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FOR IMMEDIATE RELEASE

Cascade Water Alliance Receives Ratings Upgrade from Standard & Poor's

Bellevue, WA – Cascade Water Alliance, a non-profit corporation providing water to several east and south King County communities, received an increase from Standard & Poor's on its long-term and underlying rating to AA+ from AA- on its Series 2006 water system revenue bonds, announced Scott Hardin, Cascade's Director of Finance and Administration. Standard & Poor's announced Cascade's ratings upgrade on September 4.

At the same time, Standard & Poor's assigned its 'AA+' long-term rating to the Cascade's series 2009A tax-exempt water system revenue bonds and series 2009B taxable water system revenue bonds (Build America Bonds).

The raised rating is based on the raised ratings of several Cascade members to 'AAA/Stable' and the system's historically good financial performance, said Hardin.

"Standard & Poor's rating upgrade is a validation of Cascade's increasing financial and management strength added Lloyd Warren, chair of Cascade's Board of Directors. "As a relatively young organization, the Board has focused on building a solid financial foundation as a key to our future success."

The rating was upgraded in anticipation of Cascade's approximately \$79.5 million bond sale scheduled for September 2009. Bond proceeds will be used to implement Cascade's 2009 capital improvement plan, which includes the acquisition of Lake Tapps, installation of pipeline at State Route 900 in Issaquah, and property acquisition of property along a pipeline route.

Lake Tapps, located in eastern Pierce County, is being purchased by Cascade from Puget Sound Energy to eventually provide water supply to Cascade's members. Cascade's partnership with the Lake Tapps Community Council resulted in an agreement regarding recreational lake levels throughout the summer months, and the partnership with the Puyallup Tribe of Indians and the Muckleshoot Indian Nation established in-stream flows in the White River, which feeds Lake Tapps. The sale of Lake Tapps is expected to close in November 2009.

Cascade Water Alliance is a non-profit corporation comprised of the cities of Bellevue, Redmond, Kirkland, Issaquah and Tukwila, and Covington Water District, the Sammamish Plateau Water and Sewer District, and Skyway Water and Sewer District to provide safe, clean and reliable water to its almost 400,000 residents and more than 22,000 businesses.