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November 30, 2005

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

Re: Valley Utilities Water Company, Inc.; Docket Nos. W-01412A-04-0736 & W-01412A-04-0849; Decision No. 68309; Tariff Filing Compliance

Dear Ms. Ryan:

The subject Decision required, among other things, that the Company file a Tariff consistent with Decision.

Enclosed please find fifteen copies of that Tariff as prescribed. Please have the Commission Staff review this form, and thereafter return one approved copy to the undersigned for distribution to the Company.

In the event you have any questions regarding this matter, please do not hesitate to call.

Sincerely,

Richard L. Sallquist

Enclosures

Cc: Bob Prince  
Ron Kozoman  
Tom Bourassa

AZ CORP COMMISSION  
DOCUMENT CONTROL

2005 NOV 30 P 12: 54

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VALLEY UTILITIES WATER COMPANY, INC.

DOCKET W-01412

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# TARIFF

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Issued: November 30, 2005

Effective: December 1, 2005

ISSUED BY:

Robert L. Prince  
Valley Utilities Water Company, Inc.  
6808 N. Dysart Rd., Suite 112  
Litchfield Park, Arizona 85340

DOCKET W-01412

Cancelling Sheet No.

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**PART ONE**  
**STATEMENT OF CHARGES**  
**WATER SERVICE**

**I. RATES**

In Opinion and Order No. 68309, dated November 14, 2005, the Commission approved the following rates and charges to become effective with December 1, 2005 usage.

<u>Meter Size</u> Inches	<u>Usage Included in</u> <u>Minimum Charge</u> Gallons	<u>Minimum</u> <u>Charge</u> Per Month
A. All Services		
5/8" X 3/4" Meter	-0-	11.24
3/4" Meter	-0-	16.87
1" Meter	-0-	28.10
1 1/2" Meter	-0-	56.21
2" Meter	-0-	89.94
3" Meter	-0-	179.87
4" Meter	-0-	262.10
6" Meter	-0-	518.50
Construction Water	-0-	179.87

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**STATEMENT OF CHARGES**  
**WATER SERVICE**

B. Commodity Charges

Commodity Rates per 1,000 Gallons <sup>1</sup>

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5/8" X 3/4" Meter and

3/4" Meter (Residential)

---

0-3,000 Gallons	1.50
3,001-10,000 Gallons	2.31
10,001 Gallons & Over	2.53

5/8" X 3/4" Meter and

3/4" Meter (Commercial)

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0-18,000 Gallons	2.31
18,001 Gallons & Over	2.58

1" Meter

---

0-50,359 Gallons	2.31
50,360 Gallons & Over	2.53

1 1/2" Meter

---

0-126,054 Gallons	2.31
126,055 Gallons & Over	2.53

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<sup>1</sup> In addition to the collection of regular rates, the utility will collect from its customers a proportionate share of any privilege, sales, use and franchise tax per Commission Rule R14-2-409D.5.

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<u>2" Meter</u>	
0-151,256 Gallons	2.31
156,257 Gallons & Over	2.53
<u>3" Meters</u>	
0-403,274 Gallons	2.31
403,275 Gallons & Over	2.53
<u>4" Meters</u>	
0-453,722 Gallons	2.31
453,723 Gallons & Over	2.53
<u>6" Meters</u>	
0-1,260,313 Gallons	2.31
1,260,314 Gallons & Over	2.53

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C. Construction Water  
 Above Meter Charges, plus all Water at \$3.02 per 1,000 gallons

D. Fire Sprinkler Service

Note<sup>2 3</sup>,

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<sup>2</sup> 1% of Monthly Minimum for a comparable size meter connection, but no less than \$5.00 per month. The service charge for fire sprinklers is only applicable for service separate and distinct from primary water service line.

<sup>3</sup> See "Fire Hydrant and Interior Fire Sprinkler Service", Sheet No. 14.

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**PART ONE**

**STATEMENT OF CHARGES**  
**WATER SERVICE**

**II. TAXES AND ASSESSMENTS**

In addition to all other rates and charges authorized herein, the Company shall collect from its customers all applicable sales, transaction, privilege, regulatory or other taxes and assessments as may apply now or in the future, per Rule R14-2-409(D)(5).

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**STATEMENT OF CHARGES  
WATER SERVICE**

**III. ADDITIONAL CHARGES**

A. Establishment of Service per Rule R14-2-403D (new customer charge, in addition to E, K and L below)	\$ 30.00
1. If after hours	\$ 45.00
B. Re-establishment of Service per Rule R14-2-403D (same customer, same location within 12 months)	\$ Note <sup>4</sup>
C. Reconnection of Service per Rule R14-2-403D (Delinquent)	\$ 40.00
1. If after hours	\$ 40.00

<sup>4</sup> Number of months off system times the monthly minimum.

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**PART ONE**

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**WATER SERVICE**

D.	Charge for moving meter at customer request per Rule R14-2-405B	Cost <sup>5</sup>
E.	Minimum Deposit Requirement per Rule R14-2-403B	
	1. Residential customer	(2 times estimated average monthly bill)
	2. Non residential customer	(2-1/2 times estimated maximum monthly bill)
	3. Deposit Interest	6.0%
F.	Meter test per Rule R14-2-408F	\$ 30.00
G.	Meter Reread per Rule R14-2-408C (If correct)	\$ 10.00
H.	Charge for NSF Check per Rule R14-2-409F	\$ 25.00

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<sup>5</sup> See Sheet No. 9.

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I.	Deferred Payment Finance Charge, per month	1.5%
J.	Late Payment Charge, Per Month	\$10.00 <sup>6 7</sup>

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<sup>6</sup> This charge shall not apply if the customer has arranged for a Deferred Payment Plan.

<sup>7</sup> Bills for utility services are due and payable when rendered. Any payment not received within fifteen (15) days from the date the bill was rendered shall be considered delinquent and subject to the termination policy set forth in the Company's rate tariff. All late payment penalties shall be billed on the customer's next regularly scheduled billing, and the customer will receive a ten (10) day termination notice. If the customer does not pay the late payment penalty by that date the service will be terminated. Service shall be terminated only for that service for which the customer is delinquent or is in violation. All customers whose service is terminated for failure to pay the late payment penalty are subject to the Company's reconnection charges set forth in the Company's tariff.

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WATER SERVICE**

K. Service Line Tariff and Meter Advance Policy,  
Refundable per Rule R14-2-405B:

Meter Size	Service Line Inst. Charge	Meter Inst. Charge	Total Inst. Charge
5/8 X 3/4"	\$ 385.00	\$ 135.00	\$ 520.00
3/4"	\$ 385.00	\$ 215.00	\$ 600.00
1"	\$ 435.00	\$ 255.00	\$ 690.00
1 1/2"	\$ 470.00	\$ 465.00	\$ 935.00
2" Turbo	\$ 630.00	\$ 965.00	\$ 1,595.00
Compound	\$ 630.00	\$ 1,690.00	\$ 2,320.00
3" Turbo	\$ 805.00	\$ 1,470.00	\$ 2,275.00
Compound	\$ 845.00	\$ 2,265.00	\$ 3,110.00
4" Turbo	\$1,170.00	\$ 2,352.00	\$ 3,522.00
Compound	\$1,230.00	\$ 3,245.00	\$ 4,475.00
6" Turbo	\$1,730.00	\$ 4,545.00	\$ 6,275.00
Compound	\$1,770.00	\$ 6,280.00	\$ 8,050.00
8"	At Cost	At Cost	At Cost
10"	At Cost	At Cost	At Cost
12"	At Cost	At Cost	At Cost

L. Main Extension Tariff, per Rule R14-2-406B

Cost<sup>8</sup>

<sup>8</sup> See Sheet No. 9.

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**WATER SERVICE**

**IV. PERMITTED COSTS**

- A. Costs shall be verified by invoice.
- B. For services that are provided by the Company at costs, cost shall include labor, materials, other charges incurred, and overhead not to exceed 10%. However, prior to any such service being provided, the estimated cost of such service will be provided by the Company to the customer. After review of the cost estimate, the customer will pay the amount of the estimated cost to the Company.
- C. In the event that the actual cost is less than the estimated cost, the Company will refund the excess to the customer within 30 days after completion of the provision of the service or after Company's receipt of invoices, timesheets or other related documents, whichever is later.
- D. In the event the actual cost is more than the estimated cost, the Company will bill the customer for the amount due within 30 days after completion of the provision of the service or after the Company's receipt of invoices, timesheets or other related documents, whichever is later. The amount so billed will be due and payable 30 days after the invoice date. However, if the actual cost is more than five percent (5%) greater than the total amount paid, the customer will only be required to pay five percent (5%) more than the total amount paid, unless the Company can demonstrate that the increased costs were beyond its control and could not be foreseen at the time the estimate for the total amount paid was made.

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**STATEMENT OF CHARGES**  
**WATER SERVICE**

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 such service.

F. Permitted costs 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 under which the Customer advances or contributes funds or facilities to the Company.

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**PART TWO**

**STATEMENT OF TERMS AND CONDITIONS**  
**WATER SERVICE**

**I. CROSS-CONNECTION CONTROL**

**A. Purpose.**

To protect the public water supply in the Company's water supply in the Company's water system from the possibility of contamination caused by backflow through unprotected cross-connections by requiring the installation and periodic testing of backflow-prevention assemblies pursuant to the provisions of the Arizona Administrative Code, Title 14, Chapter 2, Section 405.B.6 as adopted by the Arizona Corporation Commission, and Title 18, Chapter 4, Section 115, as adopted by the Arizona Department of Environmental Quality, as those regulations may be revised from time to time.

**B. Inspections.**

The customers shall cooperate fully with the Company in its efforts to investigate and determine the degree of potential health hazard to the public water supply which may result from conditions existing on the customer's premises.

**C. Requirements.**

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:

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**PART TWO****STATEMENT OF TERMS AND CONDITIONS**  
**WATER SERVICE**

1. The Company may require a customer to pay for and have installed, maintain, test and repair a backflow-prevention assembly if A.A.C. R18-4-115.B or C applies.

2. A backflow-prevention assembly required to be installed by the customer under this tariff shall comply with the requirements set forth in A.A.C. R18-4-115.D and E.

3. The Company shall give any customer who is required to install and/or test a backflow-prevention assembly written notice of said requirement. If A.A.C. R14-2-410.B.1.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 he cannot install the device within thirty (30) days, the Company or the Arizona Corporation Commission Staff may grant additional time for this requirement.

4. Testing shall be in conformance with the requirements of A.A.C. R18-4-115.F. The Company shall not require an unreasonable number of tests.

5. The customer shall provide the Company with records of installation and testing. For each backflow-prevention assembly, these records shall include:

- a. assembly identification number and description;
- b. location;
- c. date(s) of test(s);

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**PART TWO**

**STATEMENT OF TERMS AND CONDITIONS**  
**WATER SERVICE**

- d. description of repairs made by tester; and
- e. tester's name and certificate number.

**D. Discontinuance of Service.**

In accordance with A.A.C. R14-2-407 and 410 and provisions of this tariff, the Company may terminate service or deny service to a customer who fails to install and/or test a backflow-prevention assembly as required by this tariff.

1. In the event the backflow-prevention assembly has not been installed or fails any test and A.A.C. R14-2-410.B.1.a. is applicable, the Company may terminate service immediately and without notice. The backflow-prevention assembly shall be installed and repaired by the customer and retested before service is restored.

2. In the event the backflow-prevention assembly has not been installed or fails any test and A.A.C. R14-2-410.B.1.a. is not applicable, the backflow-prevention assembly shall be installed and/or repaired by the customer and tested within fourteen (14) days of written notice by the Company. Failure to install or to remedy the deficiency or dysfunction of the assembly, or failure to retest shall be grounds for termination of water utility service in accordance with A.A.C. R14-2-410.

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**PART TWO**

**STATEMENT OF TERMS AND CONDITIONS**  
**WATER SERVICE**

**II. FIRE HYDRANT, INTERIOR FIRE SPRINKLER SERVICE AND INTERRUPTIBLE SERVICE**

The Company will provide Fire Protection Service under the following conditions:

A. Facility Specifications

The size, location, number, and technical specifications of facilities used to provide Fire Protection Service shall be prescribed by the Fire Protection Service Customer, developer, or any authorized agency having jurisdiction over those facilities, so long as:

1. Those facilities do not adversely affect the Company's ability to provide General Service, and
2. The maximum diameter of the service connection is not larger than the diameter of the main to which the service is connected, and
3. In the case of a fire hydrant, that the facilities are located in the public right of way, and

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**PART TWO**

**STATEMENT OF TERMS AND CONDITIONS**  
**WATER SERVICE**

4. In the case of a fire sprinkler system, that the sprinkler system is separate from the General Service facilities, unless the Company has specifically approved an integrated system and Company-approved check valves are installed.

**B. Construction Specifications; Ownership of Facilities; Relocation**

Fire hydrants, and all valves, pipe fittings and appurtenances related to the hydrant shall be installed to Company's specifications under non-refundable Advances in Aid of Construction by the Developer or Fire Protection Service Customer and shall become the property of the Company.

Fire sprinkler systems up to a mutually-agreed upon point of interconnection shall be installed to the Company's construction specifications under non-refundable Advances in Aid of Construction by the Developer for Fire Protection Service Customer, and shall become the property of the Company. The installation, maintenance and operation of fire sprinkler systems within the Customer's facility, and beyond the point of interconnection, shall be the responsibility of the Customer.

Relocation costs of any Company-owned fire protection facilities shall be paid by the Customer or the party requesting relocation. Relocation cost includes cost incurred due to moving facilities to accommodate reconstruction, widening, realignment, or grade changes to alleys, streets, roads, or highways.

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**PART TWO**

**STATEMENT OF TERMS AND CONDITIONS**  
**WATER SERVICE**

C. Interruptible Service; Company's Liability Limitations

The Company will supply only such water at such pressures as may be available from time to time as a result of the normal operation of its water system. The Company will maintain a minimum water pressure of 20 p.s.i. and will not guarantee a specific gallons per minute flow rate at any public fire hydrants or fire sprinkler service. In the event service is interrupted, irregular or defective, or fails from causes beyond the Company's control or through ordinary negligence of its employees or agents, the Company will not be liable for any injuries or damages arising therefrom.

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**PART TWO****STATEMENT OF TERMS AND CONDITIONS  
WATER SERVICE****III. TERMINATION OF WATER SERVICE FOR NON-PAYMENT OF  
WASTEWATER BILL<sup>9</sup>**

Company customers who also receive wastewater service from Litchfield Park Service Company ("LPSCO") are hereby notified that the Companies have been authorized by the Commission that in the event the wastewater bill of LPSCO is not paid in a timely fashion, and following notice by both Companies, the water service from Valley may be terminated. Water service will not be restored until the customer pays to LPSCO the delinquent balance, plus all-Reconnection of Service and Deposit Requirements pursuant to the LPSCO Tariff, and the payment to the Company of the applicable Reconnection of Service charges pursuant to the Company's Tariff PART ONE-SECTION III. Please see the LPSCO tariff in this regard.

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<sup>9</sup> Approved in Decision 66036, dated July 3, 2003

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**PART TWO**

**STATEMENT OF TERMS AND CONDITIONS**  
**WATER SERVICE**

**IV. CURTAILMENT PLAN FOR VALLEY UTILITIES WATER COMPANY.**

ADEQ Public Water System Number: 07079

Valley Utilities Water Company ("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.

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**PART TWO**

**STATEMENT OF TERMS AND CONDITIONS**  
**WATER SERVICE**

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 steadily declining water table, an 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.
- c. 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.

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.

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**PART TWO**

**STATEMENT OF TERMS AND CONDITIONS  
WATER SERVICE**

**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 customer 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 four signs showing the curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to the major subdivision served by the Company.

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Valley Utilities Water Company, Inc.  
6806 N. Dysart Rd., Suite 112  
Litchfield Park, Arizona 85340

DOCKET W-01412

Cancelling Sheet No.

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Applies to all WATER service areas

**PART TWO**

**STATEMENT OF TERMS AND CONDITIONS  
WATER SERVICE**

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 three until a permanent solution has been implemented.

**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:

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- ◆ 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 additional 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 four (4) signs showing curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to the major subdivision 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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Customers who fail to comply with cessation of outdoor use provisions will be given a written notice to end all outdoor use. Failure to comply with in 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.

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 in an attempt to maintain the supply until a permanent solution has been implemented.

**V. RULES AND REGULATIONS**

The Company has adopted the Rules and Regulations established by the Commission as the basis for its operating procedures. A.A.C. R14-2-401 through A.A.C. R14-2-411 will be controlling of Company procedures, unless specific Commission Order(s) provide otherwise.

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