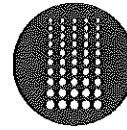


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Oregon Water Utilities

A SouthWest Water Company

Customer Service: (877) 405-1760
www.swwc.com/oregon

October 13, 2020

«name»
«address»
«citystatezip»

Dear Valued Customer,

Oregon Water Utilities – Cline Butte, Inc. (OWU-CB) is committed to providing reliable, high-quality water to our customers and neighbors in Deschutes County, Oregon. This is an unprecedented time filled with challenges and new opportunities. We are taking steps and making investments to ensure reliable and high-quality service to our customers.

Investments to Improve Reliability and Resiliency: We have installed three (3) diesel backup power generators, fuel storage and transportation equipment, and upgraded electrical panels to ensure the water system is available in the event of an extended power outage like those anticipated in a Cascadia earthquake event. We worked with an engineer out of Bend, OR to design the project. We have replaced well pump motors, improved the SCADA communication system, replaced meters to more accurately track consumption to ensure fair billing, refurbished control valves, made various safety improvements, refurbished buildings (siding and painting), and have purchased a 4x4 vehicle and plow to ensure our team can access our facilities in severe winter weather conditions.

Wildfire and Community Service: In coordination with the RECOA wildfire prevention team, we have reduced fire fuel from our properties to reduce the potential for wildfire spread. OWU is proud to provide our employees 8 hours each year to volunteer in the community during work hours; this year our team participated in projects to remove brush around the Ridge at Eagle Crest community.

Enhanced Customer Service: We have enhanced our customer service offerings to make your experience hassle free. We have upgraded our online customer payment portal and Interactive Voice Response (IVR) phone portal to improve customers’ online and phone experience. We have also increased your payment options for a hassle-free customer experience.

Investing in Our Team: We are committed to success of our local employees and have been investing in their development, training, and certification to ensure reliable service to our customers.

Rate Change: We have filed an application with the Oregon Public Utilities Commission (OPUC) for the first rate adjustment since 2008 that addresses changes in operating costs (labor, power, tools, repair and maintenance, etc.) and system improvements made in the last decade. The rate change notice is attached to this letter.

COVID-19: OWU-CB is diligently working through the challenges presented by COVID-19 to ensure the health and safety of our customers, our personnel and their families, and our local communities. We are carefully monitoring local, state, and national advisories regarding COVID-19. Our team is working around the clock during this crisis to ensure that our customers have continued access to water.

We remain fully committed to our mission of providing customers with a reliable water supply that meets or exceeds all safe drinking water standards and regulations. We encourage customers experiencing financial hardship to contact our Customer Service team to discuss ways we can help during the virus crisis. We are here to work with you and our customers during this challenging time.

Sincerely,

Craig Gott
President - Oregon Water Utilities – Cline Butte

CUSTOMER NOTICE

**ANNOUNCEMENT OF PROPOSED CHANGES TO WATER SERVICE
RATE TARIFFS FILED WITH THE PUC**

This notice is to inform customers that Oregon Water Utilities – Cline Butte, Inc. (OWU-CB) filed a general rate revision with the Public Utility Commission. This notice provides general information regarding the utility's proposed changes and the effect it will have on customers' bills if approved by the Commission. Customers may request to receive notice of the time and place of any hearing on the matter by contacting the OPUC, Administrative Hearings Division, at 503-378-6678. The calculations and statements contained in the water utility's filing and this notice are not binding on the Commission.

The general rate revision was filed on September 30, 2020 and requests an increase in annual revenues of \$95,706 above the \$1,109,430 collected in 2019, resulting in annual revenues of \$1,205,136. Rates have not been adjusted since 2008, and we are requesting this increase in order to cover ongoing costs of providing safe, reliable, high-quality water service to our customers.

We anticipate the increase will change average monthly water service rates as follows:

Average Monthly Bill for 10 ccf usage		
Line Size	Current	Proposed
Residential		
5/8" & 3/4"	\$39.60	\$45.91
1"	\$51.84	\$60.09
1.5"	\$54.56	\$63.24
2"	\$55.65	\$64.50
Commercial		
5/8" & 3/4"	\$39.60	\$45.91
1"	\$53.20	\$61.66
1.5"	\$121.20	\$140.44
2"	\$202.79	\$234.96
Special Contract		
12"	\$150.00	\$173.77

Average Monthly Bill for 10 ccf usage		
Line Size	Current	Proposed
Irrigation (non-golf)		
5/8" & 3/4"	\$16.08	\$18.60
1"	\$26.96	\$31.21
1.5"	\$48.72	\$56.42
2"	\$92.24	\$106.83
4"	\$179.27	\$207.65
6"	\$353.35	\$409.31
Irrigation (golf)		
4"	\$1,169.21	\$1,354.50
6"	\$2,336.29	\$2,706.49
8"	\$4,086.91	\$4,734.49
12"	\$7,004.61	\$8,114.48

Copies of the application, testimony, and exhibits are available at OWU-CB's office at: 1230 Golden Pheasant Drive, Redmond, OR 97756. To make an appointment to pick up the application, please contact Brett Limbeck at (541) 504-2305 or (blimbeck@swwc.com).