IMPORTANT NOTICE

Date: May 31, 2016

Dear Customer,

Iliad Water Services, Inc. is being merged into Iliad Water Company, LLC. Your monthly rates for water service will not change as a result of this transaction for the foreseeable future.

Iliad Water Services, Inc. has been providing water service in the State of Washington since 1992. Iliad Water Services, Inc. currently serves water systems in Snohomish, Pierce, Clallam and Kitsap Counties. This merger is a reorganization due to a change in ownership.

The Commission has the authority to approve the merger between Iliad Water Company, LLC and Iliad Water Services, Inc., depending on the outcome of its investigation. 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 23, 2016. You will have an opportunity to comment in person at this meeting. 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. You can also comment by using the "Public Comment" feature at the commission's web site, at utc.wa.gov, or by using the contact information below.

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.

Washington Utilities and Transportation Commission 1300 S Evergreen Park Drive SW Post Office Box 47250 Olympia, WA 98504-7250 E-mail: comments@utc.wa.gov

Telephone: 1-888-333-WUTC (9882)

Sincerely,

Iliad Water Company, LLC