen
Oasis Water Corporation