ILIAD WATER SERVICES, INC.

PO BOX 20429

SEATTLE, WA 98102

[DATE]

IMPORTANT NOTICE

Iliad Water Service, Inc. (“Company”) filed a revised tariff with the Washington Utilities and Transportation Commission ("Commission") to recover the costs of a corrosion control treatment plant (“Plant”) constructed on its Alder Lake water system, located in Eatonville, WA. The revised tariff will become effective on [EFFECTIVE DATE].

The Company built the Plant to comply with water quality standards enforced by the Washington State Department of Health. The Plant is necessary to treat the water for Alder Lake customers and protect against possible lead and copper corrosion. The Commission determined that the Company shall recover the cost from its customers via a $3 per month surcharge added to each customer’s bill. The surcharge will expire after the Company collects the cost of the Plant plus taxes and interest, or after eleven-and-a-half (11.5) years, whichever occurs first. The Commission determined this surcharge is fair, just, reasonable, and sufficient.

The Commission found that the monthly surcharge should apply to all of the Company’s customers, reducing the per-customer rate impact of single system improvements. This approach helps to minimize customer bills and provide rate stability to all customers—much like insurance pooling—by recovering unexpected costs associated with necessary system improvements that can impact any of the Company’s water systems.

If you have any questions about how you will be affected, please call the Company at 206-282-4200 or 800-928-3750.

The Commission has the authority to set rates paid by customers to the Company. For more information please go to the Commission's website, at www.utc.wa.gov, or contact the Commission using the information below.

Washington Utilities and Transportation Commission

1300 S Evergreen Park Drive SW

Post Office Box 47250

Olympia, WA 98504-7250

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

Email: comments@utc.wa.gov

Sincerely,

Iliad Water Service, Inc.