



NW Natural
WATER™

South Coast Water Company
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IMPORTANT NOTICE

Date

The purpose of this notice is to inform you that on December 31st, 2025, Sunstone Water, LLC dba Hiland Water (“Sunstone Water”), Salmon Valley Water Company, Lakeshore Water Company, LLC, Seavey Loop Water Company, LLC, and South Coast Water Company, LLC, submitted a joint application to request authorization to merge into Sunstone Water pursuant to ORS 757.480(1)(c). The application involves 26 water systems (listed at right.) Twenty-two of the systems are currently part of Sunstone Water. The additional systems are Lakeshore Water, Seavey Loop Water, South Coast Water, and Salmon Valley Water. If the application is approved all of these systems will be part of Sunstone Water.

All the water systems and utilities listed in this notice are subsidiaries of NW Natural Water and are already jointly operated and managed. Approval of the proposed merger would streamline the corporate and organizational structure governing these water systems without adversely affecting their day-to-day operations or customer rates. No service interruptions are anticipated because of the proposed merger. Over time, the proposed merger is expected to benefit customers by reducing administrative and regulatory complexity for NW Natural Water’s Oregon operations.

Sunstone’s address and telephone number are provided below.

The consolidating utilities have filed a rate case requesting revisions to the rates of the above listed systems in a different docket (UW-209) for which separate notice was provided.

Utilities involved in the filing:

- South Coast Water
- Seavey Loop Water
- Lakeshore Water
- Salmon Valley Water
- Heritage Water
- Helton Tracts
- College Park/Penticton
- Lombard Water
- Wilderness Canyon
- Hillview Water
- Fryer Hill Water
- Shadow Wood Water
- JJ Water
- Wyland Water
- Barger Road
- Laurelwood Water
- Illahe Water
- Quaker Meadows
- Stables Water
- Boulder Creek Water
- Bear Creek Water
- Echo Mountain Water
- Riverbend Water
- Shady Cove Waterworks
- Westwood Water
- Lorna Water

The proposed closing date and effective date of the merger transaction is December 1, 2026.

The property transaction being proposed by the water utility is under review by the Public Utility Commission of Oregon. For more information about the filing or to follow the regulatory process of the Commission's review check the Commission's website at www.puc.state.or.us or contact the Consumer Services Section at 503-378-6600; 1-800-522-2404; or TTY 711.

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. Copies of the application are available at our main office: 250 SW Taylor St, Portland, OR 97204. To receive additional information or a copy of the filing please contact:

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Sincerely,
South Coast Water Company