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**BEFORE THE ARIZONA CORPORATION
RECEIVED**

COMMISSIONERS

JEFF HATCH-MILLER, CHAIRMAN
MARC SPITZER
WILLIAM A. MUNDELL
MIKE GLEASON
KRISTEN K. MAYES

2006 MAY -9 P 2: 22

AZ CORP COMMISSION
DOCUMENT CONTROL

W-01416A-06-0323

**DONEY PARK WATER NOTICE OF
TARIFF FILING RE:
DEVELOPMENT FEE**

DOCKET NO. W-01416A-06-_____

NOTICE OF TARIFF FILING

Doney Park Water ("DPW"), pursuant to A.R.S. § 40-367, hereby provides thirty (30) days notice of a change in its filed Development Fee Tariff, to be effective the 31st day following the filing of this Notice. A redline showing the changes from the current Development Fee Tariff and a clean version of the amended Development Fee Tariff are attached as Exhibits A and B, respectively.

The Development Fee is designed so an equitable share of the cost of the backbone system is paid by each lot based upon the general nature of the uses on the lot. For example, if two habitable structures are constructed on a single lot, two development fees are due. DPW has found that in some instances plans to build a second habitable structure (e.g., a guest home) is not disclosed or the structure is build in subsequent years. The amendment makes it clear that when new habitable structures (e.g., guest homes) are added to a lot or the use of structures not used primarily for habitation is increased, the then current lot owner must pay the difference between the amount of the Development Fee in the altered configuration

1 and the amount of Development Fee that has been previously paid to DPW. This ensures that
2 all customers are treated the same and pay their proportionate share of the backbone system
3 equal to the maximum demand placed on the system.

4 DATED this 9th day of May, 2006.

6 CURTIS, GOODWIN, SULLIVAN,
7 UDALL & SCHWAB, P.L.C.

8 
9 _____
10 William P. Sullivan
11 Nancy Mangone
12 2712 North 7th Street
13 Phoenix, Arizona 85006-1003
14 Attorneys for Doney Park Water

13 PROOF OF AND CERTIFICATE OF MAILING

14 I hereby certify that on this 9th day of May, 2006, I caused the foregoing
15 document to be served on the Arizona Corporation Commission by delivering the original and
16 thirteen (13) copies of the above to:

17 Docket Control
18 Arizona Corporation Commission
19 1200 West Washington
20 Phoenix, Arizona 85007

21 
22 _____
23 374/Tariffs/Development Tariff/Notice of Filing
24
25

EXHIBIT A

TARIFF SCHEDULE

UTILITY: Doney Park Water
DOCKET NO.: W-1416A-06
PHONE: (928) 526-2600

TARIFF SHEET NO.: 11
REPLACES SHEET NO.: 11
DECISION NO.: _____
EFFECTIVE: _____

DEVELOPMENT FEE

NO. 11

Each "new" customer desiring water service from the Company shall, in addition to any other rate or charge, pay a Development Fee of \$2,000. The Fee is payable at the time of application.

For the purpose of this tariff, a "new" customer is a customer seeking water service to a structure, lot or parcel never previously receiving water. For residential purposes, the Development Fee shall be assessed for each dwelling unit (e.g., shall be assessed for each trailer space, multi-family dwelling apartment, condominium, etc.). The Development Fee for structures not primarily intended for habitation (e.g., an office building, shopping center store, restaurant, etc.) shall be subject to an upward adjustment based upon the relationship the customer's projected water usage has to the combined average system-wide water usage. For example, where projected water use is 18,000 gallons per month and average system is 6,000 gallons per month (18,000/6,000 or 3/1), the Development Fee would be \$6,000.

The Development Fee shall be subject to the following provisions:

- a. The Development Fee may be assessed only once per lot or parcel; provided, however, if, after the Development Fee is paid, additional dwelling units are located on the lot or parcel or the use for structures not primarily intended for habitation is increased such that the current use on the lot or parcel would have resulted in a higher Development Fee than what has previously been paid for the lot or parcel, the Company shall re-compute the Development Fee and assess the current customer the portion of the Development Fee not previously paid.
- b. The Development Fee must be placed in a separate, interest-bearing account.
- c. The Development Fee may only be used to pay for capital items of backbone plant and shall not be used for expenses, maintenance or other operation purposes.
- d. The Development Fee shall be in addition to any costs associated with main extension agreements for on-site facilities.
- e. The Development Fee may be used as collateral for and to repay loans for expansion and/or improvements of Company's backbone plant.

TARIFF SCHEDULE

UTILITY: Doney Park Water

TARIFF SHEET NO.: 11 b

DOCKET NO.: W-1416A-06

REPLACES SHEET NO.: 11 a

PHONE: (928) 526-2600

DECISION NO.: _____

EFFECTIVE: _____

DEVELOPMENT FEE

NO. 11 (CONT.)

- f. Company may request, and ACC Staff may administratively permit, the Development Fee to be used for other emergency purposes on such terms and conditions as the Staff may deem appropriate, e.g., repayment within a specified period of time.

Backbone plant, as used herein, is defined as wells, storage tanks and pumping stations, along with the associated controls, piping, electrical line extensions, and appurtenances. Water transmission mains, which add to the water system's overall capacity or reliability, which would not otherwise be recoverable pursuant to an advance-in-aid-of -construction agreement or line extension agreement, may also be included in backbone plant.

EXHIBIT B

TARIFF SCHEDULE

UTILITY: Doney Park Water
DOCKET NO.: W-1416A-06
PHONE: (928) 526-2600

TARIFF SHEET NO.: 11
REPLACES SHEET NO.: 11
DECISION NO.: _____
EFFECTIVE: _____

DEVELOPMENT FEE

NO. 11

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- b. The Development Fee must be placed in a separate, interest-bearing account.
- c. The Development Fee may only be used to pay for capital items of backbone plant and shall not be used for expenses, maintenance or other operation purposes.
- d. The Development Fee shall be in addition to any costs associated with main extension agreements for on-site facilities.
- e. The Development Fee may be used as collateral for and to repay loans for expansion and/or improvements of Company's backbone plant.

TARIFF SCHEDULE

UTILITY: Doney Park Water

TARIFF SHEET NO.: 11 b

DOCKET NO.: W-1416A-06

REPLACES SHEET NO.: 11 a

PHONE: (928) 526-2600

DECISION NO.: _____

EFFECTIVE: _____

DEVELOPMENT FEE

NO. 11 (CONT.)

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Backbone plant, as used herein, is defined as wells, storage tanks and pumping stations, along with the associated controls, piping, electrical line extensions, and appurtenances. Water transmission mains, which add to the water system's overall capacity or reliability, which would not otherwise be recoverable pursuant to an advance-in-aid-of-construction agreement or line extension agreement, may also be included in backbone plant.