

NEW APPLICATION  
ORIGINAL



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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

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W-03263A-05-0215

IN THE MATTER OF THE APPLICATION ) DOCKET NO. W-03263A-05-  
OF DIAMOND VALLEY WATER USERS )  
CORPORATION REQUEST FOR A TARIFF )  
AMENDMENT )

DIAMOND VALLEY WATER USERS CORPORATION ("Company") presents the following application requesting an amendment to its tariff approved in Decision 60125. In this decision, the service line and meter installation charges were established as indicated on the attached Tariff Schedule. The Company requests that the charges be modified to permit recovery of the actual cost for service line and meter installation charges.

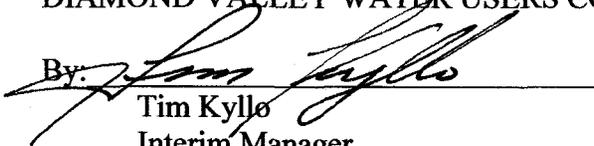
The Company is currently being operated by an interim manager, Bradshaw Management Corporation ("Bradshaw") pursuant to Arizona Corporation Commission Decision No. 63587. Bradshaw is currently providing adequate water delivery service to the Company's current customers. However, the Company has experienced operating losses and currently has no positive cash flow. The Company has also experienced cost in excess of its current service line and meter installations charges. Although the Company is preparing to file for a general rate application in the near future, it cannot currently permit new service installations due to its current financial condition.

1 The Company's water is supplied by Prescott Valley. The Company was also recently  
2 notified by Prescott Valley (Exhibit II) that existing connection charges for residential property  
3 have been raised. The System Capacity Charge has been raised from \$1,200 to \$1,650 and a new  
4 fee for Water Resource Charges of \$1,526. The Company's current Tariff has a service line and  
5 meter charge of only \$1,650. The Company is requesting an amendment to its service line and  
6 meter installation charges wherein it will be permitted to conduct such installations at cost,  
7 subject to a minimum of the existing charge. Any costs incurred in excess of the designated  
8 minimum charge will be the responsibility of the new customer and will be treated as a non-  
9 refundable contribution in aid of construction.

10 Implementation of this requested amendment (Exhibit I) is in the public interest as it will  
11 permit the Company to service new customers. Any other required changes can be dealt with in  
12 the soon to be filed rate application. The Commission's timely consideration of the amendment is  
13 very appreciated.

14 RESPECTFULLY SUBMITTED this 24 day of March, 2005.

15 DIAMOND VALLEY WATER USERS CORPORATION

16 By: 

17 Tim Kylo  
18 Interim Manager  
19 Bradshaw Management Corp

20 ORIGINAL and 16 copies delivered this  
21 24 day of March, 2005 to:

22  
23 Docket Control  
24 Arizona Corporation Commission  
25 1200 West Washington Street  
26 Phoenix, AZ 85007

27  
28 James J. Dorf, Chief Accountant  
29 Utilities Division  
30 Arizona Corporation Commission  
31 1200 West Washington Street  
32 Phoenix, AZ 85007

Diamond Valley Water Users Corporation  
W-03263A-05-  
Service Line and Meter Instalation Charges

Exhibit I

	<u>Minimum Charge</u>	<u>Maximum Charge</u>
5/8 x 3/4"	\$1,650	Permitted Cost*
3/4"	\$1,650	Permitted Cost*
1"	\$1,727	Permitted Cost*
1 1/2"	\$1,804	Permitted Cost*
2"	\$2,031	Permitted Cost*
3"	\$2,262	Permitted Cost*
4"	\$3,006	Permitted Cost*
5"	\$4,039	Permitted Cost*
6"	\$5,072	Permitted Cost*

**\*Permitted Costs**

A. Costs shall be verified by invoice.

B. For services that are provided by the Company at cost, cost shall include all labor, materials, other charges incurred, and overheads. However, prior to any such service being provided, the estimated cost of such service will be provided by the Company to the customer. After a review of the cost estimate, the customer will pay the Company the amount of the estimated cost to the Company.

C. In the event the actual cost is less than the estimated cost, the Company will refund the excess to the customer within 30 day after completion of the provision of the service or after Company's receipt of invoices, timesheets or other related documents, which ever is later. Under all circumstances, the minimum charge as indicated above will be charged for the related service.

D. Any amounts paid to the Company above the noted minimum will be considered a non-refunable contribution-in-aid of construction.

E. At the customer's request, The Company shall make available to the customer all invoices, timesheets or related documents that support the cost for providing service.

F. Permitted cost shall include any State or Federal income taxes that are or may be payable by the Company as a result of any tariff or contract for water facilities for which the Customer advances or contributes funds or facilities to the Company.

*New Charges from  
City of Prescott Valley*

**Meter Charges**

<u>Meter Size (Inches)</u>	<u>Charge</u>
5/8 and 3/4	cost of meter
1	cost of meter
1 1/2	cost of meter
2	cost of meter
all others	all others [cost of meter, plus 15%, but not less than \$1600.00]

**System Capacity Charge**

		<u>Charge</u>
Per Single-Family Residential Dwelling Unit Equivalent (RDE)		\$1,650.00
Multi-Family Residential Dwellings -		
Duplexes/Triplexes/Fourplexes	0.85 RDE	\$1,402.50/unit
Apartments/Condominiums	0.80 RDE	\$1,320.00/unit
Motels/Hotels	0.50 RDE	\$ 825.00/unit
Commercial/Industrial/Institutional Facilities		\$66.00/fixture per unit.

[Note: system capacity charges for commercial/industrial/institutional facilities that do not have identifiable fixtures per unit (e.g., private park or school irrigation, gravel or mining operations, etc.) shall be based upon the size of the water meter in accordance with AWWA water meter standards. In the event system capacity charges are limited by the provisions of any development agreement with the District, the provisions of said development agreement shall supercede the system capacity charges set forth herein. Nothing herein shall preclude the District from entering into a development agreement containing provisions limiting the aforementioned system capacity charges.]

**Water Resource Charge**

		<u>Charge</u>
Per Single-Family Residential Dwelling Unit Equivalent (RDE)		\$1,526.00
Multi-Family Residential Dwellings -		
Duplexes/Triplexes/Fourplexes	0.85 RDE	\$1,297.10/unit
Apartments/Condominiums	0.80 RDE	\$1,220.80/unit
Motels/Hotels	0.50 RDE	\$ 763.00/unit
Commercial/Industrial/Institutional Facilities		\$61.04/fixture per unit

[Note: water resource charges for commercial/industrial/institutional facilities that do not have identifiable fixtures per unit (e.g., private park or school irrigation, gravel or mining operations, etc.) shall be based upon the size of the water meter in accordance with AWWA water meter standards. In the event water resource charges are limited by the provisions of any development agreement with the District, the provisions of said development agreement shall supercede the water resource charges set forth herein. Nothing herein shall preclude the District from entering into a development agreement containing provisions limiting the aforementioned water resource charges.]