

Columbia Water Company
220 Locust Street
Columbia, PA 17512


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THE COLUMBIA WATER COMPANY

April 25, 2013

Notice of Proposed Rate Changes

To Our Customers:

The Columbia Water Company is filing a request with the Pennsylvania Public Utility Commission (PUC) to increase rates for its Columbia Division as of June 24, 2013. The Company has two separate and distinct rate divisions: Columbia and Marietta (formerly Marietta Gravity Water Company's Service area). Columbia Water Company customers located in the Marietta Division, which is comprised of Marietta Borough and East Donegal Township, Lancaster County, and Hellam Township, York County, **will not be impacted** by the proposed rate increase. The last rate increase for the Columbia Division occurred in 2008. This notice describes the company's rate request, the PUC's role, and what actions you can take.

The Columbia Water Company has requested an overall rate increase of \$773,210 per year. If the Company's entire request is approved, the total bill for a metered residential customer using 3,000 gallons of water per month would increase from \$25.03 to \$30.31 per month or by \$5.28 which is 21.09%.

The total bill for a metered commercial customer using 1,000 gallons of water per month would increase from \$13.77 to \$16.67 per month or by \$2.90 which is 21.06%.

The total bill for a metered industrial customer using 1,000 gallons of water per month would increase from \$70.83 to \$85.77 per month or by \$14.94 which is 21.09%.

The total bill for a metered public customer using 6,000 gallons of water per month would increase from \$98.98 to \$119.87 per month or by \$20.89 which is 21.11%.

To find out your customer class or how the requested increase may affect your water bill, contact The Columbia Water Company at (717) 684-2188. The rates requested by the Company may be found in Supplement No. 60 to Tariff – Water Pa. P.U.C. No. 7. You may examine the material filed with the PUC which explains the increase and the reasons for it. A copy of this material is kept at The Columbia Water Company's office.

The State agency which approves rates for public utilities is the PUC. The PUC will examine the requested rate increase and can prevent existing rates from changing until it investigates and/or holds hearings on the request. The company must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some, or none of the request or may reduce existing rates.

The PUC may change the amount of the rate increase or decrease requested by the utility for each customer class. As a result, the rate charged to you may be different than the rate requested by the company and shown above.

There are three ways to challenge a company's request to change its rates:

1. You can file a formal complaint. If you want a hearing before a judge, you must file a formal complaint. By filing a formal complaint, you assure yourself the opportunity to take part in hearings about the rate increase request. All complaints should be filed with the PUC before June 24, 2013. If no formal complaints are filed, the Commission may grant all, some, or none of the request without holding a hearing before a judge.

2. You can send us a letter telling why you object to the requested rate increase. Sometimes there is information in these letters that makes us aware of problems with the company's service or management. This information can be helpful when we investigate the rate request.

Send your letter or request for a formal complaint to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.

3. You can be a witness at a public input hearing. Public input hearings are held if the Commission opens an investigation of the company's rate increase request and if there is a large number of customers interested in the case. At these hearings you have the opportunity to present your views in person to the PUC judge hearing the case and the company representatives. All testimony given "under oath" become part of the official rate case record. These hearings are held in the service areas of the company.