

October 6, 2023

Dear Salmon Valley Water Company customer:

New rates for our water services went into effect on September 1, 2023, following approval by the Public Utility Commission of Oregon. These rate adjustments reflect necessary investments made by our parent company NW Natural Water in order to maintain and improve the safety, quality and reliability of our water supplies, infrastructure and customer service systems.

You'll find brief overviews highlighting several of our recent projects below, as well as information about a couple additional projects on the horizon.

Commissioning the Foxglove 7 well

- Bringing the Foxglove 7 well onto the system allowed us to shut down an older water well that was responsible for iron in the system. This was the largest capital project in our company's history. It required drilling a new wellhead and building a filtration plant to filter iron and manganese from the new well water.
- To incorporate this supply, we also installed 1,200 feet of mainline piping to connect it to the existing system and installed three master Pressure Reducing Valves to protect home plumbing from high water pressures.
- We also reconditioned our existing wells to improve water flows by replaced aging and low-efficiency pumps, as well as cleaning and clearing well casings of blockages and sediment build-ups.



New filtration room for our Foxglove 7 well

Remote system monitoring and security

- We upgraded our telemetry system, known as SCADA (Supervisory Control and Data Acquisition), which allows our team to manage aspects of our water system remotely, safely, and quickly.
- New Geographic Information System (or "GPS") map data provides pinpoint accuracy for locating critical system components, which is critical to planning, maintenance and repair work.
- We've also made investments in the physical security of our system, including alarms, fencing, lighting upgrades, data protections, and keyless locks to limit access to our facilities.

Water meter upgrades

- We've replaced all of the older analog meters (with an average of 25 years in service) with new Automated Meter Reading (AMR) devices. This new equipment is extremely accurate and allows for improved water usage data and leak detection.

Planning and regulatory requirements

- We submitted a Water Management and Conservation Plan, as required by the state of Oregon, outlining our work to establish a stable water supply as well as our water conservation efforts.
- We also submitted a master plan reviewing all aspects of our water system and recommending year-to-year improvements, also required by the state of Oregon.
- To ensure that our system continues to meet regulatory and operational requirements, we conduct engineering studies prior to any major project.

Customer contact and billing improvements

- We upgraded our billing system to enable new features that customers expect, such as options for autopay, online payments, group billing, and a customer account portal.
- We also added a call tracking system to centralize customer contacts and provide more timely and detailed information about reported issues.
- Our new customer notification system “Rave” provides immediate notification via text, email or telephone of impacts to your service, such as planned system maintenance, temporary outages, or flushing of water mains.

Operational expenses

- We’ve seen an increase in general expenses such as insurance rates and rising energy costs.
- We’ve hired new employees, including a licensed treatment plant operator, and purchased an additional company truck.

Future plans

We’ve made great progress so far, but still have some projects on the horizon. Two of these include:

- The addition of onsite power generators to all our wellheads. This ensures that we can continue our water services even if local electric utilities temporarily shut off power (in the case of wildfires) or lose power (in the case of storms or winter weather).
- Replacement and upgrade of the pressure reducing valves (PRV) at Fairway Estates. This is one of the oldest remaining components in the Salmon Valley Water system.

Thank you for allowing us to serve you, our customers. For more information on planned or completed improvements, or about your water service, please visit our website www.salmonvalleywater.com.

Sincerely,

Michael Bowman, General Manager
Salmon Valley Water Company