

November 2, 2020

RE: Annual Customer Newsletter (2020)

To Our Valued Customers,

I hope this letter finds you well. As your water provider, our commitment to you is to provide safe, reliable and cost-effective water service. Every day, we work hard to uphold this commitment. Much goes on behind the scenes to run a utility company. Our hope with this annual newsletter is to share our recent accomplishments, highlight activities for the upcoming year, notify you of any changes in service or cost, and provide you with an opportunity to provide feedback.

Accomplishments from 2020

We have accomplished the following over the last year:

1. **New Website** – We successfully launched a new webpage for the utility at www.puttman.com/utilities/scwc.
2. **New Customer Web Portal and Online Bill Pay** - The launch of your customer web portal was successfully completed, and customers now have online access to account history, paperless billing, and online payment options.
3. **Dunes City Collaboration** – We continue to work with Dunes City to expand water services.
4. **Plant Site Improvements** – We completed upgrades to enhance security and reduce system vulnerability.
5. **Asset Management** – We initiated a comprehensive system review and survey of key system components.
6. **Security and Vulnerability Assessment** – An assessment based on US EPA best practices for small utility system was completed, identifying improvement to enhance security and reduce system vulnerability.
7. **Emergency Response** – A new 24/7 emergency response system was launched.

Activities for 2021

In 2021, we plan to complete the following:

1. **Asset Management** – We will continue a comprehensive system review and survey of key system components.
2. **Updated 5-year Capital Improvement Plan (“CIP”)** – Based on asset management plan results, we will be working to prepare a CIP. The CIP will identify upcoming capital improvements, utility investments, and potential system expansion.
3. **Water System Expansion** – We working with the City of Dunes City to explore expansion of the water system in order to serve more residents with safe, quality, and reliable water from Woahink Lake.

2021 Rate Schedule

We are currently working with the Oregon Public Utility Commission for a new rate tariff approval. We expect to be able to announce the 2021 Rate Schedule in the Spring of 2021.

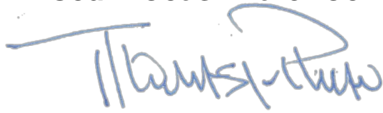
Customer Satisfaction Feedback

We value your input and would like to know more about your satisfaction with our services. Please reach out at customerservice@puttman.com with any comments or questions.

From the entire team at South Coast Water Company, we thank you for the opportunity to serve you.

Sincerely,

South Coast Water Company

A handwritten signature in blue ink, appearing to read "Thomas J. Puttman", is written over the printed name.

Thomas J. Puttman, PE, AICP, LEED AP
General Manager

TJP/jp