

ORIGINAL



0000002139

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RECEIVED

2004 MAR 31 P 3: 55

AZ CORP COMMISSION  
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12 Telephone: (602) 916-5000

Arizona Corporation Commission

DOCKETED

MAR 31 2004

DOCKETED BY

10 Attorneys for Arizona Water Company

11 **BEFORE THE ARIZONA CORPORATION COMMISSION**

12 IN THE MATTER OF THE APPLICATION )  
13 OF ARIZONA WATER COMPANY, AN )  
14 ARIZONA CORPORATION, FOR )  
15 ADJUSTMENTS TO ITS RATES AND )  
16 CHARGES FOR UTILITY SERVICE )  
17 FURNISHED BY ITS EASTERN GROUP )  
18 AND FOR CERTAIN RELATED )  
19 APROVALS )

DOCKET No. W-01445A-02-0619

**CERTIFICATE OF FILING  
OF TARIFFS**

17 Decision No. 66849 of the Arizona Corporation Commission in the above-captioned  
18 matter provides, among other things, that Arizona Water Company is directed to file with the  
19 Commission revised schedules of rates and charges consistent with Exhibit D to and the  
20 discussion in said Decision, and an amended Tariff No. NP-260, in the form prescribed by Staff  
21 and approved in said Decision, no later than March 31, 2004.

22  
23 IT IS HEREBY CERTIFIED THAT on the 31st day of March, 2004, Arizona Water  
24 Company filed with the Arizona Corporation Commission, Docket Control Division, at its main  
25 office located at 1200 West Washington Street, Phoenix, Arizona, an original and thirteen (13)  
26 copies of its revised schedules of water rates and charges; Tariff No. NP-274 (formerly Tariff  
27 No. NP-260 for the Apache Junction system), amended as noted above, and Tariff No. NP-260  
28 (current tariff that now applies to Casa Grande, Coolidge and White Tank systems only; revised

ORIGINAL

1 Tariffs Nos. AM-253 and AM-254 (to reflect elimination of application to Eastern Group  
2 systems); and Tariffs Nos. SC-252 and SC-265 (to reflect revised service charges for Eastern  
3 Group systems, while Western Group system charges are unchanged).

4 RESPECTFULLY SUBMITTED this 31st day of March, 2004.

5 **ARIZONA WATER COMPANY**

6  
7 By: Robert W. Geake

8 Robert W. Geake  
9 Vice President and General Counsel  
10 Arizona Water Company  
11 P. O. Box 29006  
12 Phoenix, AZ 85038  
13 Attorney for Applicant

14 AN ORIGINAL and thirteen (13) copies of the  
15 foregoing filed this 31st day of March,  
16 2004 with:

17 Docket Control  
18 Arizona Corporation Commission  
19 1200 W. Washington  
20 Phoenix, AZ 85007

21 And copies of the foregoing,  
22 mailed/delivered this 31st day of March,  
23 2004, to:

24 Norman D. James  
25 Jay L. Shapiro  
26 FENNEMORE CRAIG  
27 3003 N. Central Avenue, Suite 2600  
28 Phoenix, AZ 85012  
Attorneys for Arizona Water Company

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Administrative Law Judge  
Hearing Division  
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1200 W. Washington  
Phoenix, AZ 85007

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23 By: Robert W. Decker

24  
25  
26  
27  
28

# WATER RATES

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**ARIZONA WATER COMPANY**

Phoenix, Arizona

Filed by: William M. Garfield

Title: President

Date of Original Filing: 12-16-64

System: APACHE JUNCTION

A.C.C. No. 454

Cancelling A.C.C. No. 415

Tariff or Schedule No. WG-188

Filed: 3/31/04

Effective: For all service rendered on or after March 10, 2004

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## GENERAL SERVICE

### AVAILABILITY:

In **Apache Junction** and environs at all points where facilities of adequate capacity and pressure are adjacent to the premises served.

### APPLICATION:

To all water service required when such service is supplied at one premise through one point of delivery and measured through one meter. Not applicable to temporary, standby, supplementary or resale service.

<b>MONTHLY BILL:</b> Minimum: \$	12.54	for	5/8" x 3/4"	meter
	34.30	"	1"	"
	120.20	"	2"	"
	236.03	"	3"	"
	480.25	"	4"	"
	774.01	"	6"	"
	926.15	"	8"	"
	1157.69	"	10"	"

<b>Commodity Rate:</b> \$	.19688	per 100 gallons for 0 to 10,000 gallons
\$	.24610	per 100 gallons for 10,001 to 25,000 gallons
\$	.29532	per 100 gallons for gallons in excess of 25,000 gallons

**Adjustment:** Plus the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of the gross revenues of the Company and/or the price or revenue from the water or service sold and/or the volume of water pumped or purchased for sale and/or sold hereunder and any tax or similar assessment based on the withdrawal, delivery or use of water. In the event of any increase or decrease in taxes or other governmental impositions, rates shall be adjusted to reflect such increase or decrease.

### SPECIAL PROVISIONS:

1. Subject to the Company's Tariff Schedule SC-265.

### TERMS AND CONDITIONS:

Subject to the Company's Tariff Schedule TC-243.

# WATER RATES

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**ARIZONA WATER COMPANY**

Phoenix, Arizona

**Filed by:** William M. Garfield

Title: President

Date of Original Filing: 4-1-55

**System:** SUPERIOR

A.C.C. No. 455

Cancelling A.C.C. No. 431

Tariff or Schedule No. WG-107

Filed: 3/31/04

Effective: For all service rendered on or after March 10, 2004

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## GENERAL SERVICE

### AVAILABILITY:

In **Superior** and environs at all points where facilities of adequate capacity and pressure are adjacent to the premises served.

### APPLICATION:

To all water service required when such service is supplied at one premise through one point of delivery and measured through one meter. Not applicable to temporary, standby, supplementary or resale service.

<b>MONTHLY BILL:</b> Minimum: \$	12.54	for	5/8" x 3/4"	meter
	34.30	"	1"	"
	120.20	"	2"	"
	236.03	"	3"	"
	480.25	"	4"	"
	774.01	"	6"	"
	926.15	"	8"	"
	1157.69	"	10"	"

<b>Commodity Rate:</b> \$	.220	per 100 gallons for 0 to 10,000 gallons
\$	.275	per 100 gallons for 10,001 to 25,000 gallons
\$	.330	per 100 gallons for gallons in excess of 25,000 gallons

**Adjustment:** Plus the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of the gross revenues of the Company and/or the price or revenue from the water or service sold and/or the volume of water pumped or purchased for sale and/or sold hereunder and any tax or similar assessment based on the withdrawal, delivery or use of water. In the event of any increase or decrease in taxes or other governmental impositions, rates shall be adjusted to reflect such increase or decrease.

### SPECIAL PROVISIONS:

1. Subject to the Company's Tariff Schedule SC-265.

### TERMS AND CONDITIONS:

Subject to the Company's Tariff Schedule TC-243.

# WATER RATES

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**ARIZONA WATER COMPANY**

Phoenix, Arizona

Filed by: William M. Garfield

Title: President

Date of Original Filing: 4-1-55

System: **BISBEE**

A.C.C. No. 456

Cancelling A.C.C. No. 416

Tariff or Schedule No. WG-102

Filed: 3/31/04

Effective: For all service rendered on or after March 10, 2004

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## GENERAL SERVICE

### AVAILABILITY:

In **Bisbee** and environs at all points where facilities of adequate capacity and pressure are adjacent to the premises served.

### APPLICATION:

To all water service required when such service is supplied at one premise through one point of delivery and measured through one meter. Not applicable to temporary, standby, supplementary or resale service.

<b>MONTHLY BILL:</b> Minimum: \$	16.32	for	5/8" x 3/4"	meter
	43.78	"	1"	"
	141.06	"	2"	"
	267.25	"	3"	"
	477.98	"	4"	"
	662.53	"	6"	"
	891.27	"	8"	"
	1200.36	"	10"	"

Commodity Rate:	\$	.2594	per 100 gallons for 0 to 10,000 gallons
	\$	.3242	per 100 gallons for 10,001 to 25,000 gallons
	\$	.3890	per 100 gallons for gallons in excess of 25,000 gallons

**Adjustment:** Plus the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of the gross revenues of the Company and/or the price or revenue from the water or service sold and/or the volume of water pumped or purchased for sale and/or sold hereunder and any tax or similar assessment based on the withdrawal, delivery or use of water. In the event of any increase or decrease in taxes or other governmental impositions, rates shall be adjusted to reflect such increase or decrease.

### SPECIAL PROVISIONS:

1. Subject to the Company's Tariff Schedule SC-265.

### TERMS AND CONDITIONS:

Subject to the Company's Tariff Schedule TC-243.

# WATER RATES

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**ARIZONA WATER COMPANY**

Phoenix, Arizona

**Filed by:** William M. Garfield

Title: President

Date of Original Filing: 9-8-60

**System:** SIERRA VISTA

A.C.C. No. 457

Cancelling A.C.C. No. 417

Tariff or Schedule No. WG-162

Filed: 3/31/04

Effective: For all service rendered on or after March 10, 2004

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## GENERAL SERVICE

### AVAILABILITY:

In **Sierra Vista** and environs at all points where facilities of adequate capacity and pressure are adjacent to the premises served.

### APPLICATION:

To all water service required when such service is supplied at one premise through one point of delivery and measured through one meter. Not applicable to temporary, standby, supplementary or resale service.

<b>MONTHLY BILL:</b>	Minimum: \$	15.40	for	5/8" x 3/4"	meter
		32.71	"	1"	"
		125.47	"	2"	"
		284.04	"	3"	"
		398.10	"	4"	"
		604.72	"	6"	"
		725.66	"	8"	"
		907.08	"	10"	"

<b>Commodity Rate:</b>	\$	.1612	per 100 gallons for 0 to 10,000 gallons
	\$	.2015	per 100 gallons for 10,001 to 25,000 gallons
	\$	.2418	per 100 gallons for gallons in excess of 25,000 gallons

**Adjustment:** Plus the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of the gross revenues of the Company and/or the price or revenue from the water or service sold and/or the volume of water pumped or purchased for sale and/or sold hereunder and any tax or similar assessment based on the withdrawal, delivery or use of water. In the event of any increase or decrease in taxes or other governmental impositions, rates shall be adjusted to reflect such increase or decrease.

### SPECIAL PROVISIONS:

1. Subject to the Company's Tariff Schedule SC-265.

### TERMS AND CONDITIONS:

Subject to the Company's Tariff Schedule TC-243.

# WATER RATES

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**ARIZONA WATER COMPANY**

Phoenix, Arizona

**Filed by:** William M. Garfield

Title: President

Date of Original Filing: 4-1-55

**System:** MIAMI

A.C.C. No. 458

Cancelling A.C.C. No. 424

Tariff or Schedule No. WG-106

Filed: 3/31/04

Effective: For all service rendered on or after March 10, 2004

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## GENERAL SERVICE

### AVAILABILITY:

In **Miami** and environs at all points where facilities of adequate capacity and pressure are adjacent to the premises served.

### APPLICATION:

To all water service required when such service is supplied at one premise through one point of delivery and measured through one meter. Not applicable to temporary, standby, supplementary or resale service.

<b>MONTHLY BILL:</b> Minimum: \$	15.44	for	5/8" x 3/4"	meter
	38.87	"	1"	"
	129.86	"	2"	"
	248.35	"	3"	"
	497.76	"	4"	"
	875.26	"	6"	"
	1163.12	"	8"	"
	1305.25	"	10"	"

<b>Commodity Rate:</b>	\$	.3140	per 100 gallons for 0 to 10,000 gallons
	\$	.3925	per 100 gallons for 10,001 to 25,000 gallons
	\$	.4710	per 100 gallons for gallons in excess of 25,000 gallons

**Adjustment:** Plus the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of the gross revenues of the Company and/or the price or revenue from the water or service sold and/or the volume of water pumped or purchased for sale and/or sold hereunder and any tax or similar assessment based on the withdrawal, delivery or use of water. In the event of any increase or decrease in taxes or other governmental impositions, rates shall be adjusted to reflect such increase or decrease.

### SPECIAL PROVISIONS:

1. Subject to the Company's Tariff Schedule SC-265.

### TERMS AND CONDITIONS:

Subject to the Company's Tariff Schedule TC-243.

# WATER RATES

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**ARIZONA WATER COMPANY**

Phoenix, Arizona

**Filed by:** William M. Garfield

Title: President

Date of Original Filing: 4-1-55

**System:** SAN MANUEL

A.C.C. No. 459

Cancelling A.C.C. No. 425

Tariff or Schedule No. WG-111

Filed: 3/31/04

Effective: For all service rendered on or after March 10, 2004

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## GENERAL SERVICE

### AVAILABILITY:

In **San Manuel** and environs at all points where facilities of adequate capacity and pressure are adjacent to the premises served.

### APPLICATION:

To all water service required when such service is supplied at one premise through one point of delivery and measured through one meter. Not applicable to temporary, standby, supplementary or resale service.

<b>MONTHLY BILL:</b> Minimum: \$	19.94	for	5/8" x 3/4"	meter
	42.51	"	1"	"
	234.67	"	2"	"
	358.76	"	3"	"
	453.35	"	4"	"
	538.19	"	6"	"
	854.56	"	8"	"
	1228.50	"	10"	"

<b>Commodity Rate:</b>	\$ .1704	per 100 gallons for 0 to 10,000 gallons
	\$ .2130	per 100 gallons for 10,001 to 25,000 gallons
	\$ .2556	per 100 gallons for gallons in excess of 25,000 gallons

**Adjustment:** Plus the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of the gross revenues of the Company and/or the price or revenue from the water or service sold and/or the volume of water pumped or purchased for sale and/or sold hereunder and any tax or similar assessment based on the withdrawal, delivery or use of water. In the event of any increase or decrease in taxes or other governmental impositions, rates shall be adjusted to reflect such increase or decrease.

### SPECIAL PROVISIONS:

1. Subject to the Company's Tariff Schedule SC-265.

### TERMS AND CONDITIONS:

Subject to the Company's Tariff Schedule TC-243.

# WATER RATES

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**ARIZONA WATER COMPANY**

Phoenix, Arizona

**Filed by:** William M. Garfield**Title:** President**Date of Original Filing:** 8-23-61**System:** ORACLE**A.C.C. No.** 460**Cancelling A.C.C. No.** 426**Tariff or Schedule No.** WG-159**Filed:** 3/31/04**Effective:** For all service rendered on or after March 10, 2004

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## GENERAL SERVICE

### AVAILABILITY:

In **Oracle** and environs at all points where facilities of adequate capacity and pressure are adjacent to the premises served.

### APPLICATION:

To all water service required when such service is supplied at one premise through one point of delivery and measured through one meter. Not applicable to temporary, standby, supplementary or resale service.

<b>MONTHLY BILL:</b> Minimum: \$	19.31	for	5/8" x 3/4"	meter
	40.62	"	1"	"
	166.69	"	2"	"
	220.51	"	3"	"
	286.45	"	4"	"
	341.11	"	6"	"
	625.36	"	8"	"
	837.19	"	10"	"

<b>Commodity Rate:</b> \$	.4985	per 100 gallons for 0 to 10,000 gallons
\$	.6231	per 100 gallons for 10,001 to 25,000 gallons
\$	.7477	per 100 gallons for gallons in excess of 25,000 gallons

**Adjustment:** Plus the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of the gross revenues of the Company and/or the price or revenue from the water or service sold and/or the volume of water pumped or purchased for sale and/or sold hereunder and any tax or similar assessment based on the withdrawal, delivery or use of water. In the event of any increase or decrease in taxes or other governmental impositions, rates shall be adjusted to reflect such increase or decrease.

### SPECIAL PROVISIONS:

1. Subject to the Company's Tariff Schedule SC-265.

### TERMS AND CONDITIONS:

Subject to the Company's Tariff Schedule TC-243.

# WATER RATES

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**ARIZONA WATER COMPANY**

Phoenix, Arizona

**Filed by:** William M. Garfield

Title: President

Date of Original Filing: 4-1-55

**System:** WINKELMAN

A.C.C. No. 461

Cancelling A.C.C. No. 427

Tariff or Schedule No. WG-108

Filed: 3/31/04

Effective: For all service rendered on or after March 10, 2004

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## GENERAL SERVICE

### AVAILABILITY:

In **Winkelman** and environs at all points where facilities of adequate capacity and pressure are adjacent to the premises served.

### APPLICATION:

To all water service required when such service is supplied at one premise through one point of delivery and measured through one meter. Not applicable to temporary, standby, supplementary or resale service.

<b>MONTHLY BILL:</b> Minimum: \$	12.95	for	5/8" x 3/4"	meter
	38.15	"	1"	"
	81.75	"	2"	"
	241.28	"	3"	"
	451.22	"	4"	"
	616.16	"	6"	"
	764.18	"	8"	"
	935.02	"	10"	"

<b>Commodity Rate:</b> \$	.1136	per 100 gallons for 0 to 10,000 gallons
\$	.1420	per 100 gallons for 10,001 to 25,000 gallons
\$	.1704	per 100 gallons for gallons in excess of 25,000 gallons

**Adjustment:** Plus the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of the gross revenues of the Company and/or the price or revenue from the water or service sold and/or the volume of water pumped or purchased for sale and/or sold hereunder and any tax or similar assessment based on the withdrawal, delivery or use of water. In the event of any increase or decrease in taxes or other governmental impositions, rates shall be adjusted to reflect such increase or decrease.

### SPECIAL PROVISIONS:

1. Subject to the Company's Tariff Schedule SC-265.

### TERMS AND CONDITIONS:

Subject to the Company's Tariff Schedule TC-243.

# TARIFF SCHEDULE

## ARIZONA WATER COMPANY

### Phoenix, Arizona

Filed by: William M. Garfield  
Title: President  
Date of Original Filing: 4-27-83  
System: Eastern Group: Apache Junction, Superior,  
Bisbee, Sierra Vista, Miami, San Manuel,  
Oracle, Winkelman  
Northern Group: Lakeside, Overgaard,  
Sedona, Pinewood, Rimrock

A.C.C. No. 462  
Canceling A.C.C. No. 445  
Tariff or Schedule No. SC-265  
Filed: 3/31/2004  
Effective: For all service rendered on  
or after March 10, 2004

## SERVICE CHARGES

### AVAILABILITY:

In all cities, towns and unincorporated areas in which the Company provides general water utility services.

1. *ESTABLISHMENT* - \$16.00, each time an account is established for all customers from the above systems.
2. *GUARANTEE DEPOSIT* - Residential-maximum: Two (2) times the average customer class bill. Non-Residential-maximum: Two and one-half (2½) times that customer's estimated maximum monthly bill.
3. *RECONNECTION FOR DELINQUENCY* - \$16.00, each time customer is disconnected.
4. *RE-ESTABLISHMENT* - Eight (8) times the customer's monthly minimum charge, or payment of the minimums since disconnection, whichever is less.
5. *SERVICE CALL OUT* - During regular working hours - No charge. After regular working hours, on Saturdays, Sundays or holidays - \$35.00.
6. *RETURNED CHECK* - \$25.00 for each check returned.
7. *METER RE-READ* - No charge, if done during regular working hours, otherwise, a \$35.00 service call out.
8. *METER TEST* - No charge for the first test; for the second test for the same customer within any twelve (12) month period, \$50.00, or actual time and material, whichever is greater.
9. *SERVICE LINE AND METER INSTALLATION* - No charge for 5/8" and 1" if on *existing* pipelines. Full cost for 5/8" and 1" if on *new* pipelines. Full cost for 2" and larger if on *existing* or *new* pipelines. Advances for service line and meter installation shall be refundable.
10. *LATE CHARGE* - 1.5 percent after 15 days.

### ADJUSTMENT:

Plus the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of the gross revenues of the Company and/or the price or revenue from the water or service sold and/or the volume of water pumped or purchased for sale and/or sold hereunder and any tax or similar assessment based on the withdrawal, delivery or use of water. In the event of any increase or decrease in taxes or other governmental impositions, rates shall be adjusted to reflect such increase or decrease.

### TERMS AND CONDITIONS:

Subject to the Company's Tariff Schedule TC-243.

# TARIFF SCHEDULE

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**ARIZONA WATER COMPANY****Phoenix, Arizona**

Filed by: William M. Garfield  
Title: President  
Date of Original Filing: 4-27-83  
System: **Western Group: Ajo Heights,  
Casa Grande, Coolidge, Stanfield,  
White Tank**

A.C.C. No. 364  
Cancelling A.C.C. No. None  
Tariff or Schedule No. SC-252  
Filed: 3/31/04  
Effective: For all service rendered on  
or after March 10, 2004

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## SERVICE CHARGES

### AVAILABILITY:

In all cities, towns and unincorporated areas in which the Company has a general water utility business.

1. *ESTABLISHMENT* - \$16.00, each time an account is established for all customers.
2. *GUARANTEE DEPOSIT* - Residential - maximum: Two (2) times the average customer class bill. Non-Residential - maximum: Two and one-half (2½) times that customer's estimated maximum monthly bill.
3. *RECONNECTION FOR DELINQUENCY* - \$16.00, each time customer is disconnected.
4. *RE-ESTABLISHMENT* - Eight (8) times the customer's monthly minimum charge, or payment of the minimums since disconnection, whichever is less.
5. *SERVICE CALL OUT* - During regular working hours - No charge. After regular working hours, on Saturdays, Sundays or holidays - \$35.00.
6. *RETURN OF NSF CHECK* - \$10.00 for each check returned.
7. *METER RE-READ* - No charge, if done during regular working hours, otherwise, a \$35.00 service call out.
8. *METER TEST* - No charge for the first test; for the second test for the same customer within any twelve (12) month period, \$50.00, or actual time and material, whichever is greater.
9. *SERVICE LINE AND METER INSTALLATION* - No charge for 5/8" and 1" if on *existing* pipelines. Full cost for 5/8" and 1" if on *new* pipelines. Full cost for 2" and larger if on *existing* or *new* pipelines. Advances for service line and meter installation shall be refundable.

### ADJUSTMENT:

Plus the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of the gross revenues of the Company and/or the price or revenue from the water or service sold and/or the volume of water pumped or purchased for sale and/or sold hereunder. In the event of any increase or decrease in taxes or other governmental impositions, rates shall be adjusted to reflect such increase or decrease.

### TERMS AND CONDITIONS:

Subject to the Company's Tariff Schedule TC-243.

# WATER RATES

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<b>ARIZONA WATER COMPANY</b>	A.C.C. No.	440
Phoenix, Arizona	Cancelling A.C.C. No.	(not applicable)
Filed by: William M. Garfield	Tariff or Schedule No.	NP-260
Title: President	Filed:	March 31, 2004
Date of Original Filing: March 7, 1994	Effective:	March 10, 2004
System: <b>CASA GRANDE, COOLIDGE, WHITE TANK</b>		

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## NON-POTABLE CENTRAL ARIZONA PROJECT WATER

### **AVAILABILITY:**

In the Company's Casa Grande, Coolidge and White Tank water systems, where and when Central Arizona Project ("CAP") water is available.

### **SUITABILITY:**

It is the customer's responsibility to determine the initial and continuing suitability of the non-potable CAP water furnished under this tariff for any intended uses. The Company does not treat, test or monitor non-potable CAP water and furnishes it to customers strictly on an "as received" basis from the Central Arizona Water Conservation District ("CAWCD"). The customer agrees to accept non-potable CAP water "as received." Compliance with any requirement of the Arizona Department of Environmental Quality, or any other agency having jurisdiction, concerning the use or quality of non-potable CAP water shall be the sole responsibility of the customer. The Company will not be liable for, and the customer will hold harmless, indemnify and defend the Company against, any injuries or damages arising from its service of non-potable CAP water.

### **FACILITIES AND DEMAND:**

When applying for non-potable CAP water service, the customer shall specify the maximum annual quantity of CAP water in acre feet (AF) that it intends to use under this tariff schedule and pursuant to a Non-Potable Water Facilities Contribution Agreement. This quantity of water will be used to determine the facilities required to serve the customer and will be the customer's maximum demand for non-potable CAP water ("CAP Demand") during any calendar year. The customer will be responsible for both the deferred (including holding costs) and the current annual CAWCD M&I Water Service Capital Charges on the CAP Demand and on any water use in excess of the CAP Demand.

The customer will contribute the funds required to install all facilities needed to provide CAP water. Such facilities will be owned by the Company.

The Deferred CAP Demand Charge includes the deferred annual CAWCD M&I Water Service Capital Charges and associated holding costs for the customer's CAP Demand. The Deferred CAP Demand Charge is payable prior to the start of service or within fifteen (15) days of any approved increase in CAP Demand. The Deferred CAP Demand Charge will be payable only on any future increase in CAP Demand for those customers receiving service under this tariff as of the effective date. The Deferred CAP Demand Charge is not refundable if the customer's CAP Demand is later reduced.

Effective 3/10/04  
Effective 4/6/94  
Revised 1/18/95  
Revised 1/15/99

**MONTHLY BILL:**

The monthly billing will consist of the following components:

1. A monthly CAP Demand charge equal to 1/12th of the customer's CAP Demand in AF times the applicable CAWCD M&I Water Service Capital Charge per AF plus four percent (4%) of such costs to cover the Company's administrative and handling costs. Should the customer's actual water use exceed the customer's CAP Demand, the customer will be billed an additional demand charge, based on the applicable CAWCD M&I Water Service Capital Charge, on the excess water use, plus a four percent (4%) administrative and handling fee.

2. A meter charge based on the applicable monthly minimum charge by meter size as set forth in each system's General Service tariff schedule. This meter charge shall not include any water.

3. A commodity charge designed to pass on all costs of non-potable CAP water, except the monthly CAP Demand charge, as billed to the Company during the previous month by the CAWCD or any other authorized governmental agency, plus one percent (1%) of such costs to cover the Company's administrative and handling costs.

4. A power, maintenance and depreciation charge based on the specific requirements of each customer.

A. The power component will be the direct and separately metered cost of the power billed to the Company during the previous month for CAP water delivered to the customer, plus one percent (1%) of the power cost to cover the Company's administrative and handling costs. If multiple customers are being served by common facilities, the power component will be prorated based on CAP water actually used during the month by each customer.

B. The maintenance component will be the actual costs of maintaining the facilities required to serve the customer, plus a ten percent (10%) charge to provide for overhead and margin. If multiple customers are being served by common facilities, the maintenance component will be prorated based on each customer's CAP Demand.

C. The depreciation component will be 1/12th of the product of the Company's book depreciation rate, as authorized by the Arizona Corporation Commission, times the original cost of the plant facilities serving the customer. If multiple customers are being served by common facilities, the depreciation component will be prorated based on each customer's CAP Demand.

**Late Charge:** Any payment not received within fifteen (15) days from the postmark date of the bill will be delinquent and subject to a late charge of one and one-half percent (1 1/2%) per month.

**Adjustment:** An adjustment for state and local taxes, which will be the applicable proportionate part of any taxes or governmental impositions which are, or in the future may be, assessed on the basis of the gross revenues of the Company and/or the price or revenue from the water or service sold and/or the volume of water pumped or purchased for sale and/or sold hereunder. In the event of any increase or decrease in taxes or other governmental impositions, rates shall be adjusted to reflect such tax increase or decrease.

**TERMS AND CONDITIONS:**

Subject to the Company's Tariff Schedule TC-243.

Effective 3/10/04  
Effective 4/6/94  
Revised 1/18/95  
Revised 1/15/99

# WATER RATES

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**ARIZONA WATER COMPANY**

Phoenix, Arizona

Filed by: William M. Garfield

Title: President

Date of Original Filing: March 7, 1994

System: APACHE JUNCTION

A.C.C. No. 463

Cancelling A.C.C. No. (not applicable)

Tariff or Schedule No. NP-274

Filed: March 31, 2004

Effective: March 10, 2004

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## NON-POTABLE CENTRAL ARIZONA PROJECT WATER

### AVAILABILITY:

In the Company's Apache Junction water system, where and when Central Arizona Project ("CAP") water is available.

### SUITABILITY:

It is the customer's responsibility to determine the initial and continuing suitability of the non-potable CAP water furnished under this tariff for any intended uses. The Company does not treat, test or monitor non-potable CAP water and furnishes it to customers strictly on an "as received" basis from the Central Arizona Water Conservation District ("CAWCD"). The customer agrees to accept non-potable CAP water "as received." Compliance with any requirement of the Arizona Department of Environmental Quality, or any other agency having jurisdiction, concerning the use or quality of non-potable CAP water shall be the sole responsibility of the customer. The Company will not be liable for, and the customer will hold harmless, indemnify and defend the Company against, any injuries or damages arising from its service of non-potable CAP water.

### FACILITIES AND DEMAND:

When applying for non-potable CAP water service, the customer shall specify the maximum annual quantity of CAP water in acre feet (AF) that it intends to use under this tariff schedule and pursuant to a Non-Potable Water Facilities Contribution Agreement. This quantity of water will be used to determine the facilities required to serve the customer and will be the customer's maximum demand for non-potable CAP water ("CAP Demand") during any calendar year. The customer will be responsible for both the deferred (including holding costs) and the current annual CAWCD M&I Water Service Capital Charges on the CAP Demand and on any water use in excess of the CAP Demand.

The customer will contribute the funds required to install all facilities needed to provide CAP water. Such facilities will be owned by the Company.

The Deferred CAP Demand Charge includes the deferred annual CAWCD M&I Water Service Capital Charges and associated holding costs for the customer's CAP Demand. The Deferred CAP Demand Charge is payable prior to the start of service or within fifteen (15) days of any approved increase in CAP Demand. The Deferred CAP Demand Charge will be payable only on any future increase in CAP Demand for those customers receiving service under this tariff as of the effective date. The Deferred CAP Demand Charge is not refundable if the customer's CAP Demand is later reduced.

### MONTHLY BILL:

The monthly billing will consist of the following components:

1. A monthly CAP Demand charge equal to 1/12th of the customer's CAP Demand in AF times the applicable CAWCD M&I Water Service Capital Charge per AF. Should the customer's actual water use exceed the customer's CAP Demand, the customer will be billed an additional demand charge, based on the applicable CAWCD M&I Water Service Capital Charge, on the excess water use.

Effective 3/10/04  
Effective 3/15/99  
Revised 1/18/95  
Revised 1/15/99

2. A commodity charge designed to pass on all costs of non-potable CAP water, except the monthly CAP Demand charge, as billed to the Company during the previous month by the CAWCD or any other authorized governmental agency.

3. A power and maintenance charge based on the specific requirements of each customer.

A. The power component will be the direct and separately metered cost of the power billed to the Company during the previous month for CAP water delivered to the customer. If multiple customers are being served by common facilities, the power component will be prorated based on CAP water actually used during the month by each customer.

B. The maintenance component will be the actual costs of maintaining, repairing, and replacing the facilities required to serve the customer, plus a ten percent (10%) charge to provide for overhead and margin; provided however, that the customer shall not be liable for maintenance, repair, or replacement charges, when the damage or injuries to the CAP facilities are a result in the failure of the Company to operate the facilities or install protective devices in accordance with customary or sound construction and engineering practices. If multiple customers are being served by common facilities, the maintenance component will be prorated based on each customer's CAP Demand.

C. A fixed administrative cost of fifty dollars (\$50) per month to be recalculated and adjusted annually.

**Late Charge:** Any payment not received within fifteen (15) days from the postmark date of the bill will be delinquent and subject to a late charge of one and one-half percent (1 1/2%) per month.

**Adjustment:** An adjustment for state and local taxes, which will be the applicable proportionate part of any taxes or governmental impositions which are, or in the future may be, assessed on the basis of the gross revenues of the Company and/or the price or revenue from the water or service sold and/or the volume of water pumped or purchased for sale and/or sold hereunder. In the event of any increase or decrease in taxes or other governmental impositions, rates shall be adjusted to reflect such tax increase or decrease.

**TERMS AND CONDITIONS:**

Subject to the Company's Tariff Schedule TC-243.

Effective 3/10/04  
Effective 3/15/99  
Revised 1/18/95  
Revised 1/15/99

# WATER RATES

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**ARIZONA WATER COMPANY**

Phoenix, Arizona

Filed by: William M. Garfield

Title: President

Date of Original Filing: 7-25-83

System: **All Services Areas EXCEPT Apache Junction,  
Bisbee, Sierra Vista, San Manuel, Oracle,  
Winkelman, Miami, Superior**

A.C.C. No. 410

Cancelling A.C.C. No. 387

Tariff or Schedule No. AM-253

Filed: 3-31-04

Effective: For all service rendered  
on or after March 10, 2004

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## PURCHASED POWER ADJUSTMENT MECHANISM ("PPAM") TARIFF

Whenever Arizona Water Company's purchased power (electric and/or natural gas) expense in any of its water systems increases or decreases, or will increase or decrease, from the amount adopted by the Arizona Corporation Commission in the Company's last general rate proceeding for that system, the Company may, in accordance with the provisions of this PPAM, file a new schedule with the Commission for that system, setting forth an adjustment per 100 gallons designed to recover such increased or decreased purchased power expense, provided that:

1. The total amount of the increase or decrease in the purchased power expense will be calculated by comparing the Company's normalized cost for power during the test year utilized in its last general rate case with the Company's normalized cost of power for that test year computed at the Company's new increased or decreased cost for power.

2. The total change in power cost will be divided by the total gallonage pumped during the test year to determine the adjusted increase or decrease per 100 gallons.

3. The calculated increase or decrease in rates for the system must amount to at least \$0.001 per 100 gallons (rounded up or down from five) before an adjustment can be made.

4. All revised schedules filed with the Arizona Corporation Commission pursuant to the provisions of this PPAM will be accompanied by workpapers prepared by the Company in a format approved by the Utilities Division Staff of the Commission and will be in sufficient detail to enable the Commission to test the accuracy of the Company's calculations.

5. The new schedules filed by the Company under the provisions of this PPAM will become effective either on the date the schedules are approved for filing, if the purchased power expense has already increased, or decreased, or on the date the increased or decreased purchased power expense becomes effective, if it has not yet changed.

6. Illustration of application of the above PPAM, assuming the following test year data:

- A) 4,000,000 H Gallons Pumped
- B) 3,300,000 H Gallons Sold (82.5%)
- C) 700,000 H Gallons Unaccounted For (17.5%)
- D) \$100,000 Purchased Power Expense
- E) 1,250,000 KWH

Should Purchased Power Rates increase at a future date such that the new Power Rates x (E) = \$125,000, a Purchased Power Expense pass thru calculation would be initiated.

### Pass Thru Calculation Steps:

- 1)  $\$125,000 - \$100,000 = \$25,000$  Total Purchased Power Increase
- 2)  $\$25,000 \div 4,000,000$  H Gallons Pumped =  $\$0.00625/\text{H Gallon}$
- 3) Step (2) Rounded Per Provisions of Tariff =  $\$0.006/\text{H Gallon}$
- 4)  $\$0.006/\text{H Gallon} \times \text{Actual Gallons Used Including Gallons In Minimum} = \text{PPAM Charge on Bill}$

# WATER RATES

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**ARIZONA WATER COMPANY**

Phoenix, Arizona

Filed by: William M. Garfield

Title: President

Date of Original Filing: 6-20-86

System: AJO

A.C.C. No. 411

Cancelling A.C.C. No. None

Tariff or Schedule No. AM-254

Filed: 3-31-04

Effective: For all service rendered on  
or after March 10, 2004

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## PURCHASED WATER ADJUSTMENT MECHANISM ("PWAM") TARIFF

Whenever Arizona Water Company's purchased water expense in the **Ajo** water system increases or decreases, or will increase or decrease, from the amount adopted by the Arizona Corporation Commission in the Company's last general rate proceeding for that system, the Company may, in accordance with the provisions of this PWAM, file a new schedule with the Commission for that system, setting forth an adjustment per 100 gallons designed to recover such increased or decreased purchased water expense, provided that:

1. The total amount of the increase or decrease in the purchased water expense will be calculated on a gallons purchased basis by comparing the Company's normalized cost for water during the test year utilized in its last general rate case with the Company's new increased or decreased cost for water.

2. The calculated increase or decrease in purchased water expense for the system must amount to at least \$0.001 per 100 gallons (rounded up or down from five) before an adjustment can be made.

3. All revised schedules filed with the Arizona Corporation Commission pursuant to the provisions of this PWAM will be accompanied by workpapers prepared by the Company in a format approved by the Utilities Division Staff of the Commission and will be in sufficient detail to enable the Commission to test the accuracy of the Company's calculations.

4. The new schedules filed by the Company under the provisions of this PWAM will become effective either on the date the schedules are approved for filing, if the purchased water expense has already increased, or decreased, or on the date the increased or decreased purchased water expense becomes effective, if it has not yet changed.

5. Illustration of application of the above PWAM, assuming the following test year data:

- A) 800,000 H Gallons Purchased
- B) 700,000 H Gallons Sold (87.5%)
- C) 100,000 H Gallons Unaccounted For (12.5%)
- D) \$225,000 Purchased Water Expense

Should Purchased Water Rates increase at a future date such that the new Water Rates x (A) = \$235,000, a Purchased Water Expense pass thru calculation would be initiated.

### Pass Thru Calculation Steps:

- 1)  $\$235,000 - \$225,000 = \$10,000$  Total Purchased Water Increase
- 2)  $\$10,000 \div 800,000$  H Gallons Purchased = \$0.0125/H Gallon
- 3) Step (2) Rounded Per Provisions of Tariff = \$0.013/H Gallon
- 4)  $\$0.013/\text{H Gallon} \times \text{Actual Gallons Used Including Gallons In Minimum} = \text{PWAM Charge on Bill}$

Revised 3/31/04