

Pineview West Water Company
A Shareholder Owned Non-Profit Corporation
Eden, Utah

Dec 31, 2019

Dear Pineview West Water Company Shareholder,

The water company is planning to request a rate review with Utah's Public Service Commission (PSC). Our rates and tariff structure are determined and strictly governed by the PSC. The last rate review occurred ten years ago when the company management was taken over by the Shareholders from The Developer, at a time when the company was insolvent. Significant changes have occurred in water usage as a result of growth in the community over the last 10 years with no change in our water supply or rates.

The primary reason for the rate review is to determine if our rates still reflect our current costs to deliver water and to manage the finances so the water company can remain healthy long term. Other specific primary goals include:

1. Appropriate funding to upgrade our well water supply with additional wells as the productivity of current wells continues to decline.
2. Protection of our culinary water supply from excessive non-authorized irrigation use. This would be otherwise called a conservation rate structure.
3. Funding of radio transmitting meters to allow for more frequent meter reading and billing cycles in any weather.
4. Correction of deficiencies the Utah Division of Drinking Water has found in our system that are becoming increasingly necessary to fix to prevent penalties being assessed by the state.
5. Increase our connection fees for new construction to better reflect the economic impact on the water company and more closely align with fees currently charged by other Valley water entities.

Our desire is to keep the basic water delivery rates essentially the same but implement a conservation rate above standard culinary usage needs. The board feels it necessary to increase our capital fund to better respond to new capital expenditures.

To clarify the water Company does not set the rates and tariffs. Rather they are determined by the PSC based on our actual costs to deliver water and the projected capital expense needs to keep the water company fully functional long term.

You as a shareholder will be given ample opportunity to provide input directly to the Board and to the PSC as the rate review proceeds.

Our preference is to have input or questions emailed to pwwceden@gmail.com.

Pineview West Water Company Board of Directors