

ORIGINAL



0000005196

THIS AMENDMENT:

____ Passed _____ Passed as amended by _____

____ Failed _____ Not Offered _____ Withdrawn

604

**HEARING DIVISION PROPOSED AMENDMENT #1 TO CORRECT
COMPUTATIONAL ERRORS RELATED TO REVENUE REQUIREMENT
AND TO MAKE CORRESPONDING CHANGES TO RATE SCHEDULES**

TIME/DATE PREPARED June 4, 2004/2:30 P.M.

COMPANY: Arizona-American Water Co. AGENDA ITEM NO. U-1

WS-01303A-02-0867
 WS-01303A-02-0868
 WS-01303A-02-0869
 WS-01303A-02-0870
 W-01303A-02-0908

PEN MEETING DATES: June 15, 16 and 18, 2004

Revenue Requirement Corrections

- Page 21, line 12, Delete "\$29,696,770" and
Insert "\$30,172,123"
- Page 21, line 13, Delete "\$2,865,176" and
Insert "\$2,939,251"
- Page 21, line 13, Delete "\$3,447,237" and
Insert "\$3,530,198"
- Page 21, line 14, Delete "\$5,340,171" and
Insert "\$5,651,904"
- Page 21, line 14, Delete "\$3,987,486" and
Insert "\$4,061,082"
- Page 21, line 15, Delete "\$3,302,031" and
Insert "\$3,408,004"
- Page 21, line 15, Delete "\$402,106" and
Insert "\$415,213"
- Page 21, line 16, Delete "\$5,071,975" and
Insert "\$4,937,096"
- Page 21, line 16, Delete "\$3,207,639" and
Insert "\$3,169,936"
- Page 21, line 17, Delete "\$1,851,448" and
Insert "\$1,828,223"

RECEIVED
 2004 JUN - 4 P 2:47
 AZ CORP COMMISSION
 DOCUMENT CONTROL

Arizona Corporation Commission
DOCKETED

JUN - 4 2004

DOCKETED BY	<i>AK</i>
-------------	-----------

- Page 21, line 17, Delete "\$221,501" and
Insert "\$231,216"**
- Page 21, line 20, Delete "\$5,080,512" and
Insert "\$5,178,691"**
- Page 21, line 20, Delete "\$406,394" and
Insert "\$441,523"**
- Page 21, line 21, Delete "\$(\$123,106)" and
Insert "\$5,482"**
- Page 21, line 21, Delete "\$414,585" and
Insert "\$541,186"**
- Page 21, line 22, Delete "\$1,407,934" and
Insert "\$1,027,258"**
- Page 21, line 22, Delete "\$808,202" and
Insert "\$986,128"**
- Page 21, line 23, Delete "\$(\$18)" and
Insert "\$25,711"**
- Page 21, line 23, Delete "\$1,414,978" and
Insert "\$1,248,941"**
- Page 21, line 23, Delete "\$684,439" and
Insert "\$840,869"**
- Page 21, line 24, Delete "\$36,903" and
Insert "\$38,323"**
- Page 21, line 24, Delete "\$30,201" and
Insert "\$23,270"**
- Page 33, line 4, Delete "\$1,344,903, or 3.67 percent" and
Insert "\$1,185,005, or 3.35 percent"**
- Page 33, line 6, Delete "\$406,394" and
Insert "\$441,523"**
- Page 33, line 9, Delete "\$371,258" and
Insert "\$336,129"**

Page 33, line 10,	Delete "\$604,642" and Insert "\$547,430"
Page 33, line 11,	Delete "17.88 percent" and Insert "16.19 percent"
Page 33, line 13,	Delete "(\$123,106)" and Insert "\$5,482"
Page 33, line 16,	Delete "\$702,301" and Insert "\$573,713"
Page 33, line 17,	Delete "\$1,143,789" and Insert "\$934,366"
Page 33, line 18,	Delete "32.35 percent" and Insert "26.43 percent"
Page 33, line 20,	Delete "\$414,585" and Insert "\$541,186"
Page 33, line 23,	Delete "\$1,006,898" and Insert "\$880,297"
Page 33, line 25,	Delete "\$1,639,864" and Insert "\$1,433,679"
Page 33, line 25,	Delete "26.48 percent" and Insert "23.15 percent"
Page 33, line 27,	Delete "\$1,407,934" and Insert "\$1,027,258"
Page 34, line 2,	Delete "\$841,727" and Insert "\$461,051"
Page 34, line 3,	Delete "\$1,370,862" and Insert "\$750,882"
Page 34, line 3,	Delete "26.94 percent" and Insert "14.76 percent"
Page 34, line 6,	Delete "\$808,202" and Insert "\$986,128"

**Page 34, line 9, Delete "\$236,963" and
Insert "\$414,889"**

**Page 34, line 10, Delete "\$385,925" and
Insert "\$675,701"**

**Page 34, line 10, Delete "an 8.78 percent" and
Insert "a 15.38 percent"**

**Page 34, line 13, Delete "(\$18)" and
Insert "\$25,711"**

**Page 34, line 15, Delete "\$53,460" and
Insert "\$27,731"**

**Page 34, line 17, Delete "\$87,067" and
Insert "\$45,163"**

**Page 34, line 17, Delete "19.75 percent" and
Insert "10.24 percent"**

**Page 34, line 20, Delete "\$1,414,978" and
Insert "\$1,248,941"**

**Page 34, line 23, Delete "\$331,561" and
Insert "\$165,524"**

**Page 34, line 24, Delete "\$539,990" and
Insert "\$269,577"**

**Page 34, line 24, Delete "an 8.73 percent" and
Insert "a 4.36 percent"**

**Page 34, line 27, Delete "\$684,439" and
Insert "\$840,869"**

**Page 35, line 1, Delete "\$81,581" and
Insert "\$238,011"**

**Page 35, line 3, Delete "\$132,865" and
Insert "\$387,632"**

**Page 35, line 3, Delete "3.31 percent" and
Insert "9.66 percent"**

Page 35, line 6,	Delete "\$36,903" and Insert "\$38,323"
Page 35, line 9,	Delete "\$140,632" and Insert "\$139,212"
Page 35, line 11,	Delete "\$229,038" and Insert "\$226,725"
Page 35, line 11,	Delete "12.27 percent" and Insert "12.15 percent"
Page 35, line 13,	Delete "\$30,201" and Insert "\$23,270"
Page 35, line 15,	Delete "\$43,070" and Insert "\$50,001"
Page 35, line 17,	Delete "\$70,145" and Insert "\$81,434"
Page 35, line 17,	Delete "27.56 percent" and Insert "32.00 percent"
Page 47, line 24,	Delete "26.45 percent" and Insert "23.15 percent"
Page 47, line 25,	Delete "29.94 percent" and Insert "14.76 percent"
Page 52, line 24,	Delete "\$406,394" and Insert "\$441,523"
Page 52, line 27,	Delete "\$371,258" and Insert "\$336,129"
Page 53, line 1,	Delete "\$604,642" and Insert "\$547,430"
Page 53, line 1,	Delete "17.88 percent" and Insert "16.19 percent"
Page 53, line 10,	Delete "(\$123,106)" and Insert "\$5,482"

- Page 53, line 13, Delete "\$702,301" and
Insert "\$573,713"**
- Page 53, line 15, Delete "\$1,143,789" and
Insert "\$934,366"**
- Page 53, line 15, Delete "32.35 percent" and
Insert "26.43 percent"**
- Page 53, line 22, Delete "\$414,585" and
Insert "\$541,186"**
- Page 53, line 25, Delete "\$1,006,898" and
Insert "\$880,297"**
- Page 53, line 27, Delete "\$1,639,864" and
Insert "\$1,433,679"**
- Page 53, line 27, Delete "26.48 percent" and
Insert "23.15 percent"**
- Page 54, line 8, Delete "\$1,407,934" and
Insert "\$1,027,258"**
- Page 54, line 11, Delete "\$841,727" and
Insert "\$461,051"**
- Page 54, line 13, Delete "\$1,370,862" and
Insert "\$750,882"**
- Page 54, line 13, Delete "26.94 percent" and
Insert "14.76 percent"**
- Page 54, line 20, Delete "\$808,202" and
Insert "\$986,128"**
- Page 54, line 23, Delete "\$236,963" and
Insert "\$414,889"**
- Page 54, line 24, Delete "\$385,925" and
Insert "\$675,701"**
- Page 54, line 24, Delete "an 8.78 percent" and
Insert "a 15.38 percent"**

Page 55, line 6,	Delete “(\$18)” and Insert “\$25,711”
Page 55, line 8,	Delete “\$53,460” and Insert “\$27,731”
Page 55, line 10,	Delete “\$87,067” and Insert “\$45,163”
Page 55, line 10,	Delete “19.75 percent” and Insert “10.24 percent”
Page 55, line 20,	Delete “\$1,414,978” and Insert “\$1,248,941”
Page 55, line 23,	Delete “\$331,561” and Insert “\$165,524”
Page 55, line 24,	Delete “\$539,990” and Insert “\$269,577”
Page 55, line 24,	Delete “an 8.73 percent” and Insert “a 4.36 percent”
Page 56, line 6,	Delete “\$684,439” and Insert “\$840,869”
Page 56, line 9,	Delete “\$81,581” and Insert “\$238,011”
Page 56, line 10,	Delete “\$132,865” and Insert “\$387,632”
Page 56, line 10,	Delete “3.31 percent” and Insert “9.66 percent”
Page 56, line 20,	Delete “\$36,903” and Insert “\$38,323”
Page 56, line 23,	Delete “\$140,632” and Insert “\$139,212”
Page 56, line 25,	Delete “\$229,038” and Insert “\$226,725”

**Page 56, line 25, Delete “12.27 percent” and
 Insert “12.15 percent”**

**Page 57, line 4, Delete “\$30,201” and
 Insert “\$23,270”**

**Page 57, line 7, Delete “\$43,070” and
 Insert “\$50,001”**

**Page 57, line 8, Delete “\$70,145” and
 Insert “\$81,434”**

**Page 57, line 9, Delete “27.56 percent” and
 Insert “32.00 percent”**

Corrections to Rate Schedules Corresponding to Revenue Requirement Corrections

- Page 53, line 2,** **Delete** Finding of Fact No. 24 **and**
Insert New Findings of Fact No. 24 as follows:
"24. For the Sun City West Water District, the rates set herein result in a monthly increase of \$1.67, or 14.35 percent for the average usage 5/8 x 3/4 inch meter customer (7,171 gallons/month) and a monthly increase of \$1.26, or 11.91 percent, for the median usage 5/8 x 3/4 inch meter customer (6,000 gallons/month)."
- Page 53, line 16,** **Delete** Findings of Fact No. 27 **and**
Insert New Findings of Fact No. 27 as follows:
"27. For the Sun City West Wastewater District, the rates set herein result in a monthly increase of \$4.32, or 26.60 percent, for residential customers."
- Page 53, line 28,** **Delete** Findings of Fact No. 30 **and**
Insert New Findings of Fact No. 30 as follows:
"30. For the Sun City Water District, the rates set herein result in a monthly increase of \$2.78, or 24.89 percent for the average usage 5/8 x 3/4 inch customer (8,361 gallons/month) and a monthly increase of \$2.36, or 23.35 percent, for the median usage 5/8 x 3/4 inch meter customer (7,000 gallons/month)."
- Page 54, line 14,** **Delete** Findings of Fact No. 33 **and**
Insert New Findings of Fact No. 33 as follows:
"33. For the Sun City Wastewater District, the rates set herein result in a monthly decrease of \$1.90, or 14.76 percent, for residential customers."
- Page 54, line 26,** **Delete** Findings of Fact No. 36 **and**
Insert New Findings of Fact No. 36 as follows:
"36. For the Mohave Water District, the rates set herein result in a monthly decrease of \$3.48, or 17.26 percent, for the average usage 5/8 x 3/4 inch meter customer (8,787 gallons/month) and a monthly decrease of \$2.96, or 16.89 percent, for the median usage 5/8 x 3/4 inch meter customer (7,000 gallons/month)."
- Page 55, line 12,** **Delete** Findings of Fact No. 39 **and**
Insert New Findings of Fact No. 39 as follows:
"39. For the Havasu Water District, the rates set herein result in a monthly increase of \$2.21, or 11.36 percent for the average usage 5/8 x 3/4 inch meter customer (7,659 gallons/month) and a monthly increase of \$1.86, or 11.83 percent, for the median usage 5/8 x 3/4 inch meter customer (5,000 gallons/month)."

Page 55, line 26,

Delete Findings of Fact No. 42 and

Insert New Findings of Fact No. 42 as follows:

“42. For the Agua Fria Water District, the rates set herein result in a monthly decrease of \$1.68, or 7.46 percent, for the average usage 5/8 x 3/4 inch meter customer (7,002 gallons/month) and a monthly decrease of \$2.24, or 11.85 percent for the median usage 5/8 x 3/4 inch meter customer (5,000 gallons/month).”

Page 56, line 12,

Delete Findings of Fact No. 45 and

Insert New Findings of Fact No. 45 as follows:

“45. For the Anthem Water District, the rates set herein result in a monthly decrease of \$8.71, or 23.90 percent, for the average usage 5/8 x 3/4 inch meter customer (10,212 gallons/month) and a monthly decrease of \$6.90, or 22.98 percent, for the median usage 5/8 x 3/4 inch meter customer (7,000 gallons/month).”

Page 56, line 26,

Delete Findings of Fact No. 48 and

Insert New Findings of Fact No. 48 as follows:

“48. For the Anthem/Agua Fria Wastewater District, the rates set herein result in a monthly increase of \$8.11, or 27.05 percent, for residential customers.”

Page 57, line 10,

Delete Findings of Fact No. 51 and

Insert New Findings of Fact No. 51 as follows:

“51. For the Tubac Water District, the rates set herein result in a monthly increase of \$14.20, or 36.25 percent, for the average usage 5/8 x 3/4 inch meter customer (13,177 gallons) and a monthly increase of \$10.01, or 34.96 percent, for the median usage 5/8 x 3/4 inch meter customer (8,000 gallons).”

Exhibit A,

Delete Entire Exhibit A and

Insert New Exhibit A (attached hereto)

ARIZONA AMERICAN
Docket No. WS-01303A-02-0867 et. al.
TEST YEAR ENDED DECEMBER 31, 2001

SUN CITY WEST WATER

		Monthly Usage Charge:	Tier One		Tier Two		Tier Three		
			Commodity Rate	Upper Limit	Commodity Rate	Second Tier Breakover	Commodity Rate	Second Tier Breakover	
<u>Residential, Commercial, Irrigation, Resale and Miscellaneous Customers</u>									
Residential 5/8-inch	Meter	\$ 5.87	\$ 0.8500	4,000	\$ 1.2850	15,000	\$ 1.5510	Infinite	
Residential 3/4-inch	Meter	5.87	0.8500	4,000	1.2850	15,000	1.5510	Infinite	
Commercial 5/8-inch	Meter	5.87	1.2850	15,000	1.5510	Infinite	-	-	
Commercial 3/4-inch	Meter	5.87	1.2850	15,000	1.5510	Infinite	-	-	
1-inch	Meter	14.97	1.2850	40,000	1.5510	Infinite	-	-	
1.5-inch	Meter	32.08	1.2850	100,000	1.5510	Infinite	-	-	
2-inch	Meter	47.05	1.2850	150,000	1.5510	Infinite	-	-	
3-inch	Meter	81.26	1.2850	275,000	1.5510	Infinite	-	-	
4-inch	Meter	120.82	1.2850	400,000	1.5510	Infinite	-	-	
6-inch	Meter	165.73	1.2850	550,000	1.5510	Infinite	-	-	
8-inch	Meter	374.23	1.2850	1,300,000	1.5510	Infinite	-	-	
10-inch	Meter	-	-	-	-	-	-	-	
12-inch	Meter	-	-	-	-	-	-	-	
<u>General Fire Sprinkler Rate</u>									
4-inch	Meter	35.22	\$ 1.09	Infinite	-	-	-	-	
6-inch	Meter	52.84	1.09	Infinite	-	-	-	-	
8-inch	Meter	70.45	1.09	Infinite	-	-	-	-	
10-inch	Meter	131.72	1.09	Infinite	-	-	-	-	
Construction/Untreated CAP		-	\$ 0.5488	Infinite	-	-	-	-	
Effluent Sales, Per Acre Foot			\$ 164.6475	-	-	-	-	-	

ARIZONA AMERICAN
 Docket No. WS-01303A-02-0867 et. al.
 TEST YEAR ENDED DECEMBER 31, 2001

SUN CITY WEST WASTEWATER

Monthly Usage Charge:	Gallons Included	Commodity Charge Per Thousand Gallons
--------------------------	---------------------	--

Note: Charges are applied up to the usage indicated in the schedules. Amounts in excess of the first tier have no charges.

Residential Units (WSR)	\$ 20.56	-	\$ -
Commerical (SSC)	\$ 29.25	-	-
Comm. Large User (SS6)	\$ 57.50	20,000	1.2500
Multi-family Res. Units (AC SSR)	\$ 20.57	-	-
Comm. additional toilets (WS1)	\$ 6.72	-	-
Comm. per dishwasher (WS2)	\$ 53.91	-	-
Comm. per wash mach. (WS3)	\$ 12.58	-	-
Comm. per wash rack (WS4)	\$ 26.35	-	-

Annual Fee for Industrial Discharge Service

Non-refundable annual fee assessed in advance each January by special billing to industrial customers. Gallonage applies to total gallonage through all meters, inclusive of meters used for irrigation.

Industrial Discharge Annual Fee* <50,000gal/mo.	\$ 500.00
Industrial Discharge Annual Fee* >50,000gal/mo.	\$ 1,000.00

ARIZONA AMERICAN
Docket No. WS-01303A-02-0867 et. al.
TEST YEAR ENDED DECEMBER 31, 2001

SUN CITY WATER

		Tier One			Tier Two		Tier Three	
		Monthly	Commodity	Upper	Commodity	Second Tier	Commodity	Second Tier
		Usage Charge:	Rate	Limit	Rate	Breakover	Rate	Breakover
<u>Residential, Commercial, Irrigation, Resale and Miscellaneous Customers</u>								
Residential 5/8-inch	Meter	\$ 6.33	\$ 0.7200	4,000	\$ 1.0870	18,000	\$ 1.3060	Infinite
Residential 3/4-inch	Meter	6.33	0.7200	4,000	1.0870	18,000	1.3060	Infinite
Commercial 5/8-inch	Meter	6.33	1.0870	18,000	1.3060	Infinite	-	-
Commercial 3/4-inch	Meter	6.33	1.0870	18,000	1.3060	Infinite	-	-
1-inch	Meter	16.40	1.0870	60,000	1.3060	Infinite	-	-
1.5-inch	Meter	33.77	1.0870	125,000	1.3060	Infinite	-	-
2-inch	Meter	51.14	1.0870	190,000	1.3060	Infinite	-	-
3-inch	Meter	86.84	1.0870	340,000	1.3060	Infinite	-	-
4-inch	Meter	135.00	1.0870	550,000	1.3060	Infinite	-	-
6-inch	Meter	178.51	1.0870	700,000	1.3060	Infinite	-	-
8-inch	Meter	350.00	1.0870	1,450,000	1.3060	Infinite	-	-
10-inch	Meter	-	-	-	-	-	-	-
12-inch	Meter	-	-	-	-	-	-	-
<u>Irrigation</u>								
1-inch	Meter	16.46	0.82	Infinite	-	-	-	-
1.5-inch	Meter	33.78	0.82	Infinite	-	-	-	-
2-inch	Meter	51.15	0.82	Infinite	-	-	-	-
3-inch	Meter	86.87	0.82	Infinite	-	-	-	-
4-inch	Meter	135.00	0.82	Infinite	-	-	-	-
6-inch	Meter	178.56	0.82	Infinite	-	-	-	-
8-inch	Meter	-	-	-	-	-	-	-
<u>Public Interruptible</u>								
3-inch	Meter	4.59	0.63	Infinite	-	-	-	-
8-inch	Meter	4.59	0.63	Infinite	-	-	-	-
<u>Private Fire</u>								
3-inch	Meter	7.60	0.76	Infinite	-	-	-	-
4-inch	Meter	11.39	0.76	Infinite	-	-	-	-
6-inch	Meter	15.83	0.76	Infinite	-	-	-	-
8-inch	Meter	25.32	0.76	Infinite	-	-	-	-
10-inch	Meter	39.35	0.76	Infinite	-	-	-	-
Standby Rates		4.62	0.76	Infinite	-	-	-	-
Construction/Untreated CAP		-	0.6558	Infinite	-	-	-	-

ARIZONA AMERICAN
 Docket No. WS-01303A-02-0867 et. al.
 TEST YEAR ENDED DECEMBER 31, 2001

SUN CITY WASTEWATER

Monthly Usage Charge:	Gallons Included	Commodity Charge Per 1,000 Gallons
--------------------------	---------------------	--

Note: Charges are applied up to the usage indicated in the schedules. Amounts in excess of the first tier have no charges.

Residential Units (SSR)	\$ 10.97	-	\$ -
Comm/Resid Units (SSR)	\$ 10.97	-	-
Commerical	\$ 13.17	-	-
Comm. Large User (SS6)	\$ 27.94	20,000	\$ 1.06
Multi-family Res. Units (AC SSR)	\$ 10.97	-	-
Comm. additional toilets (SS1)	\$ 3.24	-	-
Comm. per dishwasher (SS2)	\$ 24.78	-	-
Comm. per wash mach. (SS3)	\$ 6.03	-	-
Comm. per wash rack (SS4)	\$ 12.27	-	-
Rental Rooms/ Paradise Resort Park (Contract Rate)	\$ 3.94	20,000	\$ 0.91

Annual Fee for Industrial Discharge Service

Non-refundable annual fee assessed in advance each January by special billing to industrial customers. Gallonage applies to total gallonage through all meters, inclusive of meters used for irrigation.

Industrial Discharge Annual Fee* <50,000gal/mo.	\$ 500.00
Industrial Discharge Annual Fee* >50,000gal/mo.	\$ 1,000.00

ARIZONA AMERICAN
 Docket No. WS-01303A-02-0867 et. al.
 TEST YEAR ENDED DECEMBER 31, 2001

MOHAVE WATER

		Monthly Usage Charge:	Tier One		Tier Two		Tier Three	
			Commodity Rate	Upper Limit	Commodity Rate	Second Tier Breakover	Commodity Rate	Second Tier Breakover
<u>Residential, Commercial, Irrigation, Resale and Miscellaneous Customers</u>								
Residential 5/8-inch	Meter	\$7.80	\$ 0.8000	4,000	\$ 1.1900	18,000	\$ 1.4350	Infinite
Residential 3/4-inch	Meter	7.80	0.8000	4,000	1.1900	18,000	1.4350	Infinite
Commercial 5/8-inch	Meter	7.80	1.1900	18,000	1.4350	Infinite	-	-
Commercial 3/4-inch	Meter	N/A	-	-	-	-	-	-
1-inch	Meter	13.95	1.1900	35,000	1.4350	Infinite	-	-
1.5-inch	Meter	22.53	1.1900	65,000	1.4350	Infinite	-	-
2-inch	Meter	26.82	1.1900	75,000	1.4350	Infinite	-	-
3-inch	Meter	54.18	1.1900	175,000	1.4350	Infinite	-	-
4-inch	Meter	81.00	1.1900	270,000	1.4350	Infinite	-	-
6-inch	Meter	180.25	1.1900	635,000	1.4350	Infinite	-	-
8-inch	Meter	360.50	1.1900	1,250,000	1.4350	Infinite	-	-
10-inch	Meter	624.43	1.1900	2,200,000	1.4350	Infinite	-	-
<u>Residential and Commercial Multi Family and Multi Unit</u>								
5/8-inch	Meter	\$7.80 X No. Of Units X 1/2*	1.1900	18,000	1.4350	Infinite	-	-
1-inch	Meter	\$7.80 X No. Of Units X 1/2*	1.1900	35,000	1.4350	Infinite	-	-
1.5-inch	Meter	\$7.80 X No. Of Units X 1/2*	1.1900	65,000	1.4350	Infinite	-	-
2-inch	Meter	\$7.80 X No. Of Units X 1/2*	1.1900	75,000	1.4350	Infinite	-	-
4-inch	Meter	\$7.80 X No. Of Units X 1/2*	1.1900	270,000	1.4350	Infinite	-	-
6-inch	Meter	\$7.80 X No. Of Units X 1/2*	1.1900	635,000	1.4350	Infinite	-	-
*Minimum charge will not be below \$7.80								
RIO VERDE 5/8-inch	Meter	6.99	0.8000	4,000	1.1900	18,000	1.4350	Infinite
RIO VERDE 1-inch	Meter	6.99	1.1900	35,000	1.4350	Infinite	-	-
RIO VERDE 2-inch	Meter	6.99	1.1900	75,000	1.4350	Infinite	-	-
<u>Public Authority</u>								
5/8-inch	Meter	7.80	1.1783	Infinite	-	-	-	-
1-inch	Meter	13.95	1.1783	Infinite	-	-	-	-
1.5-inch	Meter	22.53	1.1783	Infinite	-	-	-	-
2-inch	Meter	26.82	1.1783	Infinite	-	-	-	-
3-inch	Meter	54.18	1.1783	Infinite	-	-	-	-
4-inch	Meter	81.00	1.1783	Infinite	-	-	-	-
6-inch	Meter	180.25	1.1783	Infinite	-	-	-	-
8-inch	Meter	360.50	1.1783	Infinite	-	-	-	-
10-inch	Meter	624.43	1.1783	Infinite	-	-	-	-
<u>Private Fire</u>								
2-inch	Meter	2.74	1.1783	Infinite	-	-	-	-
3-inch	Meter	N/A	-	-	-	-	-	-
4-inch	Meter	5.48	1.1783	Infinite	-	-	-	-
6-inch	Meter	8.22	1.1783	Infinite	-	-	-	-
8-inch	Meter	10.96	1.1783	Infinite	-	-	-	-
10-inch	Meter	13.70	1.1783	Infinite	-	-	-	-
12-inch	Meter	15.12	1.1783	Infinite	-	-	-	-
14-inch	Meter	17.65	1.1783	Infinite	-	-	-	-
20-inch	Meter	25.21	1.1783	Infinite	-	-	-	-
PF Hydrant		26.82	1.1900	75,000	1.4350	Infinite	-	-
Standby Rates		6.98	1.1783	Infinite	-	-	-	-
Per Sprinkler Head		0.43	-	-	-	-	-	-

ARIZONA AMERICAN
 Docket No. WS-01303A-02-0867 et. al.
 TEST YEAR ENDED DECEMBER 31, 2001

HAVASU WATER

		Monthly Usage Charge:	Tier One Commodity Rate	Upper Limit	Tier Two Commodity Rate	Second Tier Breakover	Tier Three Commodity Rate	Second Tier Breakover
<u>Residential, Commercial, Irrigation, Resale and Miscellaneous Customers</u>								
Residential 5/8-inch	Meter	\$11.78	\$ 1.0500	4,000	\$ 1.5550	13,000	\$ 1.8700	Infinite
Residential 3/4-inch	Meter	N/A						
Commercial 5/8-inch	Meter	11.78	1.5550	13,000	1.8700	Infinite		
Commercial 3/4-inch	Meter	N/A						
1-inch	Meter	20.27	1.5550	30,000	1.8700	Infinite		
1.5-inch	Meter	28.76	1.5550	45,000	1.8700	Infinite		
2-inch	Meter	39.88	1.5550	60,000	1.8700	Infinite		
3-inch	Meter	54.26	1.5550	90,000	1.8700	Infinite		
4-inch	Meter	68.64	1.5550	110,000	1.8700	Infinite		
6-inch	Meter	236.59	1.5550	500,000	1.8700	Infinite		
8-inch	Meter	457.50	1.5550	1,000,000	1.8700	Infinite		
10-inch	Meter	N/A						
12-inch	Meter	N/A						
Multi-family 044 1"		259.16	1.5550	30,000	1.8700	Infinite		
Multi-family 056 2"		329.84	1.5550	60,000	1.8700	Infinite		
Multi-family 064 4"		376.96	1.5550	110,000	1.8700	Infinite		
Multi-family 065 2"		382.85	1.5550	60,000	1.8700	Infinite		
Multi-family 067 4"		394.63	1.5550	110,000	1.8700	Infinite		
Multi-family 089 1"		524.21	1.5550	30,000	1.8700	Infinite		
Multi-family 102 2"		600.78	1.5550	60,000	1.8700	Infinite		
Multi-family 129 4"		759.81	1.5550	110,000	1.8700	Infinite		
Multi-family 153 4"		901.17	1.5550	110,000	1.8700	Infinite		

ARIZONA AMERICAN
 Docket No. WS-01303A-02-0867 et. al.
 TEST YEAR ENDED DECEMBER 31, 2001

AGUA FRIA WATER

		Tier One			Tier Two		Tier Three	
		Monthly Usage Charge:	Commodity Rate	Upper Limit	Commodity Rate	Second Tier Breakover	Commodity Rate	Second Tier Breakover
<u>Residential, Commercial, Irrigation, Resale and Miscellaneous Customers</u>								
Residential 5/8-inch	Meter	\$ 9.08	\$ 1.3800	4,000	\$ 2.0600	13,000	\$ 2.4870	Infinite
Residential 3/4-inch	Meter	9.08	1.3800	4,000	2.0600	13,000	2.4870	Infinite
Commercial 5/8-inch	Meter	9.08	2.0600	13,000	2.4870	Infinite		
Commercial 3/4-inch	Meter	9.08	2.0600	13,000	2.4870	Infinite		
1-inch	Meter	23.24	2.0600	45,000	2.4870	Infinite		
1.5-inch	Meter	48.58	2.0600	100,000	2.4870	Infinite		
2-inch	Meter	72.86	2.0600	150,000	2.4870	Infinite		
3-inch	Meter	142.55	2.0600	300,000	2.4870	Infinite		
4-inch	Meter	191.75	2.0600	400,000	2.4870	Infinite		
6-inch	Meter	369.55	2.0600	800,000	2.4870	Infinite		
8-inch	Meter	726.26	2.0600	1,500,000	2.4870	Infinite		
<u>Public Interruptible</u>								
2-inch	Meter		1.0000	Infinite				
3-inch	Meter		1.0000	Infinite				
6-inch	Meter		1.0000	Infinite				
8-inch	Meter		1.0000	Infinite				
10-inch	Meter		1.0000	Infinite				
Prison 4"	Meter	191.75	1.9300	Infinite				
<u>Private Fire</u>								
4-inch	Meter	27.25	1.3800	Infinite				
6-inch	Meter	40.86	1.3800	Infinite				
8-inch	Meter	54.48	1.3800	Infinite				
10-inch	Meter	108.96	1.3800	Infinite				
12-inch	Meter	163.44	1.3800	Infinite				
Construction Untreated CAP		Cancelled	1.0000	Infinite				

ARIZONA AMERICAN
 Docket No. WS-01303A-02-0867 et. al.
 TEST YEAR ENDED DECEMBER 31, 2001

ANTHEM WATER

		Monthly Usage Charge:	Tier One		Tier Two		Tier Three		
			Commodity Rate	Upper Limit	Commodity Rate	Second Tier Breakover	Commodity Rate	Second Tier Breakover	
<u>Residential, Commercial, Irrigation, Resale and Miscellaneous Customers</u>									
Residential 5/8-inch	Meter	\$15.00	\$ 0.9500	4,000	\$ 1.4350	18,000	\$ 1.7150	Infinite	
Residential 3/4-inch	Meter	15.00	0.9500	4,000	1.4350	18,000	1.7150	Infinite	
Residential 1-inch	Meter	26.42	0.9500	4,000	1.4350	40,000	1.7150	Infinite	
Commercial 5/8-inch	Meter	15.00	1.4350	18,000	1.7150	Infinite			
Commercial 3/4-inch	Meter	15.00	1.4350	18,000	1.7150	Infinite			
Commercial 1-inch	Meter	26.42	1.4350	40,000	1.7150	Infinite			
1.5-inch	Meter	60.78	1.4350	125,000	1.7150	Infinite			
2-inch	Meter	79.29	1.4350	175,000	1.7150	Infinite			
3-inch	Meter	151.97	1.4350	400,000	1.7150	Infinite			
4-inch	Meter	375.00	1.4350	500,000	1.7150	Infinite			
6-inch	Meter	1,200.00	1.4350	600,000	1.7150	Infinite			
8-inch	Meter	1,725.00	1.4350	1,400,000	1.7150	Infinite			
<u>Irrigation</u>									
1-inch	Meter		0.62	Infinite					
1.5-inch	Meter		0.62	Infinite					
2-inch	Meter		0.62	Infinite					
3-inch	Meter		0.62	Infinite					
4-inch	Meter		0.62	Infinite					
8-inch	Meter		0.62	Infinite					
<u>Public Interruptible</u>									
2-inch	Meter	-	2.16	Infinite					
3-inch	Meter	-	2.16	Infinite					
6-inch	Meter	-	2.16	Infinite					
10-inch	Meter	-	2.16	Infinite					
<u>Private Fire</u>									
2-inch	Meter								
3-inch	Meter	\$49.67	Flat Rates	Infinite					
4-inch	Meter	84.40	Flat Rates	Infinite					
6-inch	Meter	126.60	Flat Rates	Infinite					
8-inch	Meter	127.72	Flat Rates	Infinite					
10-inch	Meter	255.45	Flat Rates	Infinite					

ARIZONA AMERICAN
 Docket No. WS-01303A-02-0867 et. al.
 TEST YEAR ENDED DECEMBER 31, 2001

ANTHEM/AGUA FRIA WASTEWATER DISTRICT

	Monthly Usage Charge:	Gallons Included	Commodity Charge Per Thousand Gallons
--	--------------------------	---------------------	--

Note: Charges are applied up to the usage indicated in the schedules. Amounts in excess of the first tier have no charges.

Residential Units	\$ 20.30	7,000	\$ 2.5450
Small Commerical User 5/8"	20.30	10,000	\$ 2.5450
Small Commerical User 3/4"	30.48	15,000	\$ 2.5450
Small Commerical User 1"	40.64	20,000	\$ 2.5450
Comm. Large User	81.28	999,999,999	\$ 2.5450
Anthem/Agua Fria Treatco	-	999,999,999	\$ 2.3200

Annual Fee for Industrial Discharge Service

Non-refundable annual fee assessed in advance each January by special billing to industrial customers. Gallonage applies to total gallonage through all meters, inclusive of meters used for irrigation.

Industrial Discharge Annual Fee* <50,000gal/mo.	500.00
Industrial Discharge Annual Fee* >50,000gal/mo.	1,000.00

ARIZONA AMERICAN
Docket No. WS-01303A-02-0867 et. al.
TEST YEAR ENDED DECEMBER 31, 2001

TUBAC WATER

		Tier One			Tier Two		Tier Three	
		Monthly Usage Charge:	Commodity Rate	Upper Limit	Commodity Rate	Second Tier Breakover	Commodity Rate	Second Tier Breakover
<u>Residential, Commercial, Irrigation, Resale and Miscellaneous Customers</u>								
Residential 5/8-inch	Meter	\$19.68	\$ 1.8900	4,000	\$ 2.8500	20,000	\$ 3.4100	Infinite
Residential 3/4-inch	Meter	19.68	1.8900	4,000	2.8500	20,000	3.4100	Infinite
Commercial 5/8-inch	Meter	19.68	2.8500	20,000	3.4100	Infinite		
Commercial 3/4-inch	Meter	19.68	2.8500	20,000	3.4100	Infinite		
1-inch	Meter	29.63	2.8500	35,000	3.4100	Infinite		
1.5-inch	Meter	59.26	2.8500	85,000	3.4100	Infinite		
2-inch	Meter	97.49	2.8500	150,000	3.4100	Infinite		
3-inch	Meter	115.65	2.8500	175,000	3.4100	Infinite		
4-inch	Meter	169.18	2.8500	250,000	3.4100	Infinite		
6-inch	Meter	231.30	2.8500	350,000	3.4100	Infinite		
8-inch	Meter	1,577.08	2.8500	900,000	3.4100	Infinite		