

ALTOGA WATER SUPPLY CORPORATION
 4365 FM 75 Princeton, Texas 75407
 (972) 529-9595

NOTICE OF WATER RATE INCREASE
Effective August 1, 2010

During these unprecedented times we realize that any increase in cost to our customers can be stressful. AWSC has a very strict budget and we are continually looking for ways to better manage our cost. Over the last 10 years we have only had two increases, this will be the third. This year has been especially challenging as we have had some major expenses related to water line improvements on several county roads and we also expanded our capacity for obtaining water from a neighboring water supply should that be necessary. Our goal is to provide safe potable drinking water while at the same time maintaining fiscal responsibility to our customers by making sure AWSC remains a viable entity. The changes were authorized and approved on June 15, 2010 at the monthly meeting of the Altoga Water Supply Corporation Board of Directors.

Customer Notice Provisions The Corporation shall give written notice of any rate change by mail or by hand delivery to all consumers at least thirty (30) days prior to the effective date of the new rate. The notice shall contain the old rates, new rates, effective date of the new rate, date of Board authorization, and the name and phone number of the Corporation's contact person designated to address inquiries about the rate change.

Current and Proposed Charges The charge for water service has two components, a flat fee which applies to each service connection to cover cost connected with the ability to make water immediately available to your service, and a sliding scale charge based on the water actually used. The base rate will increase from \$30 to \$35 dollars/month. Below are some examples of how bills would change on the left and on the right is the old and new rate structure.

Usage	Current	New		Gallons	Old/1000	New/1000
2000 gallons	\$ 38.00	\$ 44.00		Up to 2000	\$ 4.00	\$ 4.50
3000 gallons	\$ 42.50	\$ 49.00		2000 - 4000	\$ 4.50	\$ 5.00
4000 gallons	\$ 47.00	\$ 55.00		4000 - 6000	\$ 5.00	\$ 5.50
5000 gallons	\$ 52.00	\$ 59.50		6000 - 8000	\$ 5.50	\$ 6.00
10000 gallons	\$ 80.00	\$ 90.00		Over 8000	\$ 6.00	\$ 6.50
15000 gallons	\$ 110.00	\$ 122.50				

Questions and More Information

AWSC Board of Directors meetings are held the second Tuesday of each month at the Dunn Memorial Baptist Church and you are always welcome to attend. If you wish to address the board please contact our office so that we may put you on the agenda. We can be reached at our office, via email or visit our website.

office@altogawatersupplv.com
<http://www.altogawatersupply.com/>

Sincerely,
 AWSC Board of Directors
 Richard Leflar
 Reed Newman
 Billy Boone
 Judy Buckner
 Jackie Don Miller