

ORIGINAL



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Ponderosa Utility Corporation

SOT

3A W. Osage St.
Flagstaff, AZ 86001
(928) 525-6210

2005 SEP -7 A 9: 53
Susan Ten Pas, President
Harold Anderson, V.P.
AZ CORP COMMISSION
DOCUMENT CONTROL

September 1, 2005

Docket Control
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

RE: Docket No. W-01717A-04-0825
Decision No. 68085

Dear Docket Control:

Enclosed for filing please find the following: Notice of Rate Increase, Tariff Schedule, Back-flow Tariff, and Curtailment Tariff. The Notice of Rate Increase and Tariff Schedule were sent to all of our customers in the regular billing that we are mailing today.

Please contact me if you have questions.

Very truly yours,

Susan Ten Pas, President
Ponderosa Utility Corp.

Enclosures
STP/jm

NOTICE OF RATE INCREASE

Effective September 1, 2005, the Arizona Corporation Commission has ordered a new rate (tariff) schedule for Ponderosa Utility Corporation. The main changes are an increase in the minimum monthly usage charge and a change in the charge for gallons used (commodity) charges from a flat rate structure to a three-tier structure. For example, for a standard residential meter, the new monthly minimum charge, not including any water, will be \$24.25. If that customer uses 6000 gallons of water, the first 2500 gallons will cost \$3.45 per 1000 gallons and the remaining 3500 gallons will cost \$4.00 per 1000 gallons. Please consult the enclosed tariff schedule for all of the changes. Call the office at 525-6210 if you have any questions.

TARIFF SCHEDULE

UTILITY: PONDEROSA UTILITY CORP.
EFFECTIVE DATE: 9/1/05

ACC DECISION NO: 68085

RATES AND CHARGES

**Customer Minimum
Monthly Usage Charge**

<u>METER SIZE</u>	<u>CHARGE</u>
5/8" x 3/4"	\$ 24.25
3/4"	36.00
1"	60.00
1 1/2"	120.00
2"	192.00
3"	360.00
4"	600.00
6"	1200.00

**Service Line & Meter
Installation Charges**

<u>METER SIZE</u>	<u>CHARGE</u>
5/8" x 3/4"	\$ 400.00
3/4"	440.00
1"	500.00
1 1/2"	715.00
2" Turbo	1170.00
2" Compound	1700.00
3" Turbo	1585.00
3" Compound	2190.00
4" Turbo	2540.00
4" Compound	3215.00
6" Turbo	4815.00
6" Compound	6270.00

SERVICE CHARGES:

Establishment	\$25.00
Establishment (After Hours)	40.00
Reconnection (Delinquent)	15.00
Reconnection (Delinquent After Hours)	25.00
Meter Test (If Correct)	25.00
Deposit	*
Deposit Interest	*
Reestablishment (Within 12 Months)	**
NSF Check	25.00
Deferred Payment	***
Meter Reread (If Correct)	25.00
Late Payment Penalty	1.5%

* Per Commission Rule A.A.C. R-14-2-403(B)

** Months off system times the monthly minimum per Commission Rule A.A.C. R-14-2-403(D)

*** Per Commission Rule A.A.C. R-114-2-409.G(6).

OTHER RATES & CHARGES APPROVED BY ORDER:

In addition to the collection of its regular rates and charges, the company shall collect from its customers their proportionate share of any privilege, sales, or use tax in accordance with R-14-2-409.D(5).

TARIFF SCHEDULE

UTILITY: PONDEROSA UTILITY CORP. ACC DECISION NO: 68085
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COMMODITY CHARGES (PER 1000 GALLONS)

For 5/8 and 3/4 inch meter sizes

Tier one—zero to 2500 gallons	\$3.45
Tier two—2501 to 8000 gallons	4.00
Tier three—all gallons over 8000	4.25

For one-inch meter sizes

Tier one—zero to 15,000 gallons	\$3.45
Tier two—15,001 to 25,000 gallons	4.00
Tier three—all gallons over 25,000	4.25

For one and one-half inch meter sizes

Tier one—zero to 25,000 gallons	\$3.45
Tier two—25,001-35,000 gallons	4.00
Tier three—All gallons over 35,000	4.25

For two-inch meter sizes

Tier one—zero to 40,000 gallons	\$3.45
Tier two—40,001 to 60,000 gallons	4.00
Tier three—All gallons above 60,000	4.25

For three-inch meter sizes

Tier one—zero to 80,000 gallons	\$3.45
Tier two—80,001 to 125,000 gallons	4.00
Tier three—All gallons above 125,000	4.25

For four-inch meter sizes

Tier one—zero to 125,000 gallons	\$3.45
Tier two—125,001 to 200,000 gallons	4.00
Tier three—All gallons above 200,000	4.25

For six-inch meter sizes

Tier one—zero to 250,000 gallons	\$3.45
Tier two—250,001 to 450,000 gallons	4.00
Tier three—All gallons above 450,000	4.25

<u>Standpipe rate per 1000 gallons</u>	\$5.70
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Company Name: Ponderosa Utility Corporation
Effective Date: September 1, 2005

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CROSS-CONNECTION OR BACKFLOW TARIFF

PURPOSE:

The purpose of this tariff is to protect Ponderosa Utility Corporation from the possibility of contamination caused by the backflow of contaminants that may be present on the customer's premises by requiring the installation and periodic testing of backflow-prevention assemblies pursuant to the provisions of Arizona Administrative Code (A.A.C.) R-14-2-405.B.6 and A.A.C. R18-4-115.

REQUIREMENT:

In compliance with the rules and regulations of the Arizona Corporation Commission and the Arizona Department of Environmental Quality, specifically A.A.C. R14-2-405.B.6 and A.A.C. R18-4-115 relating to backflow prevention:

1. The Company may require a customer to pay for and install a backflow-prevention assembly if A.A.C. R18-4-115 or C applies.
2. A backflow-prevention assembly required to be installed by the customer under paragraph 1 of this tariff shall comply with the requirements set forth in A.A.C. R18-4-115.D and E.
3. Subject to the provision of A.A.C. R14-2-407 and 410 and in accordance with paragraphs 1 and 7 of this tariff, Ponderosa Utility Corporation may terminate service or deny service to a customer who fails to install a backflow-prevention assembly as required by this tariff.
4. Ponderosa Utility Corporation shall give any existing customer who is required to install a backflow-prevention assembly written notice of said requirement. If A.A.C. R14-2-410.B1.a. is **not** applicable, the customer shall be given thirty (30) days in which to comply with this notice. If the customer can show good cause as to why she or he cannot install the device within thirty (30) days, Ponderosa Utility Corporation or Commission Staff may suspend this requirement for a reasonable period of time.

CROSS-CONNECTION OR BACKFLOW TARIFF

5. Testing shall be in conformance with the requirement of A.A.C. R18-4-115.F. Ponderosa Utility Corporation may require the customer to pay to have the backflow-prevention assembly tested as long as the Company does not require an unreasonable number of tests. Ponderosa Utility Corporation may also require the customer to pay for repairs to a backflow-prevention assembly.
6. The customer shall provide Ponderosa Utility Corporation, with records of installation and testing. For each backflow-prevention assembly, these records shall include:
 - a. assembly identification number and description;
 - b. location;
 - c. dates(s) of test(s);
 - d. description of repairs and recommendations for repairs made by tester; and
 - e. the tester's name and certification number.
- 7A. In the event the backflow-prevention assembly does not function properly or fails any test, and an obvious hazard as contemplated under A.A.C. R14-2-410.B.1.a. exists, Ponderosa Utility Corporation may terminate service immediately and without notice. The backflow-prevention assembly shall be repaired or replaced by the customer and retested before service is restored.
- 8A. In the event the backflow-prevention assembly does not function properly or fails any test, or in the event that a customer fails to comply with the testing requirement, and A.A.C. R14-2-410.B.1.a. is **not** applicable, the backflow-prevention assembly shall be repaired or replaced within fourteen (14) days of the initial discovery of the deficiency in the assembly or its function. Failure to remedy the deficiency or dysfunction of the assembly, or failure to retest, shall be grounds for termination of water service in accordance with A.A.C. R14-2-410.

TARIFF SCHEDULE

Utility: Ponderosa Utility Corporation
Docket No.: W-01717A-04-0825
Phone No.: 928-525-6210

Sheet No: 1 of 4
Decision No.: 68085
Effective: 9/01/2005

CURTAILMENT PLAN FOR PONDEROSA UTILITY CORPORATION

ADEQ Public Water System No: 03-018

Ponderosa Utility Corporation ("Company") is authorized to curtail water service to all customers within its certificated area under the terms and conditions listed in this tariff.

This curtailment plan shall become part of the Arizona Department of Environmental Quality Emergency Operations Plan for the Company.

The Company shall notify its customers of this new tariff as part of its next regularly scheduled billing after the effective date of the tariff or no later than sixty (60) days after the effective date of the tariff.

The Company shall provide a copy of the curtailment tariff to any customer, upon request.

Stage 1 Exists When:

Company is able to maintain water storage in the system at 100 percent of capacity and there are no known problems with its well production or water storage in the system.

Restrictions: Under Stage 1, Company is deemed to be operating normally and no curtailment is necessary.

Notice Requirements: Under Stage 1, no notice is necessary.

Stage 2 Exists When:

- a. Company's water storage or well production has been less than 80 percent of capacity for at least 48 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 2, the Company may request the customers to voluntarily employ water conservation measures to reduce water consumption by approximately 50 percent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays.

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Utility: Ponderosa Utility Corporation
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Notice Requirements: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

Stage 3 Exists When:

- a. Company's total water storage or well production has been less than 50 percent of capacity for at least 24 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 3, Company shall request the customers to voluntarily employ water conservation measures to reduce daily consumption by approximately 50 percent. All outside watering should be eliminated, except livestock, and indoor water conservation techniques should be employed whenever possible. Standpipe service shall be suspended.

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such Notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Beginning with Stage 3, Company shall post at least 12 signs showing the curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to major subdivisions served by the Company.
3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 3.

Once Stage 3 has been reached, the Company must begin to augment the supply of water by either hauling or through an emergency interconnect with an approved water supply in an attempt to maintain the curtailment at a level no higher than Stage 3 until a permanent solution has been implemented.

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Stage 4 Exists When:

- a. Company's total water storage or well production has been less than 25 percent of capacity for at least 12 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 4, Company shall inform the customers of a **mandatory** restriction to employ water conservation measures to reduce daily consumption. Failure to comply will result in customer disconnection. The following uses of water shall be prohibited:

- ◆ Irrigation of outdoor lawns, trees, shrubs, or any plant life is prohibited
- ◆ Washing of any vehicle is prohibited
- ◆ The use of water for dust control or any outdoor cleaning uses is prohibited
- ◆ The use of drip or misting systems of any kind is prohibited
- ◆ The filling of any swimming pool, spas, fountains or ornamental pools is prohibited
- ◆ The use of construction water is prohibited
- ◆ Restaurant patrons shall be served water only upon request
- ◆ Any other water intensive activity is prohibited

The Company's operation of its standpipe service is prohibited. The addition of new service lines and meter installations is prohibited.

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Company shall post at least **12** signs showing curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to major subdivisions served by the Company.
3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 4.

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Effective:

Once Stage 4 has been reached, the Company must augment the supply of water by hauling or through an emergency interconnect from an approved supply or must otherwise provide emergency drinking water for its customers until a permanent solution has been implemented.

Customers who fail to comply with the above restrictions will be given a written notice to end all outdoor use. Failure to comply within two (2) working days of receipt of the notice will result in temporary loss of service until an agreement can be made to end unauthorized use of outdoor water. To restore service, the customer shall be required to pay all authorized reconnection fees. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.