

IMPORTANT NOTICE

Date: July 11, 2019

Dear Customer,

Pt. Fosdick Water Co., Inc. has filed for approval from the WUTC ("Commission") to increase its revenue by \$62,735 annually. If approved, the increase will take effect September 1, 2019. This is a general rate increase. The rate increases are set forth in the table below.

Overall costs to provide service, such as wages, taxes and other factors, have increased and, as always, regulatory compliance costs continue to rise. This is the first rate increase since 2003.

The chart below sets forth the rates that are currently charged and what charges would be if the rate request is approved. The \$62,735 additional revenue represents a 52.8% increase in total service revenue. The Base charge is increasing by 70%. The first usage block is increasing by 44.44%. The second usage block is increasing by 31.58%. The third usage block is combined with the second block, so no increase. The final usage block is not increasing. Flat rate customers on Schedule 1 rates are increasing by 39.33%.

	<u>Existing Rate</u>	<u>Proposed Rate</u>
Base charge 0 allowance	\$20.80	\$35.43
1 to 1,100 cubic feet, per cubic foot	\$0.0135	\$0.0195
1,101 to 3,500 cubic feet, per cubic foot	\$0.0190	\$0.0250
Over 3,500 cubic feet, per cubic foot	\$0.0335	\$0.0335
Minimum	\$20.80	\$35.43
Flat rate customers	\$37.20	\$51.83

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 submit comments by going to www.utc.wa.gov and clicking "Submit a Comment," or by one of the following options:

Washington Utilities and Transportation Commission
P.O. Box 47250, Olympia, WA 98504-7250
E-mail: comments@utc.wa.gov
Telephone: 1-888-333-WUTC (9882)

Commission staff will make a recommendation to the commissioners at an open meeting at 621 Woodland Square Loop SE, Lacey, Washington at 9:30 a.m. on August 29, 2019. You will have an opportunity to comment in person at this meeting. If you plan to attend the open meeting in person or call in by phone, please call 360-664-1234 the day before for instructions to make sure this item is still on the agenda.

A memo containing the staff recommendation will be available on the commission website about three days prior to the open meeting. If a memo is available and view the memo, go to utc.wa.gov. Click on the link near the bottom that says "Documents." Under "Open Meetings,"

click on “Agendas, meeting minutes, orders.” When the open meeting date (see above) appears, click on the memo for this filing. This will take you to a page with the memo and any associated attachments. You will be given an option to open or save the document you choose.

The commission 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.

Sincerely,

Pt. Fosdick Water Co., Inc.