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

ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION
DOCUMENT CONTROL

DATE: January 31, 2006

DOCKET NO: SW-20379A-05-0489 et al.
W-20380A-05-0480

TO ALL PARTIES:

Enclosed please find the recommendation of Administrative Law Judge Amy Bjelland. The recommendation has been filed in the form of an Opinion and Order on:

PERKINS MOUNTAIN UTILITY COMPANY AND
PERKINS MOUNTAIN WATER COMPANY

(CC&N)

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Administrative Law Judge by filing an original and thirteen (13) copies of the exceptions with the Commission's Docket Control at the address listed below by **4:00 p.m.** on or before:

FEBRUARY 9, 2006

The enclosed is NOT an order of the Commission, but a recommendation of the Administrative Law Judge to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Open Meeting to be held on:

FEBRUARY 14 AND 15, 2006

For more information, you may contact Docket Control at (602)542-3477 or the Hearing Division at (602)542-4250. For information about the Open Meeting, contact the Executive Director's Office at (602) 542-3931.

BRIAN C. McNEIL
EXECUTIVE DIRECTOR

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 COMMISSIONERS

3 JEFF HATCH-MILLER, Chairman
4 WILLIAM A. MUNDELL
5 MARC SPITZER
6 MIKE GLEASON
7 KRISTIN K. MAYES

8 IN THE MATTER OF THE APPLICATION OF
9 PERKINS MOUNTAIN UTILITY COMPANY FOR
10 A CERTIFICATE OF CONVENIENCE AND
11 NECESSITY.

DOCKET NO. SW-20379A-05-0489

12 IN THE MATTER OF THE APPLICATION OF
13 PERKINS MOUNTAIN WATER COMPANY FOR
14 A CERTIFICATE OF CONVENIENCE AND
15 NECESSITY.

DOCKET NO. W-20380A-05-0490

DECISION NO. _____

OPINION AND ORDER

11	DATE OF HEARING:	December 5, 2005
12	PLACE OF HEARING:	Phoenix, Arizona
13	ADMINISTRATIVE LAW JUDGE:	Amy B. Bjelland
14	APPEARANCES:	Mr. Robert J. Metli, SNELL & WILMER, on 15 behalf of Applicant;
16		Mr. Keith Layton, Staff Attorney, Legal 17 Division, on behalf of the Utilities Division of the Arizona Corporation Commission; and
18		Mr. Booker T. Evans, GREENBERG 19 TRAURIG, on behalf of Sports Entertainment, LLC.

20 **BY THE COMMISSION:**

21 On July 7, 2005, Perkins Mountain Utility Company ("Perkins Utility") filed with the Arizona
22 Corporation Commission ("Commission") an application for a Certificate of Convenience and
23 Necessity ("Certificate" or "CC&N") to provide potable wastewater to a master-planned community
24 in Mohave County, Arizona.

25 On July 7, 2005, Perkins Mountain Water Company ("Perkins Water") filed an application
26 with the Commission for a Certificate to provide water to a master-planned community in Mohave
27 County, Arizona.

28

1 On July 22, 2005, Perkins Utility and Perkins Water (collectively, "the Utilities") filed a
2 Notice of Filing of Certificate of Good Standing in the above dockets.

3 On August 8, 2005, the Commission's Utilities Division Staff ("Staff") filed Insufficiency
4 Letters in the above dockets.

5 On August 25, 2005, Scott Fisher of Sports Entertainment filed a request that Perkins Utility
6 include a portion of Sports Entertainment's parcel in the proposed Certificate area for docket SW-
7 20379A-05-0489.

8 On August 30, 2005, Perkins Utility and Perkins Water filed responses in the above dockets.

9 On September 14, 2005, Perkins Utility and Perkins Water filed a Notice of Filing Amended
10 Legal Description for the above dockets.

11 On September 19, 2005, Staff filed its Sufficiency Letters indicating that Perkins Utility and
12 Perkins Water applications have met the sufficiency requirements of A.A.C. R14-2-402C.

13 On September 27, 2005, Sports Entertainment filed an Application to Intervene in Docket No.
14 SW-20379A-05-0489 and Docket No. W-20380A-05-0490.

15 On November 10, 2005, Staff filed its Staff Report.

16 On November 23, 2005, Perkins Utility and Perkins Water filed a Response to Staff's Report.

17 On November 29, 2005, Sports Entertainment was granted intervention for both dockets.

18 On December 5, 2005, a hearing was convened before a duly authorized Administrative Law
19 Judge of the Commission at its offices in Phoenix, Arizona. The Utilities, Sports Entertainment and
20 Staff entered appearances through counsel. Staff made its closing statement. At the conclusion of
21 the hearing, pending docketing of closing briefs by the Utilities and Sports Entertainment, the matter
22 was taken under advisement pending issuance of a Recommended Opinion and Order.

23 On January 6, 2006, the Utilities and Sports Entertainment filed closing briefs in this docket.

24 * * * * *

25 Having considered the entire record herein and being fully advised in the premises, the
26 Commission finds, concludes, and orders that:

27
28

FINDINGS OF FACT**Background of Application**

1 Perkins Utility is a Nevada corporation formed for the purpose of providing
2 wastewater utility service to two master-planned communities developed by Rhodes Homes Arizona,
3 LLC ("Rhodes") in Mohave County. Golden Valley South consists of 5,750 acres and is located
4 approximately five miles southeast of Kingman, Arizona. Golden Valley South will include an active
5 retiree community with an 18-hole golf course, an interconnected community for all age groups, and
6 includes an industrial/business park area and community commercial areas. At build-out, it is
7 expected to be comprised of more than 33,000 dwelling units. The Villages at White Hills consists of
8 2,727 acres and is located along U.S. Highway 93, approximately 29 miles south of Hoover Dam,
9 with a commercial area along U.S. Highway 93 that is expected to serve both residents and travelers.
10 The Villages at White Hills is intended to be a self-contained community to provide affordable homes
11 for commuters to the Las Vegas metropolitan area. At build-out, it is expected to be comprised of
12 more than 20,000 dwelling units. Open spaces, including the golf course, will be irrigated with
13 reclaimed water from the wastewater reclamation plant.

14
15
16 2. Perkins Water is a Nevada corporation formed for the purpose of providing water
17 utility service to all of the residents and businesses in the master-planned communities of Golden
18 Valley South and The Villages at White Hills.

19 3. Major landowners in the area requested that the Utilities provide wastewater and water
20 service. The Utilities notified the owners of record of eight small parcels contained within the
21 boundaries of the planned development of the Application via mail on July 22, 2005.

Perkins Mountain Utility Company Wastewater System

22
23 4. Perkins Utility plans to finance the wastewater utility system using a combination of
24 equity provided by Rhodes, advances in aid of construction and contributions in aid of construction.
25 Perkins Utility will initially be capitalized with equity of \$50,000.

26 5. The proposed facility for Golden Valley South is an 8.0 million gallon per day
27 ("MGD") activated sludge wastewater treatment plant ("WWTP") and approximately 100,000 lineal
28 feet of collection system to serve 152 customers in the first year and 2,042 customers by the fifth

1 year. For the Villages at White Hills, the proposed facility is a 6.0 MGD activated sludge WWTP
2 and approximately 41,000 lineal feet of collection system to serve zero customers in the first year and
3 1,025 customers by the fifth year. A reclaimed water system is also proposed that will consist of
4 pump station/storage sites and 25,000 lineal feet of force mains for beneficial use for irrigation of
5 large landscaped areas or golf course.

6 6. Staff stated that because Perkins Utility has no plant facilities at this time, an Arizona
7 Department of Environmental Quality ("ADEQ") compliance status is not available. Because
8 Perkins Utility has not received its ADEQ Certificate of Approval to Construct ("ATC") for
9 construction of the facilities, Staff recommended that Perkins Utility file with Docket Control, as a
10 compliance item in this docket, copies of the ATC for phase 1 of each project when received by
11 Perkins Utility, but no later than 24 months after the effective date of the order granting this
12 application. Staff further recommended that Perkins Utility file with Docket Control, as a
13 compliance item in this docket, copies of each project's Aquifer Protection Permit within 24 months
14 after a decision is issued in this proceeding.

15 7. Pursuant to Section 208 of the Federal Water Pollution Control Act, each state is
16 required to develop and implement area-wide water quality management plans for pollution control
17 purposes. Staff recommended that Perkins Utility obtain Section 208 approval from ADEQ within 24
18 months from the effective date of the decision in this matter and, also within 24 months from the
19 effective date of the decision in this matter, file a copy of the Section 208 approval for the requested
20 area with Docket Control as a compliance item in this docket.

21 8. Pursuant to the Commission's rules, Perkins Utility provided five-year projections for
22 plant values, operating revenues and expenses, and number of customers. Such projections are
23 necessary to establish rates for new companies due to the lack of historical data. Staff recommended
24 eliminating Perkins Utility's proposed hookup fees and stated that it is the Commission's normal
25 procedure to allow hookup fees only to companies already holding and operating under a CC&N.
26 Staff recommended that the Commission find that the projected fair value rate base will be
27 \$2,581,198 at the end of the first year.

28 9. Perkins Utility proposed an initial residential flat rate of \$52.00. The elimination of

1 the hookup fees will reduce Perkins Utility's source of capital by \$219,370 in the first year and
 2 \$4,267,909 in the fifth year for a total capital shortfall of \$9,955,619. Staff recommended Perkins
 3 Utility seek other means of financing that do not include contributions and recommended an initial
 4 residential flat rate of \$75.00. Perkins Utility's proposed and Staff's recommended rates and charges
 5 for initial wastewater service are as follows:

<u>Monthly Customer Charges – Treatment</u>	<u>Company Proposed</u>	<u>Staff Recommended</u>
3/4" Meter	\$52.00	\$75.00
1" Meter	60.00	88.00
1-1/2" Meter	173.00	250.00
2" Meter	276.00	400.00
3" Meter	518.00	750.00
4" Meter	863.00	1,250.00
6" Meter	1,725.00	2,500.00
8" Meter	2,760.00	4,000.00

<u>Hookup Fees (CIAC)</u>	<u>Company Proposed</u>	<u>Staff Recommended</u>
3/4" Meter	\$1,500.00	\$ --
1" Meter	2,500.00	--
1-1/2" Meter	5,000.00	--
2" Meter	8,000.00	--
3" Meter	15,000.00	--
4" Meter	25,000.00	--
6" Meter	50,000.00	--
8" Meter	80,000.00	--

<u>Service Charges</u>	<u>Company Proposed</u>	<u>Staff Recommended</u>
Establishment (a)	\$30.00	\$30.00
Establishment (After Hours) (a)	50.00	40.00
Re-Establishment (Within 12 Months)	*	*
Reconnection (Delinquent) (a)	40.00	30.00
NSF Check (a)	25.00	25.00
Deferred Payment	1.5%	1.5%
Late Payment Penalty (Per Month)	1.5%	1.5%
Deposit Interest	**	**
Deposit	**	**
Moving service at customer request	***	***

(a) Collected only if customer is not also a water customer

* Number of months off system times the monthly customer charge for meter size

** Per Commission Rule R14-2-603.B

*** Cost to include parts, labor, overhead and all applicable taxes

10. Staff recommended the approval of its rates and charges and that Perkins Utility be

1 required to file with Docket Control, as a compliance item in this docket, a tariff consistent with the
2 rates and charges authorized by the Commission within 30 days of the decision in this matter.

3 **Perkins Mountain Water Company Water System**

4 11. Perkins Water plans to finance the water utility system using a combination of equity
5 provided by Rhodes, advances in aid of construction and contributions in aid of construction. Perkins
6 Water will initially be capitalized with equity of \$50,000.

7 12. The proposed system for Golden Valley South includes 15 wells, each producing at
8 1,200 gallons per minute ("GPM"); 10 million gallons of storage, at a minimum of three sites;
9 booster systems; and approximately 133,000 lineal feet of transmission/distribution main to serve 150
10 customers in the first year and 2,040 customers by the fifth year. The proposed system for The
11 Villages at White Hills includes 25 wells, each producing at 500 GPM; five tank/pumping sites, with
12 tanks ranging from 0.3 MG to 3.0 MG; and approximately 56,000 lineal feet of
13 transmission/distribution main to serve zero customers in the first year and 1,025 customers by the
14 fifth year.

15 13. Staff stated that, because Perkins Water does not have any plant facilities at this time,
16 an ADEQ compliance status is not applicable at this time. Staff recommended that, because Perkins
17 Water has not received its ADEQ Certificate of ATC for construction of the facilities, that Perkins
18 Water file with Docket Control, as a compliance item in this docket, copies of the ATC for phase 1 of
19 each project when received by Perkins Water, but no later than 24 months after the effective date of
20 the order granting this application.

21 14. Staff stated that, because Perkins Water is not located in an Active Management Area
22 ("AMA"), it will not be subject to any AMA reporting and conservation requirements. Staff
23 recommended that Perkins Water file with Docket Control, as a compliance item in this docket,
24 copies of the developer's Letter of Adequate Water Supply for the requested areas within 24 months
25 after the effective date of the order granting this application.

26 15. Rules established by the United States Environmental Protection Agency ("EPA")
27 require that the maximum contaminant level ("MCL") for arsenic in potable water be reduced from
28 50 parts per billion ("ppb") to 10 ppb, effective January 23, 2006. The arsenic levels for Golden

1 Valley South and The Villages at White Hills developments' well sources are currently unknown.
 2 Staff stated that if the arsenic levels exceed the new MCL, lowering the levels will be addressed
 3 through the ATC.

4 16. Staff stated that a Curtailment Plan Tariff ("CPT") is an effective tool to allow a water
 5 company to manage resources during periods of water shortages due to pump breakdowns, droughts,
 6 or other unforeseeable events. Staff recommended that Perkins Water file with Docket Control, as a
 7 compliance item in this docket, for review and approval by the Director of the Utilities Division, a
 8 CPT that generally conforms to the sample tariff posted on the Commission's web site or available
 9 upon request from Commission Staff, within 30 days of providing service to its first customer.

10 17. Staff recommended eliminating Perkins Water's proposed hookup fees and stated that
 11 normally the Commission allows hookup fees only to companies already holding and operating under
 12 a CC&N. Perkins Water's proposed and Staff's recommended rates and charges for initial water
 13 service are as follows:

14 Monthly Customer Charges – Treatment

	<u>Company</u>	<u>Staff</u>
	<u>Proposed</u>	<u>Recommended</u>
15 3/4" Meter	\$22.00	\$30.00
16 1" Meter	29.00	40.00
17 1-1/2" Meter	73.00	100.00
18 2" Meter	116.00	160.00
19 3" Meter	218.00	300.00
4" Meter	363.00	500.00
6" Meter	725.00	1,000.00
8" Meter	1,160.00	1,600.00

20 Gallons included in Monthly Customer Charge 0 0

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	<u>Commodity Charge – Per 1,000 Gallons of Usage</u>	<u>Company Proposed</u>	<u>Staff Recommended</u>
1	3/4" Meter		
2	0 to 4,000	\$2.10	\$2.00
	4,001 to 20,000	3.15	3.80
3	20,001 gallons and above	3.78	5.50
4	1" Meter		
	0 to 4,000	2.10	2.00
5	4,001 to 20,000	3.15	3.80
	20,001 gallons and above	3.78	5.50
6	1-1/2" Meter		
	0 to 42,000	3.15	3.80
7	42,001 gallons and above	3.78	5.50
8	2" Meter		
	0 to 63,000	3.15	3.80
9	63,001 gallons and above	3.78	5.50
10	3" Meter		
	0 to 120,000	3.15	3.80
11	120,001 gallons and above	3.78	5.50
12	4" Meter		
	0 to 180,000	3.15	3.80
13	180,001 gallons and above	3.78	5.50
14	6" Meter		
	0 to 207,000	3.15	3.80
15	207,001 gallons and above	3.78	5.50
16	8" Meter		
	0 to 235,000	3.15	3.80
	235,001 gallons and above	3.78	5.50
17	<u>Monthly Service Charge for Fire Sprinkler</u>	<u>Company Proposed</u>	<u>Staff Recommended</u>
	4" or Smaller Connection	\$18.15	\$25.00
18	6" Connection	36.25	50.00
19	8" Connection	58.00	80.00
20	...		
21	...		
22	...		
23	...		
24	...		
25	...		
26	...		
27	...		
28	...		

<u>Service Line and Meter Installation Charges</u>		<u>Company Proposed</u>	<u>Staff Recommended</u>
1	3/4" Meter	\$440.00	\$440.00
2	1" Meter	500.00	500.00
	1-1/2" Meter	715.00	715.00
3	2" Meter (Turbo)	1,170.00	1,170.00
	2" Meter (Compound)	1,700.00	1,700.00
4	3" Meter (Turbo)	1,585.00	1,585.00
	3" Meter (Compound)	2,190.00	2,190.00
5	4" Meter (Turbo)	2,540.00	2,540.00
6	4" Meter (Compound)	3,215.00	3,215.00
	6" Meter (Turbo)	4,815.00	4,815.00
7	6" Meter (Compound)	6,270.00	6,270.00
8	8" Meter (Turbo)	Cost (a)	Cost (a)
	8" Meter (Compound)	Cost (a)	Cost (a)

(a) Cost to include parts, labor, overhead, and all applicable taxes, including income taxes.

<u>Service Charges</u>		<u>Company Proposed</u>	<u>Staff Recommended</u>
10	Establishment	\$30.00	\$30.00
11	Establishment (After Hours)	50.00	40.00
12	Re-Establishment (Within 12 Months)	*	*
	Reconnection (Delinquent)	40.00	30.00
13	NSF Check	25.00	25.00
	Meter Re-Read (If Correct)	30.00	20.00
14	Meter Test (If Correct)	30.00	20.00
	Deferred Payment	1.5%	1.5%
15	Late Payment Penalty (Per Month)	1.5%	1.5%
	Deposit Interest	**	**
16	Deposit	**	**
	Moving meter/service at customer request	***	***
17	* Number of months off system times the monthly customer charge for meter size.		
18	** Per Commission Rule R14-2-403.B		
19	*** Cost to include parts, labor, overhead and all applicable taxes		

<u>Hookup Fees (CIAC)</u>		<u>Company Proposed</u>	<u>Staff Recommended</u>
20	3/4" Meter	\$900.00	\$ --
21	1" Meter	1,500.00	--
	1-1/2" Meter	3,000.00	--
22	2" Meter	4,800.00	--
	3" Meter	9,000.00	--
23	4" Meter	15,000.00	--
24	6" Meter	30,000.00	--
	8" Meter	48,000.00	--

18. Staff recommended the approval of its rates and charges and that Perkins Water be required to file with Docket Control, as a compliance item in this docket, a tariff consistent with the rates and charges authorized by the Commission within 30 days of the decision in this matter.

1 19. Staff further recommended that the Commission require Perkins Water to file with
2 Docket Control, as a compliance item in this docket, for review and approval by the Director of the
3 Utilities Division, a backflow prevention tariff within 30 days of the Decision in this matter that
4 generally conforms to the sample tariff found posted on the Commission's web site¹ or available
5 upon request from Commission Staff.

6 20. Because an allowance for the property tax expense of the Utilities is included in the
7 Company's rates and will be collected from its customers, the Commission seeks assurances from the
8 Company that any taxes collected from ratepayers have been remitted to the appropriate taxing
9 authority. It has come to the Commission's attention that a number of companies have been
10 unwilling or unable to fulfill their obligation to pay the taxes that were collected from ratepayers,
11 some for as many as twenty years. It is reasonable, therefore, that as a preventative measure the
12 Utilities should annually file, as part of its annual report, an affidavit with the Utilities Division
13 attesting that the company is current in paying its property taxes in Arizona.

14 **Staff Recommendations – Wastewater Service CC&N**

15 21. Staff recommends approval of the Perkins Utility's application, subject to the
16 following conditions:

- 17 (a) That the Commission find that the fair value rate base of Perkins
18 Utility's property devoted to wastewater service is \$2,581,198.
- 19 (b) That the Commission approve Staff's rates as shown on Wastewater
20 Schedule REL-5-Rate Design in the Rate Analyst Report attached to
21 the Staff Report. In addition to collection to collection of its regular
22 rates, Perkins Utility may collect from its customers a proportionate
23 share of any privilege, sales or use tax.
- 24 (c) That the Commission require Perkins Utility to file with Docket
25 Control, as a compliance item, a tariff consistent with the rates and
26 charges authorized by the Commission within 30 days of the decision
27 in this matter.
- 28 (d) That the Commission require Perkins Utility to notify the Director of
the Utilities Division, through the compliance section, within 15 days
of providing service to its first customer.

¹ www.cc.state.az.us/utility

- 1 (e) That the Commission require Perkins Utility to file a rate application
2 no later than six months following the fifth anniversary of the date it
3 begins providing service to its first customer.
- 4 (f) That the Commission require Perkins Utility to maintain its books and
5 records in accordance with the NARUC Uniform System of Accounts
6 for Wastewater Utilities.
- 7 (g) That the Commission require Perkins Utility to use the depreciation
8 rates recommended by Staff.
- 9 (h) That the Commission require Perkins Utility to seek other means of
10 financing that do not include contributions.
- 11 (i) That the Commission require Perkins Utility's charge for minimum
12 deposit be as per A.A.C. R14-2-603(B)(7) and (8).
- 13 (j) That the Commission require Perkins Utility to provide utility services
14 to all of the 440 acres of land that is owned by Sports Entertainment.
- 15 (k) That the Commission require Perkins Utility to file with Docket
16 Control, as a compliance item, an amended legal description for The
17 Village at White Hills CC&N area including the entire 440 acres of
18 land that is owned by Sports Entertainment no later than 15 days after
19 the effective date of the order granting this application.
- 20 (l) That the Commission require Perkins Utility to file with Docket
21 Control, as a compliance item, copies of the ATC for phase 1 of each
22 project when received by the Company, but no later than 24 months
23 after the effective date of the order granting this application.
- 24 (m) That the Commission require Perkins Utility to file with Docket
25 Control, as a compliance item, copies of each project's APP within 24
26 months after the effective date of the order granting this application.
- 27 (n) That the Commission require Perkins Utility to obtain Section 208
28 approval from ADEQ within 24 months from the effective date of the
decision in this matter and file with Docket Control, as a compliance
item, a copy of the Section 208 approval for the requested area within
24 months from the effective date of the decision in this matter.
- 29 (o) That the Commission require Perkins Utility to file with Docket
Control, as a compliance item, a copy of all related franchise
agreements for the requested area within 365 days of the decision in
this matter.

22. Staff further recommends that the Commission's Decision granting the requested
CC&N extension to Perkins Utility be considered null and void should Perkins Utility fail to meet

1 Conditions (c), (k), (l), (m), (n), and (o), above within the time specified.

2 **Staff Recommendations – Water Service CC&N**

3 23. Staff recommends approval of the Perkins Water’s application, subject to the
4 following conditions:

5 (a) That the Commission find that the fair value rate base of Perkins
6 Water’s property devoted to water service is \$2,406,039.

7 (b) That the Commission approve Staff’s rates as shown on Water
8 Schedule REL-5-Rate Design in the Rate Analyst Report attached to
9 the Staff Report. In addition to collection of its regular rates, Perkins
10 Water may collect from its customers a proportionate share of any
11 privilege, sales or use tax.

12 (c) That the Commission require Perkins Water to file with Docket
13 Control, as a compliance item, a tariff consistent with the rates and
14 charges authorized by the Commission within 30 days of the decision
15 in this matter.

16 (d) That the Commission require Perkins Water to notify the Director of
17 the Utilities Division, through the compliance section, within 15 days
18 of providing service to its first customer.

19 (e) That the Commission require Perkins Water to file a rate application
20 no later than six months following the fifth anniversary of the date it
21 begins providing service to its first customer.

22 (f) That the Commission require Perkins Water to maintain its books and
23 records in accordance with the NARUC Uniform System of Accounts
24 for Water Utilities.

25 (g) That the Commission require Perkins Water to use the depreciation
26 rates recommended by Staff.

27 (h) That the Commission require Perkins Water to seek other means of
28 financing that do not include contributions.

(i) That the Commission require Perkins Water’s charge for minimum
deposit be as per A.A.C. R14-2-403(B)(7).

(j) That the Commission require Perkins Water to provide utility services
to all of the 440 acres of land that is owned by Sports Entertainment.

(k) That the Commission require Perkins Water to file with Docket
Control, as a compliance item, an amended legal description for The

1 Village at White Hills CC&N area including the entire 440 acres of
 2 land that is owned by Sports Entertainment no later than 15 days after
 the effective date of the order granting this application.

3 (l) That the Commission require Perkins Water to file with Docket
 4 Control, as a compliance item, copies of the ATC for phase 1 of each
 5 project when received by the Company, but no later than 24 months
 after the effective date of the order granting this application.

6 (m) That the Commission require Perkins Water to file with Docket
 7 Control, as a compliance item, copies of the developer's Letter of
 8 Adequate Water Supply demonstrating the availability of adequate
 water for the requested areas within 24 months after the effective date
 of the order granting this application.

9 (n) That the Commission require Perkins Water to file with Docket
 10 Control, as a compliance item, for review and approval by the Director
 11 of the Utilities Division, a curtailment tariff within 30 days of
 12 providing service to its first customer. The tariff shall generally
 conform to the sample tariff found posted on the Commission's web
 site² or available upon request from Commission Staff.

13 (o) That the Commission require Perkins Water to file with Docket
 14 Control, as a compliance item, a copy of all related franchise
 15 agreements for the requested area within 365 days of the decision in
 this matter.

16 (p) That the Commission require Perkins Water to file with Docket
 17 Control, as a compliance item, a Notice of Filing indicating Perkins
 18 Water has submitted for Staff's review and approval, a copy of the
 19 fully executed main extension agreements for water facilities for phase
 1 of the extension area within 365 days of a decision in this case.

20 (q) That the Commission require Perkins Water to file with Docket
 21 Control, as a compliance item in this docket, for review and approval
 22 by the Director of the Utilities Division, a backflow prevention tariff
 23 within 30 days of the Decision in this matter. The tariff shall generally
 conform to the sample tariff found posted on the Commission's web
 site or available upon request from Commission Staff.

24 24. Staff further recommends that the Commission's Decision granting the requested
 25 CC&N extension to Perkins Water be considered null and void should Perkins Water fail to meet
 26 Conditions (c), (k), (l), (m), (n), (o), (p) and (q), above within the time specified.
 27

28 ² www.cc.state.az.us/utility

Perkins Mountain Water and Utility Companies' Objections to Staff's Report

25. The Utilities objected to Staff's recommendation against the allowance of hookup fees, and stated that this results in an unacceptable 34% increase for the typical residential water and wastewater bill and that it places an additional burden on the ratepayers and shareholders of providing \$7,413,600 in capital for plant. The Utilities cited to Decision No. 68246 (October 25, 2005) to support their argument that hookup fees should be allowed in this instance. In the referenced Decision, Circle City, a certificated and operating company, was authorized to use hookup fees in their rate design. The Utilities drew a comparison between themselves, uncertificated companies not already in operation, and Circle City because Circle City had only 169 customers and total assets of \$128,000, relatively miniscule numbers in comparison with the Utilities' application for CC&N extension to serve 10,000 new customers at an estimated \$55.4 million for plant facilities. The fact remains that even if Circle City were a more recently established company, basic rate-making policy mandates that hookup fees not be allowed for applicants without established plant. The Utilities' comparison to Circle City did not consider that Circle City has been in operation with its CC&N since 1958, making it an unlikely candidate for constructing and then abandoning plant. We agree with Staff's recommendation, and believe it is consistent with other Commission Decisions and sound rate-making policy.

Sports Entertainment

26. Sports Entertainment is a Nevada limited liability company that owns 440 acres in the White Water Hills area of Mohave County (the "Subject Property"). Sagebrush Enterprises, Inc., an affiliate of Rhodes Homes, entered into an Option to Purchase 320 acres of the Subject Property (the "Option Property") in June 2004. Sagebrush Enterprises, Inc. exercised its Option in 2004 and the sale of the Option Property to Sagebrush Enterprises, Inc. is anticipated by Sports Entertainment to close in September 2006. The remaining 120 acres owned by Sports Entertainment (the "SE Property") was not included in the Utilities' applications for CC&N. Sports Entertainment intervened in this docket based on its desire for water and wastewater utility service for the SE Property.

27. The Utilities opposed including the SE Property in the CC&N area, stating that the

1 inclusion of the SE Property is premature because there is no request for service and no indication
2 that Sports Entertainment intends to develop the property in the near future. In fact, the Utilities state
3 in their response to Staff's Report that they "suspect that [Sports Entertainment's] motive to include
4 its property in the [Utilities'] service area is for the purpose of increasing the value of the land, not to
5 request needed service." This latter statement is disingenuous. Based on the record, including
6 documents admitted at hearing and testimony of witnesses, the Utilities and their affiliates, Sagebrush
7 Enterprises and Rhodes Homes, have been involved with Sports Entertainment since the early
8 summer of 2005 regarding a request for service for the SE Property as well as how best to develop
9 the SE Property to complement the Rhodes Homes development of the Option Property. Scott Fisher
10 of Sports Entertainment contracted with Jim Rhodes³ to sell the Option Property to Sagebrush
11 Enterprises, Inc. Mr. Fisher testified that Sports Entertainment contemplated developing the SE
12 Property into an RV park, but Mr. Rhodes suggested this would not be a desirable "gateway" to the
13 Option Property. Mr. Fisher testified that part of the delay in developing the SE Property is that
14 Sports Entertainment is working with Mr. Rhodes to "blend in our development with his
15 development." The record shows that Rhodes Homes sent a letter, dated June 27, 2005, to Sports
16 Entertainment that contained a prepared request for service from Sports Entertainment to the Utilities.
17 Mr. Fisher had questions regarding the June 27, 2005, letter, and sent a letter dated July 7, 2005 to
18 Mr. Kirk Brynjulson, Director and President of Perkins Water and Perkins Utility to that effect. Mr.
19 Fisher testified that he received no response from the Utilities in spite of follow-up calls to both
20 Sagebrush Enterprises, Inc. and the Utilities.

21 28. The Utilities also argued at hearing that the road that bisects the Subject Property,
22 White Hills Road, is problematic for purposes of providing water and wastewater service to the SE
23 Property. The Utilities contended that when the SE Property is "finally ready to develop, or sells to
24 an entity that is, other alternative providers may be available to serve at a lesser cost." The record
25 reflects that Sports Entertainment is ready to develop the SE Property and is waiting to do so out of
26 courtesy to the developer of the Option Property. We conclude that the Utilities will be the closest in
27

28 ³ Jim Rhodes is affiliated with Rhodes Homes, Sagebrush Enterprises and the Utilities.

1 proximity to the SE Property and it is reasonable and in the public interest that they serve the SE
2 Property.

3 **Conclusion**

4 29. Staff's recommendation for approval of the application is reasonable and shall be
5 adopted, subject to compliance with the conditions discussed herein.

6 **CONCLUSIONS OF LAW**

7 1. Perkins Mountain Water Company and Perkins Mountain Utility Company are public
8 service corporations within the meaning of Article XV of the Arizona Constitution and A.R.S. §§ 40-
9 281 and 40-282 *et seq.*

10 2. The Commission has jurisdiction over Perkins Mountain Water Company and Perkins
11 Mountain Utility Company and the subject matter of the applications.

12 3. Notice of the applications was provided in accordance with law.

13 4. There is a public need and necessity for water and wastewater utility service in the
14 proposed service area.

15 5. Perkins Mountain Water Company and Perkins Mountain Utility Company are fit and
16 proper entities to receive water and wastewater CC&Ns to include the service area more fully
17 described in Exhibit A attached hereto, subject to compliance with the conditions set forth above.

18 **ORDER**

19 IT IS THEREFORE ORDERED that the applications of Perkins Mountain Water Company
20 and Perkins Mountain Utility Company for water and wastewater Certificates of Convenience and
21 Necessity, respectively, to include the area described in Exhibit A attached hereto and incorporated
22 herein by reference be, and is hereby approved, subject to the conditions more fully described herein.

23 IT IS FURTHER ORDERED that the fair value rate base of Perkins Mountain Water
24 Company's property devoted to water service is \$2,406,039.

25 IT IS FURTHER ORDERED that the rates as shown on attached Exhibit B are adopted.

26 IT IS FURTHER ORDERED that in addition to collection of its regular rates, Perkins
27 Mountain Water Company may collect from its customers a proportionate share of any privilege,
28 sales or use tax.

1 IT IS FURTHER ORDERED that Perkins Mountain Water Company shall notify the Director
2 of the Utilities Division, through the compliance section, within 15 days of providing service to its
3 first customer.

4 IT IS FURTHER ORDERED that Perkins Mountain Water Company shall file a rate
5 application no later than six months following the fifth anniversary of the date it begins providing
6 service to its first customer.

7 IT IS FURTHER ORDERED that Perkins Mountain Water Company shall maintain its books
8 and records in accordance with the National Association of Regulatory Utility Commissioners'
9 Uniform System of Accounts for Water Utilities.

10 IT IS FURTHER ORDERED that Perkins Mountain Water Company shall use the
11 depreciation rates recommended by Staff.

12 IT IS FURTHER ORDERED that Perkins Mountain Water Company shall seek other means
13 of financing that do not include contributions.

14 IT IS FURTHER ORDERED that Perkins Mountain Water Company's charge for minimum
15 deposit shall be as per A.A.C. R14-2-403(B)(7).

16 IT IS FURTHER ORDERED that Perkins Mountain Water Company shall provide utility
17 services to all of the 440 acres of land that is owned by Sports Entertainment.

18 IT IS FURTHER ORDERED that Perkins Mountain Water Company shall annually file as
19 part of its annual report, an affidavit with the Utilities Division attesting that the Company is current
20 in paying its property taxes in Arizona.

21 IT IS FURTHER ORDERED that this Decision granting the requested CC&N extension to
22 Perkins Mountain Water Company be considered null and void should Perkins Mountain Water
23 Company fail to meet the conditions below for Perkins Mountain Water Company within the time
24 specified.

25 IT IS FURTHER ORDERED that Perkins Mountain Water Company shall file with Docket
26 Control, as a compliance item in this docket, a tariff consistent with the rates and charges authorized
27 by the Commission within 30 days of the decision in this matter.

28 IT IS FURTHER ORDERED that Perkins Mountain Water Company shall file with Docket

1 Control, as a compliance item in this docket, an amended legal description for The Village at White
2 Hills Certificate of Convenience and Necessity area including the entire 440 acres of land that is
3 owned by Sports Entertainment no later than 15 days after the effective date of the order granting this
4 application.

5 IT IS FURTHER ORDERED that Perkins Mountain Water Company shall file with Docket
6 Control, as a compliance item in this docket, copies of the Authority to Construct for phase 1 of each
7 project when received by the Company, but no later than 24 months after the effective date of the
8 order granting this application.

9 IT IS FURTHER ORDERED that Perkins Mountain Water Company shall file with Docket
10 Control, as a compliance item, copies of the developer's Letter of Adequate Water Supply
11 demonstrating the availability of adequate water for the requested areas within 24 months after the
12 effective date of the order granting this application.

13 IT IS FURTHER ORDERED that Perkins Mountain Water Company shall file with Docket
14 Control, as a compliance item in this docket, for review and approval by the Director of the Utilities
15 Division, a curtailment tariff within 30 days of providing service to its first customer. The tariff shall
16 generally conform to the sample tariff found posted on the Commission's web site or available upon
17 request from Commission Staff.

18 IT IS FURTHER ORDERED that Perkins Mountain Water Company shall file with Docket
19 Control, as a compliance item in this docket, a copy of all related franchise agreements for the
20 requested area within 365 days of the decision in this matter.

21 IT IS FURTHER ORDERED that Perkins Mountain Water Company shall file with Docket
22 Control, as a compliance item, a Notice of Filing indicating Perkins Mountain Water Company has
23 submitted for Staff review and approval, a copy of the fully executed main extension agreements for
24 water facilities for phase 1 of the extension area within 365 days of a decision in this case.

25 IT IS FURTHER ORDERED that Perkins Mountain Water Company shall file with Docket
26 Control, as a compliance item in this docket, for review and approval by the Director of the Utilities
27 Division, a backflow prevention tariff within 30 days of the Decision in this matter. The tariff shall
28 generally conform to the sample tariff found posted on the Commission's web site or available upon

1 request from Commission Staff.

2 IT IS FURTHER ORDERED that Perkins Mountain Utility Company shall annually file as
3 part of its annual report, an affidavit with the Utilities Division attesting that the Company is current
4 in paying its property taxes in Arizona.

5 IT IS FURTHER ORDERED that the fair value rate base of Perkins Mountain Utility
6 Company's property devoted to wastewater service is \$2,581,198.

7 IT IS FURTHER ORDERED that the rates as shown on attached Exhibit C are adopted.

8 IT IS FURTHER ORDERED that in addition to collection to collection of its regular rates,
9 Perkins Mountain Utility Company may collect from its customers a proportionate share of any
10 privilege, sales or use tax.

11 IT IS FURTHER ORDERED that Perkins Mountain Utility Company shall notify the
12 Director of the Utilities Division, through the compliance section, within 15 days of providing service
13 to its first customer.

14 IT IS FURTHER ORDERED that Perkins Mountain Utility Company shall file a rate
15 application no later than six months following the fifth anniversary of the date it begins providing
16 service to its first customer.

17 IT IS FURTHER ORDERED that Perkins Mountain Utility Company shall maintain its books
18 and records in accordance with the National Association of Regulatory Utility Commissioners'
19 Uniform System of Accounts for Wastewater Utilities.

20 IT IS FURTHER ORDERED that Perkins Mountain Utility Company shall use the
21 depreciation rates recommended by Staff.

22 IT IS FURTHER ORDERED that Perkins Mountain Utility Company shall seek other means
23 of financing that do not include contributions.

24 IT IS FURTHER ORDERED that Perkins Mountain Utility Company's charge for minimum
25 deposit shall be as per A.A.C. R14-2-603(B)(7) and (8).

26 IT IS FURTHER ORDERED that Perkins Mountain Utility Company shall provide utility
27 services to all of the 440 acres of land that is owned by Sports Entertainment.

28 IT IS FURTHER ORDERED that this Decision granting the requested Certificate of

1 Convenience and Necessity extension to Perkins Mountain Utility Company be considered null and
2 void should Perkins Mountain Utility Company fail to meet the conditions below for Perkins
3 Mountain Utility Company within the time specified.

4 IT IS FURTHER ORDERED that Perkins Mountain Utility Company shall file with Docket
5 Control, as a compliance item in this docket, a tariff consistent with the rates and charges authorized
6 by the Commission within 30 days of the decision in this matter.

7 IT IS FURTHER ORDERED that Perkins Mountain Utility Company shall file with Docket
8 Control, as a compliance item in this docket, an amended legal description for The Village at White
9 Hills Certificate of Convenience and Necessity area including the entire 440 acres of land that is
10 owned by Sports Entertainment no later than 15 days after the effective date of the order granting this
11 application.

12 IT IS FURTHER ORDERED that Perkins Mountain Utility Company shall file with Docket
13 Control, as a compliance item in this docket, copies of the Authority to Construct for phase 1 of each
14 project when received by the Company, but no later than 24 months after the effective date of the
15 order granting this application.

16 IT IS FURTHER ORDERED that Perkins Mountain Utility Company shall file with Docket
17 Control, as a compliance item in this docket, copies of each project's APP within 24 months after the
18 effective date of the order granting this application.

19 IT IS FURTHER ORDERED that Perkins Mountain Utility Company shall obtain Section
20 208 approval from the Arizona Department of Environmental Quality within 24 months from the
21 effective date of the decision in this matter and file with Docket Control, as a compliance item in this
22 docket, a copy of the Section 208 approval for the requested area within 24 months from the effective
23 date of the decision in this matter.

24 ...

25 ...

26 ...

27 ...

28 ...

1 IT IS FURTHER ORDERED that Perkins Mountain Utility Company shall file with Docket
2 Control, as a compliance item in this docket, a copy of all related franchise agreements for the
3 requested area within 365 days of the decision in this matter.

4 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

5 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.
6
7

8 CHAIRMAN _____ COMMISSIONER _____

9
10 COMMISSIONER _____ COMMISSIONER _____ COMMISSIONER _____

11
12 IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive
13 Director of the Arizona Corporation Commission, have
14 hereunto set my hand and caused the official seal of the
15 Commission to be affixed at the Capitol, in the City of Phoenix,
16 this ____ day of _____, 2006.

17
18 _____
19 BRIAN C. McNEIL
20 EXECUTIVE DIRECTOR

21 DISSENT _____

22 DISSENT _____

23 ABB:mj
24
25
26
27
28

1 SERVICE LIST FOR: Perkins Mountain Utility Company and Perkins
2 Mountain Water Company

3 DOCKET NOS.: SW-20379A-05-0489 and W-20380A05-0490

4 Deborah R. Scott
5 Kimberly A. Grouse
6 SNELL & WILMER
7 One Arizona Center
8 400 East Van Buren Street
9 Phoenix, AZ 85004

10 Booker T. Evans
11 Kimberly A. Warshawsky
12 GREENSBURG TRAUIG
13 2375 E. Camelback Road, Ste. 700
14 Phoenix, AZ 85016
15 Attorneys for Sports Entertainment, LLC

16 Christopher Kempley, Chief Counsel
17 Legal Division
18 ARIZONA CORPORATION COMMISSION
19 1200 West Washington Street
20 Phoenix, Arizona 85007

21 Ernest Johnson, Director
22 Utilities Division
23 ARIZONA CORPORATION COMMISSION
24 1200 West Washington Street
25 Phoenix, Arizona 85007

26
27
28

GOLDEN VALLEY SOUTH
CC & N BOUNDARY

LEGAL DESCRIPTION

TOWNSHIP 20 NORTH, RANGE 18 WEST, G. & S.R.M., MOHAVE COUNTY, AZ;

SECTION 2, EXCEPT THE W2 NW4 NW4 NE4 NE4, & THE SE4 SE4;
SECTION 3;
SECTION 4;
SECTION 8, EXCEPT THE W2 NW4 NW4 NE4;
SECTION 9;
SECTION 10;
SECTION 11, EXCEPT THE S2 SE4 SE4 SE4;
SECTION 14, EXCEPT THE E2 NE4, THE NE4 SE4, THE E2 W2 SE4 SE4, & THE E2 SE4
SE4;
SECTION 16;

TOWNSHIP 21 NORTH, RANGE 18 WEST, G. & S.R.M., MOHAVE COUNTY, AZ;

SW4 SECTION 34.

THE VILLAGES AT WHITE HILLS
CC & N SEWER/WATER BOUNDARY

LEGAL DESCRIPTION

[Revised 8-3-05]

TOWNSHIP 27 NORTH, RANGE 20 WEST, G. & S.R.M., MOHAVE COUNTY, AZ:

SECTION 16, EXCEPT THE NW4 NE4, & THE E2 NE4;

W2 W2 SECTION 17;

SECTION 20;

SECTION 21, EXCEPT THE SW4, & THE S2 SW4 NW4;

SECTION 23, EXCEPT THE FOLLOWING DESCRIBED PARCEL OF LAND:

COMMENCING AT THE NORTHEAST CORNER OF SECTION 23; THENCE NORTH 89°37'39" WEST, 26.97 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 41°25'03" EAST, 35.78 FEET; THENCE SOUTH 48°34'57" WEST, 599.97 FEET; THENCE NORTH 41°25'03" WEST, 572.03 FEET; THENCE SOUTH 89°37'39" EAST, 804.69 FEET TO THE POINT OF BEGINNING;

ALL OF SECTION 30 LYING SOUTHERLY OF THE CENTERLINE OF WHITE HILLS ROAD (O.R. 274/50-97) OF WHICH THE CENTERLINE IS DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF THE NORTHWEST QUARTER (NW ¼) OF SECTION 30; THENCE SOUTH 00°28'34" WEST, ALONG THE WESTERLY LINE THEREOF, 1,493.03 FEET TO THE POINT OF BEGINNING; THENCE NORTH 68°20'45" EAST, DEPARTING SAID WESTERLY LINE, 223.94 FEET; THENCE NORTH 67°59'58" EAST, 3,686.73 FEET TO THE POINT OF TERMINATION, SAID POINT BEING ON THE NORTHERLY LINE OF THE NORTHEAST QUARTER (NE ¼) OF SECTION 30, EXCEPT THE SW4, & THE SW4 SE4;

TOWNSHIP 27 NORTH, RANGE 21 WEST, G. & S.R.M., MOHAVE COUNTY, AZ:

A PORTION OF THE E2 SECTION 25 DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER (SE ¼) OF SAID SECTION 25; THENCE SOUTH 00°28'58" WEST, ALONG THE EASTERLY LINE THEREOF, 2,643.95 FEET TO THE SOUTHEAST CORNER OF SAID SOUTHEAST QUARTER (SE ¼); THENCE NORTH 89°33'42" WEST, ALONG THE SOUTHERLY LINE THEREOF, 164.23 FEET TO THE POINT OF CURVE OF A NON TANGENT CURVE TO THE LEFT, OF WHICH THE RADIUS POINT LIES SOUTH 74°14'59" WEST, A RADIAL DISTANCE OF 5,821.58 FEET, SAID POINT BEING ON THE EASTERLY RIGHT-OF-WAY LINE OF U.S. HIGHWAY 95; THENCE NORTHERLY ALONG THE ARC, ALONG SAID EASTERLY RIGHT-OF-WAY LINE, THROUGH A CENTRAL ANGLE OF 07°34'58", 770.46 FEET; THENCE NORTH 23°19'59" WEST, CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE, 2,685.36 FEET TO THE CENTERLINE OF WHITE HILLS ROAD (O.R. 274/50-97); THENCE NORTH 68°20'45" EAST, ALONG SAID CENTERLINE, 1,632.40 FEET TO THE EASTERLY LINE OF THE NORTHEAST QUARTER (NE ¼) OF SAID SECTION 25; THENCE SOUTH 00°28'34" WEST, ALONG SAID EASTERLY LINE, 1,151.09 FEET TO THE POINT OF BEGINNING.

DECISION NO. _____

EXHIBIT A

Perkins Mountain Water Company

Monthly Customer Charges – Treatment

3/4" Meter	\$30.00
1" Meter	40.00
1-1/2" Meter	100.00
2" Meter	160.00
3" Meter	300.00
4" Meter	500.00
6" Meter	1,000.00
8" Meter	1,600.00

Gallons included in Monthly Customer Charge 0

Commodity Charge – Per 1,000 Gallons of Usage

3/4" Meter	
0 to 4,000	\$2.00
4,001 to 20,000	3.80
20,001 gallons and above	5.50
1" Meter	
0 to 4,000	2.00
4,001 to 20,000	3.80
20,001 gallons and above	5.50
1-1/2" Meter	
0 to 42,000	3.80
42,001 gallons and above	5.50
2" Meter	
0 to 63,000	3.80
63,001 gallons and above	5.50
3" Meter	
0 to 120,000	3.80
120,001 gallons and above	5.50
4" Meter	
0 to 180,000	3.80
180,001 gallons and above	5.50
6" Meter	
0 to 207,000	3.80
207,001 gallons and above	5.50
8" Meter	
0 to 235,000	3.80
235,001 gallons and above	5.50

Monthly Service Charge for Fire Sprinkler

4" or Smaller Connection	\$25.00
6" Connection	50.00
8" Connection	80.00

DECISION NO. _____

Service Line and Meter Installation Charges

3/4" Meter	\$440.00
1" Meter	500.00
1-1/2" Meter	715.00
2" Meter (Turbo)	1,170.00
2" Meter (Compound)	1,700.00
3" Meter (Turbo)	1,585.00
3" Meter (Compound)	2,190.00
4" Meter (Turbo)	2,540.00
4" Meter (Compound)	3,215.00
6" Meter (Turbo)	4,815.00
6" Meter (Compound)	6,270.00
8" Meter (Turbo)	Cost (a)
8" Meter (Compound)	Cost (a)

(a) Cost to include parts, labor, overhead, and all applicable taxes, including income taxes

Service Charges

Establishment	\$30.00
Establishment (After Hours)	40.00
Re-Establishment (Within 12 Months)	*
Reconnection (Delinquent)	30.00
NSF Check	25.00
Meter Re-Read (If Correct)	20.00
Meter Test (If Correct)	20.00
Deferred Payment	1.5%
Late Payment Penalty (Per Month)	1.5%
Deposit Interest	**
Deposit	**
Moving meter/service at customer request	***

* Number of months off system times the monthly customer charge for meter size.

** Per Commission Rule R14-2-403.B

*** Cost to include parts, labor, overhead and all applicable taxes

DECISION NO. _____

Perkins Mountain Utility CompanyMonthly Customer Charges – Treatment

3/4" Meter	\$75.00
1" Meter	88.00
1-1/2" Meter	250.00
2" Meter	400.00
3" Meter	750.00
4" Meter	1,250.00
6" Meter	2,500.00
8" Meter	4,000.00

Service Charges

Establishment (a)	\$30.00
Establishment (After Hours) (a)	40.00
Re-Establishment (Within 12 Months)	*
Reconnection (Delinquent) (a)	30.00
NSF Check (a)	25.00
Deferred Payment	1.5%
Late Payment Penalty (Per Month)	1.5%
Deposit Interest	**
Deposit	**
Moving service at customer request	***

(a) Collected only if customer is not also a water customer

* Number of months off system times the monthly customer charge for meter size

** Per Commission Rule R14-2-603.B

*** Cost to include parts, labor, overhead and all applicable taxes

DECISION NO. _____