

December 1, 2020

**RE: Seavey Loop Water Company
Notice of Proposed Water Rate Increase and Customers' Right to Petition for Rate
Regulation**

Dear Customer,

As communicated in the 2020 Annual Newsletter, this notice is to share the 2021 Rate Schedule. The rate increase reflected in the new rate schedule is needed to improve operations and provide for necessary capital improvements to the water system in order to continue to provide safe, reliable and cost-effective water service.

2021 Rate Schedule

See attached for the 2021 Rate Schedule, which will go into effect on February 1, 2021. The current monthly water rate is \$41.99. The proposed 2021 monthly water rate will be \$56.99.

Water System Improvements and Customer Input Meeting

The water system has a number of capital improvements needed in order to provide safe, reliable and cost-effective water service now and into the future. The water system has experienced minimal improvements over the last twenty years. Potential capital improvements include:

- **Well House & Water Storage Tank** – New water storage tank, equipment controls, pump house repair, electrical service, and safety and security improvements.
- **Distribution System** – New water mains, service laterals and meters.

Due to the potential significant costs and subsequent future rate increases, we would like your feedback on how best to implement the capital improvements. We plan on hosting a community input meeting in Spring 2021 to share draft improvement plans and solicit customer input. A specific date and time will be communicated in early 2021.

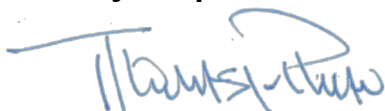
Notice from the Oregon Public Utility Commission (PUC)

Customers have the opportunity to file a petition to have the water utility's rates regulated by the Commission. If the Commission receives valid petitions from at least 20 percent of customers, the Commission will assert jurisdiction over your water utility. Rate regulation requires that all rates and rate changes be approved by the Commission. If the Commission does not receive the sufficient number of valid customer petitions, the water utility's proposed rates will take effect on the date indicated. Petition forms are available on the Commission's website at www.oregon.gov/Commission/utilities/Pages/Water-Petition-4-Regulation.aspx. The petitions must be completed and signed by the customer and must be received by the Commission within 45 days of this notice. Copies of petitions or petitions without an original signature will not be accepted. Completed petitions must be mailed to the Consumer Services Section, PO Box 1088, Salem, OR 97308-1088. Petitions may not be filed electronically. Petitions may not be withdrawn or rescinded. Customers with questions may contact the PUC Consumer Services Section at 1-800-522-2404.

Should you have questions or need additional information, please contact Customer Service by phone at (971) 703-4242 or by email at customerservice@puttman.com.

Sincerely,

Seavey Loop Water Company, LLC



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

TJP/jp

Attachments:

1. 2021 Rate Schedule

CC:

Oregon PUC Water Program, PO Box 1088, Salem OR 97308-1088

2021 Rate Schedule

Water Connection Fee:

One-time fee for new connections to the utility. Connection fee to be paid prior to the issuance of final building permits. Connection fee to be determined based on cost of connection.

Monthly Water Rates:

Monthly rate for water service. To be paid by the 15th of each billing cycle.

\$56.99/month

Other Fees:

The following fees may be applicable depending on property type and use:

Water Inspection Fee	\$125
Water Locate	\$75
Water Call Out	\$75

All rates and fees effective February 1, 2021. Rates are reviewed, adjusted and posted by January 1 each year.