



0000016211

BEFORE THE ARIZONA CORPORATION C

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

12

ORIGINAL

DEC 27 2004

MARC SPITZER - Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
MIKE GLEASON
KRISTIN K. MAYES

DOCKETED BY [Signature]

IN THE MATTER OF THE APPLICATION OF
BEARDSLEY WATER COMPANY FOR A
PERMANENT RATE INCREASE.

DOCKET NO. W-02074A-04-0358

STAFF EXCEPTIONS TO
RECOMMENDED OPINION AND
ORDER

On May 12, 2004, Beardsley Water Company ("Beardsley" or "Company"), filed an application with the Commission for a permanent rate increase. On December 15, 2004, the Administrative Law Judge ("ALJ") issued a Proposed Recommended Opinion and Order ("ROO"). Although the Commission's Utilities Division Staff ("Staff") generally agrees with the ROO, Staff has some specific exceptions.

Staff believes that the rate design recommended in the ROO by the ALJ will not produce the revenue requirement that the ALJ is recommending in the ROO. Staff's attached rate design (Exhibit A) will produce the revenue requirement that the ALJ is recommending in the ROO. In other words, the total revenue recommended in the ROO will be the same. The minimum rates for the 5/8" by 3/4" meters and the commodity rates for all meters will be different than the rates in the ROO. In order to include Staff's exceptions in the ROO, the rates on pages 7 and 8 of the ROO (in the Order section) would have to be modified to reflect the above changes. Staff has also attached Schedule 4 (Exhibit A) to clarify Staff's proposed changes to the ROO.

RESPECTFULLY SUBMITTED this 27th day of December 2004.

David Ronald

David M. Ronald
Attorney, Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007
(602) 542-3402

RECEIVED

2004 DEC 27 P 1:40

AZ CORP COMMISSION
DOCUMENT CONTROL

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

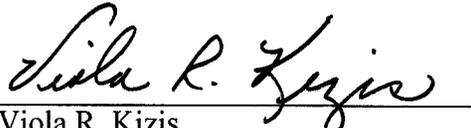
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

The original and thirteen (13) copies
of the foregoing were filed this
27th day of December 2004 with:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Copies of the foregoing were mailed this
27th day of December 2004 to:

Boyd Weed
Beardsley Water Company
P.O. Box 34237
Phoenix, AZ 85067-4237



Viola R. Kizis
Secretary to David M. Ronald

Staff rate design exception to the ALJ recommended rate design.

RATE DESIGN

Monthly Usage Charge	Present	-Proposed Rates-	
	Rates	Company	Staff
5/8" x 3/4" Meter	\$11.00	\$14.25	\$ 12.45
3/4" Meter	16.00	21.00	17.75
1" Meter	26.00	34.00	29.25
1½" Meter	45.00	60.00	55.00
2" Meter	76.00	100.00	90.00
3" Meter	150.00	198.00	175.00
4" Meter	200.00	264.00	235.00
6" Meter	500.00	660.00	585.00
Gallons Included in Minimum	0	0	0
<u>Commodity Charge in Excess of Minimum -per 1,000 gallons</u>			
<u>For 5/8 inch and 3/4 inch meter sizes</u>			
From zero gallons to 25,000 gallons	1.65		
All gallons over 25,000 gallons	2.37		
Tier one zero gallons to 9,000 gallons		2.23	
Tier two 9,001 gallons to 18,000 gallons		3.44	
Tier three all gallons over 18,000 gallons		4.38	
Tier one zero gallons to 4,000 gallons			1.95
Tier two 4,001 gallons to 12,000 gallons			2.20
Tier three all gallons over 12,000 gallons			3.81
<u>For one inch meter size and larger</u>			
From zero gallons to 25,000 gallons	1.65		
All gallons over 25,000 gallons	2.37		
Tier one zero to 18,000 gallons		3.44	
Tier two all gallons over 18,000 gallons		4.38	
Tier one zero gallons to 4,000 gallons			2.20
Tier two all gallons over 4,000 gallons			3.81
<u>Service Line and Meter Installation Charges</u>			
5/8" x 3/4" Meter	\$375.00	\$500.00	\$500.00
3/4" Meter	435.00	575.00	575.00
1" Meter	510.00	660.00	660.00
1½" Meter	740.00	900.00	900.00
2" Meter	1,300.00	1,525.00	1,525.00
3" Meter	1,855.00	2,165.00	2,165.00
4" Meter	2,870.00	3,360.00	3,360.00
6" Meter	5,375.00	6,035.00	6,035.00
<u>Service Charges</u>			
Establishment	\$30.00	\$30.00	\$30.00
Establishment (After Hours)	40.00	50.00	45.00
Reconnection (Delinquent)	30.00	30.00	30.00
Reconnection (delinquent) after hours		50.00	45.00
Meter Test (If Correct)	45.00	45.00	45.00
Deposit	*	*	*
Deposit Interest Per Annum	**	1.50%	*
Re-Establishment (Within 12 Months)	**	**	**
NSF Check	20.00	20.00	20.00
Deferred Payment Per Month	1.50%	1.50%	0.00%
Meter Re-Read (If Correct)	15.00	15.00	15.00
Late Fee	0.00	10.00	***

* Per Commission Rules (R14-2-403.B)
 ** Months off system times the minimum (R14-2-403.D)
 *** 1.50% of unpaid monthly balance.

