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FENNEMORE CRAIG, P.C.
A Professional Corporation
Jay L. Shapiro (No. 014650)
Patrick J. Black (No. 017141)
3003 North Central Avenue
Suite 2600
Phoenix, Arizona 85012
Telephone (602) 916-5000

Attorneys for Northern Sunrise Water Company
and Southern Sunrise Water Company

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION OF NORTHERN SUNRISE WATER COMPANY FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN COCHISE COUNTY, ARIZONA.	DOCKET NO. W-20453A-06-0247
IN THE MATTER OF THE APPLICATION OF SOUTHERN SUNRISE WATER COMPANY FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN COCHISE COUNTY, ARIZONA.	DOCKET NO. W-20454A-06-0248
IN THE MATTER OF THE JOINT APPLICATION OF NORTHERN SUNRISE WATER COMPANY AND SOUTHERN SUNRISE WATER COMPANY FOR THE APPROVAL OF SALE AND TRANSFER OF WATER UTILITY ASSETS, AND CANCELLATION OF CERTIFICATES OF CONVENIENCE AND NECESSITY, FOR MIRACLE VALLEY WATER COMPANY, COCHISE WATER COMPANY, HORSESHOE RANCH WATER COMPANY, CRYSTAL WATER COMPANY, MUSTANG WATER COMPANY, CORONADO ESTATES WATER COMPANY, AND SIERRA SUNSET WATER COMPANY, LOCATED IN COCHISE COUNTY, ARIZONA.	DOCKET NOS. W-20453A-06-0251 W-20454A-06-0251 W-01646A-06-0251 W-01868A-06-0251 W-02235A-06-0251 W-02316A-06-0251 W-02230A-06-0251 W-01629A-06-0251 W-02240A-06-0251 **NORTHERN SUNRISE WATER COMPANY AND SOUTHERN SUNRISE WATER COMPANY'S NOTICE OF COMPLIANCE WITH DECISION NO. 68826**

Northern Sunrise Water Company ("Northern Sunrise") and Southern Sunrise Water Company ("Southern Sunrise") (collectively, "Applicants") submit this Notice of Compliance in the above-captioned matter. Decision No. 68826 ("Order") required Northern Sunrise and Southern Sunrise each to file an Off-Site Hook-Up Fee tariff (*see* Exhibit 1, attached hereto) and

a tariff of rates and charges (*see* Exhibit 2, attached hereto). Additionally, the Order required Applicants to notify customers of rates and charges and their effective date. Attached hereto as Exhibit 3 is the Affidavit of Gregory S. Sorensen, along with a copy of the notices that were approved by the Arizona Corporation Commission Utilities Division Staff.

DATED this 31st day of July, 2006.

FENNEMORE CRAIG, P.C.

By: _____
Jay L. Shapiro
Patrick J. Black
Attorneys for Applicants,
Northern Sunrise Water Company and
Southern Sunrise Water Company

ORIGINAL and 33 copies delivered
this 31st day of July, 2006 to:

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

Copy hand-delivered
this 31st day of July, 2006, to:

Chris Kempley
Legal Division
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

Ernest Johnson
Utilities Division
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

Vicki Wallace, Consumer Services
Utilities Division
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

Brian Bozzo, Compliance
Utilities Division
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

Copy mailed
this 31st day of July, 2006, to:

Steven L. Wene, Esq.
MOYES STOREY
1850 North Central Avenue, #1100
Phoenix, AZ 85004

Johnny McLain
7110 East Jaxel Road
Hereford, AZ 85615

Johnny and Linda McLain
P.O. Box 2903
Sierra Vista, AZ 85636

Arizona Small Utilities Association
210 North Central Avenue, Suite 6B
Avondale, AZ 85323

Copy emailed and mailed
this 31st day of July, 2006 to:

Jane Rodda, Administrative Law Judge
Hearing Division
Arizona Corporation Commission
400 West Congress
Tucson, AZ 85701
JRodda@azcc.gov

Maria San Jose

1819826.1/10577.002

EXHIBIT

1

OFF SITE HOOK-UP FEE TARIFF

I. Purpose and Applicability.

The purpose of the off-site hook-up fees payable to Northern Sunrise Water Company ("the Company") pursuant to this tariff is to equitably apportion the costs of constructing additional off-site facilities to provide water production, delivery, storage and pressure among all new service connections. These charges are applicable to all new service connections established after the effective date of this tariff. The charges are one-time charges and are payable as a condition to Company's establishment of service, as more particularly provided below.

II. Definitions.

Unless the context otherwise requires, the definitions set forth in R-14-2-401 of the Arizona Corporation Commission's ("Commission") rules and regulations governing water utilities shall apply in interpreting this tariff schedule.

"Applicant" means any party entering into an agreement with Company for the installation of water facilities to serve new service connections, and may include Developers and/or Builders of new residential subdivisions.

"Company" means Northern Sunrise Water Company, an Arizona limited liability company.

"Main Extension Agreement" means any agreement whereby an Applicant, Developer and/or Builder agrees to advance the costs of the installation of water facilities to the Company to serve new service connections, or install water facilities to serve new service connections and transfer ownership of such water facilities to the Company, which agreement shall require the approval of the Commission pursuant to A.A.C. R-14-2-406, and shall have the same meaning as "Water Facilities Agreement" or "Line Extension Agreement."

"Off-Site Facilities" means wells, storage tanks and related appurtenances necessary for proper operation, including engineering and design costs. Off-Site facilities may also include booster pumps, pressure tanks, transmission mains and related appurtenances necessary for proper operation, if these facilities are not for the exclusive use of the applicant and will benefit the entire water system.

"Service Connection" means and includes all service connections for single-family residential or other uses, regardless of meter size.

III. Off-Site Hook-Up Fee.

For each new service connection, the Company shall collect an off-site hook-up fee derived from the following table:

OFF-SITE HOOK-UP FEE TABLE		
Meter Size	Size Factor	Total Fee
5/8" x ¾ "	1	$1,000
¾"	1.5	$1,500
1"	2.5	$2,500
1- ½ "	5	$5,000
2"	8	$8,000
3"	16	$16,000
4"	25	$25,000
6" or larger	50	$50,000

IV. Terms and Conditions.

(A) Assessment of One Time Off-Site Hook-Up Fee: The off-site hook-up fee may be assessed only once per parcel, service connection, or lot within a subdivision (similar to meter and service line installation charge).

(B) Use of Off-Site Hook-Up Fees: Off-site hook-up fees may only be used to pay for capital items of off-site facilities, or for repayment of loans obtained for installation of off-site facilities. Off-site hook-up fees shall not be used for repairs, maintenance, or operational purposes.

(C) Time of Payment:

(1) In the event that the person or entity that will be constructing improvements ("Applicant," "Developer" or "Builder") is otherwise required to enter into a Main Extension Agreement, whereby the Applicant, Developer or Builder agrees to advance the costs of installing mains, valves, fittings, hydrants and other on-site improvements in order to extend service in accordance with R-14-2-406(B), payment of the fees required hereunder shall be made by the Applicant, Developer or Builder no later than within 15 calendar days after receipt of

notification from the Company that the Utilities Division of the Arizona Corporation Commission has approved the Main Extension Agreement in accordance with R-14-2-406(M).

(2) In the event that the Applicant, Developer or Builder for service is not required to enter into a Main Extension Agreement, the charges hereunder shall be due and payable at the time the meter and service line installation fee is due and payable.

(D) Off-Site Facilities Construction By Developer: Company and Applicant, Developer or Builder may agree to construction of off-site facilities necessary to serve a particular development by Applicant, Developer or Builder, which facilities are then conveyed to Company. In that event, Company shall credit the total cost of such off-site facilities as an offset to off-site hook-up fees due under this Tariff. If the total cost of the off-site facilities constructed by Applicant, Developer or Builder and conveyed to Company is less than the applicable off-site hook-up fees under this Tariff, Applicant, Developer or Builder shall pay the remaining amount of off-site hook-up fees owed hereunder. If the total cost of the off-site facilities contributed by Applicant, Developer or Builder and conveyed to Company is more than the applicable off-site hook-up fees under this Tariff, Applicant, Developer or Builder shall not be entitled to any refunds.

(E) Failure to Pay Charges; Delinquent Payments: The Company will not be obligated to provide water service to any Developer, Builder or other applicant for service in the event that the Developer, Builder or other applicant for service has not paid in full all charges hereunder. Under no circumstances will the Company set a meter or otherwise allow service to be established if the entire amount of any payment has not been paid.

(F) Large Subdivision Projects: In the event that the Developer or Builder is engaged in the development of a residential subdivision containing more than 150 lots, the Company may, in its discretion, agree to payment of off-site hook-up fees in installments. Such installments may be based on the residential subdivision development's phasing, and should attempt to equitably apportion the payment of charges hereunder based on the Developer's or Builder's construction schedule and water service requirements.

(G) Off-Site Hook-Up Fees Non-refundable: The amounts collected by the Company pursuant to this Off-Site Hook-Up Fee Tariff shall be non-refundable contributions in aid of construction.

(H) Use of Off-Site Hook-Up Fees Received: All funds collected by the Company as off-site hook-up fees shall be deposited into a separate interest bearing trust account and used solely for the purposes of paying for the costs of off-site facilities, including repayment of loans obtained for the installation of off-site facilities that will benefit the entire water system.

(I) Off-Site Hook-Up Fee in Addition to On-Site Facilities: The off-site hook-up fee shall be in addition to any costs associated with the construction of on-site facilities under a Main Extension Agreement.

(J) Disposition of Excess Funds: After all necessary and desirable off-site facilities are constructed utilizing funds collected pursuant to the off-site hook-up fees, or if the off-site hook-up fee has been terminated by order of the Commission, any funds remaining in the trust shall be refunded. The manner of the refund shall be determined by the Commission at the time a refund becomes necessary.

(K) Fire Flow Requirements: In the event the applicant for service has fire flow requirements that require additional facilities beyond those facilities whose costs were included in the off-site hook-up fee, and which are contemplated to be constructed using the proceeds of the off-site hook-up fee, the Company may require the applicant to install such additional facilities as are required to meet those additional fire flow requirements, as a non-refundable contribution, in addition to the off-site hook-up fee.

(L) Status Reporting Requirements to the Commission: The Company shall submit an annual Off-Site Hook-Up Fee status report each August 31st to Docket Control for the prior twelve (12) month period, beginning August 31, 2007, until the hook-up fee tariff is no longer in effect. This status report shall contain a list of all customers that have paid the hook-up fee tariff, the amount each has paid, the amount of money spent from the account, the amount of interest earned on the tariff account, and a list of all facilities that have been installed with the tariff funds during the 12 month period.

1819536

OFF SITE HOOK-UP FEE TARIFF

I. Purpose and Applicability.

The purpose of the off-site hook-up fees payable to Southern Sunrise Water Company ("the Company") pursuant to this tariff is to equitably apportion the costs of constructing additional off-site facilities to provide water production, delivery, storage and pressure among all new service connections. These charges are applicable to all new service connections established after the effective date of this tariff. The charges are one-time charges and are payable as a condition to Company's establishment of service, as more particularly provided below.

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1- ½ "	5	$5,000
2"	8	$8,000
3"	16	$16,000
4"	25	$25,000
6" or larger	50	$50,000

IV. Terms and Conditions.

(A) Assessment of One Time Off-Site Hook-Up Fee: The off-site hook-up fee may be assessed only once per parcel, service connection, or lot within a subdivision (similar to meter and service line installation charge).

(B) Use of Off-Site Hook-Up Fees: Off-site hook-up fees may only be used to pay for capital items of off-site facilities, or for repayment of loans obtained for installation of off-site facilities. Off-site hook-up fees shall not be used for repairs, maintenance, or operational purposes.

(C) Time of Payment:

(1) In the event that the person or entity that will be constructing improvements ("Applicant," "Developer" or "Builder") is otherwise required to enter into a Main Extension Agreement, whereby the Applicant, Developer or Builder agrees to advance the costs of installing mains, valves, fittings, hydrants and other on-site improvements in order to extend service in accordance with R-14-2-406(B), payment of the fees required hereunder shall be made by the Applicant, Developer or Builder no later than within 15 calendar days after receipt of

notification from the Company that the Utilities Division of the Arizona Corporation Commission has approved the Main Extension Agreement in accordance with R-14-2-406(M).

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(E) Failure to Pay Charges; Delinquent Payments: The Company will not be obligated to provide water service to any Developer, Builder or other applicant for service in the event that the Developer, Builder or other applicant for service has not paid in full all charges hereunder. Under no circumstances will the Company set a meter or otherwise allow service to be established if the entire amount of any payment has not been paid.

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(J) Disposition of Excess Funds: After all necessary and desirable off-site facilities are constructed utilizing funds collected pursuant to the off-site hook-up fees, or if the off-site hook-up fee has been terminated by order of the Commission, any funds remaining in the trust shall be refunded. The manner of the refund shall be determined by the Commission at the time a refund becomes necessary.

(K) Fire Flow Requirements: In the event the applicant for service has fire flow requirements that require additional facilities beyond those facilities whose costs were included in the off-site hook-up fee, and which are contemplated to be constructed using the proceeds of the off-site hook-up fee, the Company may require the applicant to install such additional facilities as are required to meet those additional fire flow requirements, as a non-refundable contribution, in addition to the off-site hook-up fee.

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1820142.1

EXHIBIT

2

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		Sheet No.
I.	RATES AND CHARGES	1.0 - 1.1
II.	TAXES AND ASSESSMENTS	2.0
III.	ADDITIONAL CHARGES	3.0
IV.	RULES AND REGULATIONS	4.0

I. RATES AND CHARGES

MONTHLY USAGE CHARGE:

Meter Size		Per Month
5/8" x ¾" Meter	$	31.00
¾" Meter		46.50
1" Meter		77.50
1 ½" Meter		155.00
2" Meter		248.00
3" Meter		496.00
4" Meter		775.00
6" Meter		930.00
8" Meter		1,550.00

COMMODITY RATES per 1,000 gallons

5/8 x ¾ Inch Meter

Tier one – 0 to 5,000 gallons	$	2.00
Tier two – 5,001 to 10,000 gallons		2.75
Tier three – over 10,000 gallons		3.90

Residential 1 Inch Meter and Larger

Tier one – 0 to 5,000 gallons	$	2.00
Tier two – 5,001 to 10,000 gallons		2.75
Tier three – over 10,000 gallons		3.90

I. RATES AND CHARGES

COMMODITY RATES per 1,000 gallons (cont.)

Irrigation Meters

Tier one – 0 to 45,000 gallons	$	2.75
Tier two – over 45,000 gallons		3.90

Other

Standpipe or bulk water	$	3.90

SERVICE LINE AND METER INSTALLATION CHARGES:
(Refundable pursuant to A.A.C. R14-2-40-5)

5/8" x ¾" Meter	$	410.00
¾" Meter		410.00
1" Meter		520.00
1 ½" Meter		660.00
2" Meter Turbo		1,155.00
2" Meter Compound		1,720.00
3" Meter Turbo		1,625.00
3" Meter Compound		2,260.00
4" Meter Turbo		2,500.00
4" Meter Compound		3,200.00
6" Meter Turbo		4,500.00
6" Meter Compound		6,300.00
8" Meter		8,200.00

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).

III. ADDITIONAL CHARGES

SERVICE CHARGES:

Establishment of Service per Rule R14-2-403.D	$25.00
Establishment of Service (After Hours) per Rule R14-2-403.D.2	35.00
Re-establishment of Service per Rule R14-2-403.D	**
Reconnection of Service per Rule R14-2-403.D.1	35.00
Charge for Moving Meter at Customer Request per Rule R14-2-405.B.5	Cost
After Hours Service Charge, per Hour, R14-2-403.D	50.00
Minimum Deposit per Rule R14-2-403.B	*
Meter Reread per Rule R14-2-408	5.00
Charge for NSF check per Rule R14-2-409.F.1	15.00
Late Payment Charge for Delinquent Bills as Defined in Rule R14-2-409.C.1	***
Deferred Payment Finance Charge R14-2-409.G	***

* Per Commission rule A.A.C. R-142-403(B).

** Months off system times the monthly minimum per Commission rule A.A.C. R14-2-403(D)

*** 1.5% per month

IV. 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. R14-2-601 *et seq.* will be controlling of Company procedures, unless specific Commission Order(s) provide otherwise.

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I. RATES AND CHARGES

MONTHLY USAGE CHARGE:

Meter Size	Per Month
5/8" x ¾" Meter	$ 31.00
¾" Meter	46.50
1" Meter	77.50
1 ½" Meter	155.00
2" Meter	248.00
3" Meter	496.00
4" Meter	775.00
6" Meter	930.00
8" Meter	1,550.00

COMMODITY RATES per 1,000 gallons

5/8 x ¾ Inch Meter

Tier one – 0 to 5,000 gallons	$ 2.00
Tier two – 5,001 to 10,000 gallons	2.75
Tier three – over 10,000 gallons	3.90

Residential 1 Inch Meter and Larger

Tier one – 0 to 5,000 gallons	$ 2.00
Tier two – 5,001 to 10,000 gallons	2.75
Tier three – over 10,000 gallons	3.90

I. RATES AND CHARGES

COMMODITY RATES per 1,000 gallons (cont.)

Irrigation Meters

Tier one – 0 to 45,000 gallons	$	2.75
Tier two – over 45,000 gallons		3.90

Other

Standpipe or bulk water	$	3.90

SERVICE LINE AND METER INSTALLATION CHARGES:
(Refundable pursuant to A.A.C. R14-2-40-5)

5/8" x ¾" Meter	$	410.00
¾" Meter		410.00
1" Meter		520.00
1 ½" Meter		660.00
2" Meter Turbo		1,155.00
2" Meter Compound		1,720.00
3" Meter Turbo		1,625.00
3" Meter Compound		2,260.00
4" Meter Turbo		2,500.00
4" Meter Compound		3,200.00
6" Meter Turbo		4,500.00
6" Meter Compound		6,300.00
8" Meter		8,200.00

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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Charge for Moving Meter at Customer Request per Rule R14-2-405.B.5	Cost
After Hours Service Charge, per Hour, R14-2-403.D	50.00
Minimum Deposit per Rule R14-2-403.B	*
Meter Reread per Rule R14-2-408	5.00
Charge for NSF check per Rule R14-2-409.F.1	15.00
Late Payment Charge for Delinquent Bills as Defined in Rule R14-2-409.C.1	***
Deferred Payment Finance Charge R14-2-409.G	***

* Per Commission rule A.A.C. R-142-403(B).

** Months off system times the monthly minimum per Commission rule A.A.C. R14-2-403(D)

*** 1.5% per month

IV. 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. R14-2-601 *et seq.* will be controlling of Company procedures, unless specific Commission Order(s) provide otherwise.

EXHIBIT

3

AFFIDAVIT OF GREGORY S. SORENSEN

Gregory S. Sorensen, being duly sworn, deposes and says:

1. I am a resident of Maricopa County, over 18 years of age, and make this affidavit based on my own personal knowledge.

2. I am Controller of the Infrastructure Division for Algonquin Water Services, LLC.

3. Pursuant to Decision No. 68826 dated June 29, 2006, on July 28, 2006 Northern Sunrise Water Company ("Northern Sunrise") and Southern Sunrise Water Company ("Southern Sunrise") mailed to respective customers a copy of the notice setting forth rates and charges and when the rates will become effective.

4. At the request of the Arizona Corporation Commission Utilities Division Staff, Northern Sunrise and Southern Sunrise file this certification of mailing.

Gregory S. Sorensen

SUBSCRIBED and sworn to before me this 28 day of July, 2006.

Barbara Risden
Notary Public

My Commission Expires:

Feb 3, 2007

OFFICIAL SEAL
BARBARA RISDEN
Notary Public - State of Arizona
MARICOPA COUNTY
My Comm. Expires Feb. 3, 2007

1819773.1/10577.002

NORTHERN SUNRISE WATER COMPANY

Docket Nos. W-20453A-06-0247 and W-20453A-06-0248 and W-20453A-06-0251 et al.

Important Information About Your Rates

On June 29, 2006, the Arizona Corporation Commission ("Commission") issued Decision No. 68826 ("Order"), which approved the sale and transfer of Mustang Water Company, Crystal Water Company, Sierra Sunset Water Company, and Coronado Estates Water Company to Northern Sunrise Water Company ("NSWCo."). In its Order, the Commission authorized new rates and charges for NSWCo. as follows:

Effective Date: These rates and charges are NOT currently in effect. These rates and charges will be effective for water utility service commencing the first day of the first month after NSWCo. acquires the assets of your current water utility service provider. NSWCo. will provide further information at that time.

WATER

Monthly service charges,
(for which no water is supplied):

Meter Size	
5/8" x 3/4"	$ 31.00
3/4"	$ 46.50
1"	$ 77.50
1 ½"	$ 155.00
2"	$ 248.00
3"	$ 496.00
4"	$ 775.00
6"	$ 930.00
8"	$ 1,550.00
Gallons included in minimum	0

SERVICE LINE AND METER INSTALLATION CHARGES (Refundable pursuant to A.A.C. R14-2-40-5)

5/8" X ¾" Meter	$ 410.00
¾" Meter	$ 410.00
1" Meter	$ 520.00
1 ½" Meter	$ 660.00
2" Meter Turbo	$ 1,155.00
2" Meter Compound	$ 1,720.00
3" Meter Turbo	$ 1,625.00
3" Meter Compound	$ 2,260.00
4" Meter Turbo	$ 2,500.00
4" Meter Compound	$ 3,200.00
6" Meter Turbo	$ 4,500.00
6" Meter Compound	$ 6,300.00
8" Meter	$ 8,200.00

COMMODITY RATES PER 1,000 GALLONS

5/8x 3/4 Inch Meter	
Tier one - 0 to 5,000 gallons	$2.00
Tier two- 5,001 gallons to 10,000 gallons	$2.75
Tier three- over 10,000 gallons	$3.90
Residential 1 Inch Meter and Larger	
Tier one – 0 to 5,000 gallons	$2.00
Tier two – 5,001 gallons to 10,000 gallons	$2.75
Tier three – over 10,000 gallons	$3.90
Irrigation Meters	
Tier one – 0 to 45,000 gallons	$2.75
Tier two – over 45,000 gallons	$3.90
Other	
Standpipe or bulk water	$3.90

SERVICE CHARGES

Establishment of Service per Rule R14-2-403.D	$25.00
Establishment of Service (After Hours) per Rule R14-2-403.D.2	$35.00
Re-establishment of Service per Rule 14-2-403.D	**
Reconnection of Service per Rule R14-2-403.D.1	$35.00
Charge for Moving Meter at Customer Request per Rule R14-2-405.B.5	Cost
After Hours Service Call, per Hour, R14-2-403.D	$50.00
Minimum Deposit per Rule R14-2-403.B	*
Meter Reread per Rule R14-2-408	$5.00
Charge for NSF check per Rule R14-2-409.F.1	$15.00
Late Payment Charge for Delinquent Bills as Defined in Rule R14-2-409C.1	***
Deferred Payment Finance Charge R14-2-409.G	***

* 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).
*** 1.5% per month

Billing Adjustments: Total monthly water and miscellaneous charges are subject to adjustment for all federal, state, and local government taxes, levies, and any assessments that may be imposed by federal or state regulatory agencies on water gross revenues.

If you have any questions related to this Notice, please call 1-800-525-9547.

SOUTHERN SUNRISE WATER COMPANY

Docket Nos. W-20453A-06-0247 and W-20453A-06-0248 and W-20453A-06-0251 et al.

Important Information About Your Rates

On June 29, 2006, the Arizona Corporation Commission ("Commission") issued Decision No. 68826 ("Order"), which approved the sale and transfer of Cochise Water Company, Miracle Valley Water Company, and Horseshoe Ranch Water Company to Southern Sunrise Water Company ("SSWCo."). In its Order, the Commission authorized new rates and charges for SSWCo. as follows:

Effective Date: These rates and charges are NOT currently in effect. These rates and charges will be effective for water utility service commencing the first day of the first month after SSWCo. acquires the assets of your current water utility service provider. SSWCo. will provide further information at that time.

WATER

Monthly service charges, (for which no water is supplied):

Meter Size	
5/8" x 3/4"	$ 31.00
3/4"	$ 46.50
1"	$ 77.50
1 ½"	$ 155.00
2"	$ 248.00
3"	$ 496.00
4"	$ 775.00
6"	$ 930.00
8"	$ 1,550.00
Gallons included in minimum	0

SERVICE LINE AND METER INSTALLATION CHARGES: (Refundable pursuant to A.A.C. R14-2-40-5)

5/8" X ¾" Meter	$ 410.00
¾" Meter	$ 410.00
1" Meter	$ 520.00
1 ½" Meter	$ 660.00
2" Meter Turbo	$ 1,155.00
2" Meter Compound	$ 1,720.00
3" Meter Turbo	$ 1,625.00
3" Meter Compound	$ 2,260.00
4" Meter Turbo	$ 2,500.00
4" Meter Compound	$ 3,200.00
6" Meter Turbo	$ 4,500.00
6" Meter Compound	$ 6,300.00
8" Meter	$ 8,200.00

COMMODITY RATES PER 1,000 GALLONS

5/8x 3/4 Inch Meter	
Tier one - 0 to 5,000 gallons	$2.00
Tier two- 5,001 gallons to 10,000 gallons	$2.75
Tier three- over 10,000 gallons	$3.90
Residential 1 Inch Meter and Larger	
Tier one – 0 to 5,000 gallons	$2.00
Tier two – 5,001 gallons to 10,000 gallons	$2.75
Tier three – over 10,000 gallons	$3.90
Irrigation Meters	
Tier one – 0 to 45,000 gallons	$2.75
Tier two – over 45,000 gallons	$3.90
Other	
Standpipe or bulk water	$3.90

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Late Payment Charge for Delinquent Bills as Defined in Rule R14-2-409C.1	***
Deferred Payment Finance Charge R14-2-409.G	***

* 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).
*** 1.5% per month

Billing Adjustments: Total monthly water and miscellaneous charges are subject to adjustment for all federal, state, and local government taxes, levies, and any assessments that may be imposed by federal or state regulatory agencies on water gross revenues.

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