

ORIGINAL



0000057625

RECEIVED

BEFORE THE ARIZONA CORPORATION COMMISSION

50

2006 AUG -4 A 9: 13

COMMISSIONERS

JEFF HATCH-MILLER, Chairman  
WILLIAM A. MUNDELL  
MIKE GLEASON  
KRISTIN K. MAYES  
BARRY WONG

AZ CORP COMMISSION  
DOCUMENT CONTROL

IN THE MATTER OF THE APPLICATION OF  
ARIZONA-AMERICAN WATER COMPANY,  
AN ARIZONA CORPORATION, FOR A  
DETERMINATION OF THE CURRENT FAIR  
VALUE OF ITS UTILITY PLANT AND  
PROPERTY AND FOR INCREASES IN ITS  
RATES AND CHARGES BASED THEREON  
FOR UTILITY SERVICE BY ITS PARADISE  
VALLEY DISTRICT

DOCKET NO. W-01303A-05-0405

IN THE MATTER OF THE APPLICATION OF  
ARIZONA-AMERICAN WATER COMPANY,  
INC., AN ARIZONA CORPORATION, FOR  
APPROVAL OF AN AGREEMENT WITH THE  
PARADISE VALLEY COUNTRY CLUB

DOCKET NO. W-01303A-05-0910

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17

**ARIZONA-AMERICAN WATER COMPANY  
NOTICE OF FILING REVISED TARIFFS**

Arizona-American Water Company hereby files the attached revised tariffs in compliance  
with Decision No. 68858 in the above-captioned dockets.

RESPECTFULLY SUBMITTED on August 4, 2006.

Craig A. Marks  
Corporate Counsel  
Arizona-American Water Company  
19820 N. 7<sup>th</sup> Street  
Suite 201  
Phoenix, Arizona 85024  
(623) 445-2442  
Craig.Marks@amwater.com

Arizona Corporation Commission  
**DOCKETED**

AUG -4 2006

DOCKETED BY nr

1 Original and 15 copies filed  
2 on August 4, 2006, with:

3  
4 Docket Control  
5 Arizona Corporation Commission  
6 1200 West Washington  
7 Phoenix, Arizona 85007

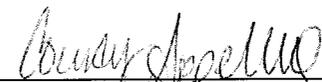
8  
9 Copies of the foregoing  
10 mailed on August 4, 2006, to:

11  
12 Maureen Scott  
13 Legal Division  
14 Arizona Corporation Commission  
15 1200 West Washington St.  
16 Phoenix, Arizona 85007

17  
18 Daniel W. Pozefsky  
19 Residential Utility Consumer Office  
20 1110 West Washington Street  
21 Suite 220  
22 Phoenix, Arizona 85007

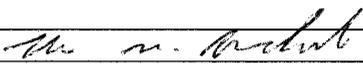
23  
24 Robert J. Metli, Esq.  
25 Snell & Wilmer LLP  
26 One Arizona Center  
27 400 E. Van Buren  
28 Phoenix, Arizona 85004-2202  
29 Attorneys for Paradise Valley Country Club

30  
31  
32  
33  
34  
35

By:   
Courtney Appelhans

		Original	SHEET NO.	TOC
Arizona-American Water Company			SHEET NO	
(Name of Company)	Paradise Valley Water District			
	(Name of Service Area)			

<u>Table of Contents</u>		<u>Sheet No.</u>
1. General Metered Service Continue		11th Revised - 1 11th Revised - 1a
2. Private Fire Service Continue		5th Revised - 2 5th Revised - 2a
3. CAP Expense Recovery Surcharge		9th Revised - 3
4. CAP Surcharge		7th Revised - 4
5. High Block Surcharg		Original - 5
6. Public Safety Fire Flow Surcharge		Original - 6
7. Gain on Sale Surcredit		Original - 7
8. Service Charges Continued		4th Revised - 8 4th Revised - 8a
9. Service Line & Meter Installation Charges		4th Revised - 9
10. Backflow/Cross-Connection Tariff Continued		3rd Revised - 10 3rd Revised - 10a
11. Mummy Mountain MMTA - General Metered MMTA - Service Line & Meter Installation Charges MMTA - Service Charges MMTA - Purchased Water Adjustment Mechanism		Cancelled Tariffs

ISSUED:	July 31, 2006		EFFECTIVE:	Aug 01, 2006
	Month Day Year			Month Day Year
	ISSUED BY:	Thomas Broderick, Manager, Rates and Regulatory Affairs		
		19820 N. 7 <sup>th</sup> St., Suite 201, Phoenix, Arizona		
		Decision No. 68858		

		11th Revised	SHEET NO.	1
Arizona-American Water Company		Cancelling	10th Revised	SHEET NO
(Name of Company)	Paradise Valley Water District			1
	(Name of Service Area)			

**GENERAL METERED SERVICE**

**APPLICABILITY**

Applicable to all water furnished to general metered customers on a metered basis.

**TERRITORY**

Portions of the City of Scottsdale and the Town of Paradise Valley and vicinity, Maricopa County.

**RATES**

**Quantity Rates:**

**Per Month**

*Residential Customers:*

0 – 25,000 gallons . . . . . \$0.76 per 1,000 gallons  
 25,001 – 80,000 gallons . . . . . \$1.65 per 1,000 gallons  
 In excess of 80,000 gallons . . . . . \$2.18 per 1,000 gallons

*Commercial Customers:*

0 – 400,000 gallons . . . . . \$1.27 per 1,000 gallons  
 In excess of 400,000 gallons . . . . . \$1.56 per 1,000 gallons

*Other General Metered:*

For all usage . . . . . \$1.46 per 1,000 gallons

*Turf Facility Customers:*

For all usage . . . . . \$1.00 per 1,000 gallons  
 (Paradise Valley Country Club contract only –  
 0 – 2,500,000 gallons . . . . . \$0.85 per 1,000 gallons  
 In excess of 2,500,000 gallons . . . . . \$0.85 per 1,000 gallons)

*Resale Customers:*

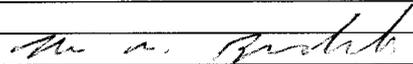
For all usage . . . . . \$1.46 per 1,000 gallons

**Service Charges:**

**Per Meter Per Month**

For 5/8-inch meter . . . . . \$ 9.50  
 For 3/4-inch meter . . . . . \$ 9.83  
 For 1-inch meter . . . . . \$ 15.85  
 For 1-1/2-inch meter . . . . . \$ 32.00  
 For 2-inch meter . . . . . \$ 51.00  
 For 3-inch meter . . . . . \$ 94.50  
 For 4-inch meter . . . . . \$157.25  
 For 6-inch meter . . . . . \$315.00

(continued)

ISSUED:	July 31, 2006		EFFECTIVE:	Aug 01, 2006
	Month Day Year			Month Day Year
	ISSUED BY:	Thomas Broderick, Manager, Rates and Regulatory Affairs		
		19820 N. 7 <sup>th</sup> St., Suite 201, Phoenix, Arizona		
		Decision No. 68858		

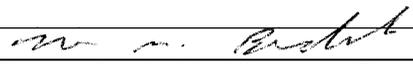
		10th Revised	SHEET NO.	1a
<u>Arizona-American Water Company</u>	<u>Cancelling</u>	9th Revised	SHEET NO	1a
(Name of Company)	<u>Paradise Valley Water District</u>			
	(Name of Service Area)			

**GENERAL METERED SERVICE**

(continued)

**SPECIAL CONDITIONS:**

1. Commercial customers are defined to be all non-residential general metered customers who do not fit into the definitions of Turf or Resale customers.
2. Turf customers are defined as those customers who own or operate a turf-related facility, subject to a water allotment established by the Arizona Department of Water Resources.
3. Resale customers are defined as those customers who purchase water for distribution and sale to other persons.
4. In addition to the collection of its regular rates and charges, the Company shall collect from its customers their proportionate share of any privilege, sales or use tax or other imposition or fee levied upon the utility service furnished by the Company.
5. A 1-1/2% late payment penalty charge will be applied to account balances not paid within 30 days after the postmark date of the bill.

ISSUED:	<u>Jul 31, 2006</u>		EFFECTIVE:	<u>Aug 01, 2006</u>
	Month Day Year			Month Day Year
	ISSUED BY:	<u>Thomas Broderick, Manager – Rates &amp; Regulatory Affairs</u>		
		<u>19820 N. 7<sup>th</sup> St., Suite 201, Phoenix, Arizona</u>		
		<u>Decision No. 68858</u>		

		5th Revised	SHEET NO.	<u>2</u>
Arizona-American Water Company		4th Revised	SHEET NO	<u>2</u>
(Name of Company)	Paradise Valley Water District			
	(Name of Service Area)			

**PRIVATE FIRE PROTECTION SERVICE**

**APPLICABILITY**

Applicable to all water service rendered for privately owned fire protection systems.

**TERRITORY**

Portions of the City of Scottsdale and the Town of Paradise Valley, and vicinity, Maricopa County.

**RATE PER SERVICE PER MONTH**

1% of the monthly minimum for a comparable sized meter connection, as shown on Sheet No. 1, General Metered Service, but not less than \$5.00 per month.

**SPECIAL CONDITIONS**

1. The fire protection service and connection shall be installed by the Utility or under the Utility's direction. The cost of the entire installation excluding the connection at the main shall be paid for by the applicant. Such payment shall not be subject to refund.
2. The installation housing, the detector type check valve and meter and appurtenances thereto shall be in a location mutually agreeable to the applicant and the Utility. Normally such installation shall be located on the premises of the applicant, adjacent to the property line. The expense of maintaining the fire protection facilities on the applicant's premises (including the vault, meter detector type check valves, backflow device and appurtenances) shall be paid for the by applicant.
3. All facilities paid for by the applicant shall be the sole property of the applicant. The Utility and its duly authorized agents shall have the right to ingress to and to egress from the premises for all purposes relating to said facilities.
4. The minimum diameter will be four inches, and the maximum diameter will be the diameter of the main to which service is connected.

(continued)

ISSUED:	<u>Aug 01, 1999</u>		EFFECTIVE:	<u>Aug 01, 1999</u>
	Month Day Year			Month Day Year
	ISSUED BY:	<u>David P. Stephenson, Director – Rate &amp; Revenue</u>		
		<u>19820 N. 7<sup>th</sup> St., Suite 201, Phoenix, Arizona</u>		
		<u>Decision No. 61831</u>		

		5th Revised	SHEET NO.	2a
Arizona-American Water Company		4th Revised	SHEET NO	2a
(Name of Company)	Paradise Valley Water District			
	(Name of Service Area)			

**PRIVATE FIRE PROTECTION SERVICE**

**SPECIAL CONDITIONS** (continued)

5. If a distribution main of adequate size to serve a private fire protection service in addition to all other normal services does not exist in the street, easement or right-of-way adjacent to the location to be served, then a main from the nearest existing main of adequate capacity shall be installed by the utility, or under the utility's direction, and the cost paid by the applicant. Such payment shall not be subject to refund.
6. Service hereunder is limited to private fire protection systems; connections for purposes other than fire protection purposes are not allowed. All facilities are to be installed according to the Utility's specifications and maintained to the Utility's satisfaction. The Utility may require the installation of a backflow prevention device and a standard detector type meter approved by the Insurance Services Office for protection against theft, leakage or waste of water.
7. No structure shall be build over the fire protection service and the customer shall maintain and safeguard the area occupied by the service from traffic and other hazardous conditions. The customer will be responsible for any damage to the fire protection service facilities.
8. Subject to the approval of the Utility, any change in the location or construction of the fire protection service as may be requested by public authority of the customer will be made by the Utility following payment to the Utility the entire cost of such change.
9. In the event of any unauthorized use of water other than fire protection purposes, charges shall be made therefore at the regular established rate for Resale Metered Service, and/or may be grounds for the utility disconnecting the fire protection service without liability to the Utility.
10. In addition to the collection of its regular rates and charges, the Company shall collect from its customers their proportionate share of any privilege, sales or use tax or other imposition or fee levied upon the utility service furnished by the Company.
11. A 1-1/2% late payment penalty charge will be applied to account balances not paid within 30 days after the postmark date of the bill.

ISSUED:	Aug 01, 1999		EFFECTIVE:	Aug 01, 1999
	Month Day Year			Month Day Year
ISSUED BY:	David P. Stephenson, Director – Rate & Revenue			
	19820 N. 7 <sup>th</sup> St., Suite 201, Phoenix, Arizona			
	Decision No. 61831			

Arizona-American Water Company	Cancelling	9th Revised	SHEET NO.	<u>3</u>
(Name of Company)	Paradise Valley Water District	8th Revised	SHEET NO	<u>3</u>
	(Name of Service Area)			

**CAP EXPENSE RECOVERY SURCHARGE**

**APPLICABILITY**

Applicable to all customers of Paradise Valley Water District.

**TERRITORY**

Portions of the City of Scottsdale and the Town of Paradise Valley, and vicinity, Maricopa County.

**RATES**

**Surcharge Rate:**

Per Customer

For all customers..... \$ 1.02 per 1,000 gallons

**SPECIAL CONDITIONS:**

1. The Company is authorized to recover \$118,436.00 over twenty-five years via a once a year surcharge applicable to all customer billings in January of each year.
2. The surcharge amount per customer is based on customers of record as of December 1, of each year.
3. The Company had 4,660 customers as of December 1, 1999.
4. The surcharge will appear on each customer bill as a separate charge.

ISSUED:	<u>Aug 01, 1999</u>		EFFECTIVE:	<u>Aug 01, 1999</u>
	Month Day Year			Month Day Year
	ISSUED BY:	<u>David P. Stephenson, Director – Rate &amp; Revenue</u>		
		<u>19820 N. 7<sup>th</sup> St., Suite 201, Phoenix, Arizona</u>		
		<u>Decision No. 61831</u>		

		7th Revised	SHEET NO.	4
Arizona-American Water Company	Cancelling	6th Revised	SHEET NO	4
(Name of Company)	Paradise Valley Water District			
	(Name of Service Area)			

**CAP SURCHARGE**

**APPLICABILITY**

Applicable to all customers of Paradise Valley Water District except Sales for Resale.

**TERRITORY**

Portions of the City of Scottsdale and the Town of Paradise Valley, and vicinity, Maricopa County.

**RATES**

**Surcharge Rate:**

Per Customer

**Residential Customers:**

In excess of 45,000 gallons ..... \$ 0.2009 per 1,000 gallons

**All Non-Residential Customers except Sale for Resale Customers:**

For all usage..... \$ 0.2009 per 1,000 gallons

**SPECIAL CONDITIONS:**

1. The Company is authorized to recover CAP related costs based on its CAP allocation of 3,231 AF.
2. Total annual CAP costs will be determined by summing: a) annual Municipal & Industrial (M & I) water service charges, b) monthly M & I operations, maintenance and replacement (OM&R) costs, c) Salt River Project (SRP) water delivery charges, d) SRP administrative charges, e) annual production cost savings, f) the overcollected or undercollected surcharge from the previous twelve months period, and g) amortization over 5 years of deferred CAP M & I water service capital charges.
3. The Company will annually file with the Commission by December 1 the proposed annual CAP surcharge for the next calendar year. The filing shall contain all documentation to support the proposed surcharge.
4. The annual CAP surcharge will be calculated based on the historic consumption of the applicable customers from the previous twelve months.
5. The revised CAP surcharge will be effective on January 1 of each year.
6. Total deferred CAP costs of \$533,115 as of 12/31/99 will be amortized over a period of 5 years.
7. Collection of the CAP surcharge will not generate a positive operating income to Paradise Valley Water Company. It is intended only to recover CAP related costs.
8. The CAP surcharge will appear on each applicable customer bill as a separate charge.

ISSUED:	Feb 01, 2006		EFFECTIVE:	Feb 01, 2006
	Month Day Year			Month Day Year
ISSUED BY:	Thomas Broderick, Manager – Rates & Regulatory Affairs			
	19820 N. 7 <sup>th</sup> St., Suite 201, Phoenix, Arizona			
	Decision No. 61831			

		Original	SHEET NO.	5
Arizona-American Water Company			SHEET NO	
(Name of Company)	Paradise Valley Water District			
	(Name of Service Area)			

**HIGH BLOCK USAGE SURCHARGE**

**APPLICABILITY**

Applicable to all Residential and Commercial customers on a metered basis.

**TERRITORY**

Portions of the City of Scottsdale and the Town of Paradise Valley and vicinity, Maricopa County.

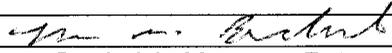
**RATES**

**Surcharge Rates:**

	<u>Per Customer</u>
<i>Residential Customers:</i>	
In excess of 80,000 gallons .....	\$2.15 per 1,000 gallons
<i>Commercial Customers:</i>	
In excess of 400,000 gallons .....	\$2.15 per 1,000 gallons
<i>Paradise Valley Country Club contract only</i>	85% of Commercial Rate
In excess of 2,500,000 gallons .....	\$1.8275 per 1,000 gallons

**SPECIAL CONDITIONS:**

1. Funds received from the High Block Usage Surcharge will be treated as Contributions in Aid of Construction while the fire flow projects are being built.
2. These Contributions will be used to reduce the balance of the fire flow project costs so that AFUDC is only applied to Net Investment, if at all, while the fire flow projects are being built.

ISSUED:	July 31, 2006		EFFECTIVE:	Aug 01, 2006
	Month Day Year			Month Day Year
	ISSUED BY:	Thomas Broderick, Manager, Rates and Regulatory Affairs		
		19820 N. 7 <sup>th</sup> St., Suite 201, Phoenix, Arizona		
		Decision No. 68858		

Arizona-American Water Company		Original	SHEET NO.	6
(Name of Company)	Paradise Valley Water District		SHEET NO	
	(Name of Service Area)			

**PUBLIC SAFETY FIRE FLOW SURCHARGE**

**APPLICABILITY**

Applicable to all Residential and Commercial customers on a metered basis.

**TERRITORY**

Portions of the City of Scottsdale and the Town of Paradise Valley and vicinity, Maricopa County.

**RATES**

Surcharge Rates:

Per Customer

*Residential Customers:*

In excess of 25,000 gallons ..... \$1.00 per 1,000 gallons

*Commercial Customers:*

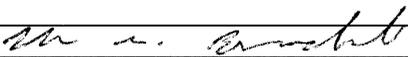
In excess of 400,000 gallons ..... \$1.00 per 1,000 gallons

*Paradise Valley County Club contract only:*

In excess of 2,500,000 gallons ..... \$0.85 per 1,000 gallons

**SPECIAL CONDITIONS:**

1. The Public Safety Fire Flow Surcharge will be effective from October 1, 2007 until recovery of fire flow projects are complete.
2. Funds received from the Public Safety Fire Flow Surcharge will be treated as Contributions in Aid of Construction while the fire flow projects are being built.
3. These Contributions will be used to reduce the balance of the fire flow project costs so that AFUDC is only applied to Net Investment, if at all, while the fire flow projects are being built.

ISSUED:	July 31, 2006		EFFECTIVE:	Aug 01, 2006
	Month Day Year			Month Day Year
	ISSUED BY:	Thomas Broderick, Manager, Rates and Regulatory Affairs		
		19820 N. 7 <sup>th</sup> St., Suite 201, Phoenix, Arizona		
		Decision No. 68858		

		Original	SHEET NO.	7
Arizona-American Water Company			SHEET NO	
(Name of Company)	Paradise Valley Water District			
	(Name of Service Area)			

GAIN ON SALE SURCREDIT

APPLICABILITY

Applicable to all general metered customers on a metered basis.

TERRITORY

Portions of the City of Scottsdale and the Town of Paradise Valley and vicinity, Maricopa County.

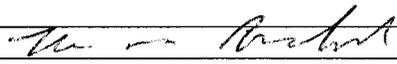
RATES

Surcredit Rates:

	<u>Per Meter Per Month</u>
For 5/8-inch meter .....	(\$ 0.90)
For 3/4-inch meter .....	(\$ 0.90)
For 1-inch meter .....	(\$ 1.53)
For 1-1/2-inch meter .....	(\$ 2.97)
For 2-inch meter .....	(\$ 4.70)
For 3-inch meter .....	(\$ 9.00)
For 4-inch meter .....	(\$14.94)
For 6-inch meter .....	(\$29.70)

SPECIAL CONDITIONS:

1. The surcredit is designed to return half the after tax gain on the sale of the Paradise Valley office to the customers, or \$240,840.42.
2. The amortization period is 36 months at which time the surcredit will end.

ISSUED:	July 31, 2006		EFFECTIVE:	Aug 01, 2006
	Month Day Year			Month Day Year
	ISSUED BY:	Thomas Broderick, Manager, Rates and Regulatory Affairs		
		19820 N. 7 <sup>th</sup> St., Suite 201, Phoenix, Arizona		
		Decision No. 68858		

		4th Revised	SHEET NO.	8
Arizona-American Water Company		Cancelling	SHEET NO.	8
(Name of Company)	Paradise Valley Water District			
	(Name of Service Area)			

**SERVICE CHARGES**

**APPLICABILITY**

Applicable to all establishment, reestablishment and reconnection charges, meter testing fees, non-sufficient fund checks, re-reading meters, deposit and deposit interest and deferred payments.

**TERRITORY**

Portions of the City of Scottsdale and the Town of Paradise Valley, and vicinity, Maricopa County.

**RATES**

**Establishment Charge:**

A non-refundable charge of \$20 will be required whenever service is established for the first time by any applicant at the requested location. This charge only applies to the initial establishment of service at the requested location and does not apply to reestablishment or re-connections. (R14-2-403.D.1).

**Establishment Charge (after hours):**

A non-refundable charge of \$40 will be required whenever service is established for the first time by any applicant at the requested location. This charge only applies to the initial establishment of service at the requested location and does not apply to reestablishment or re-connections (R14-2-403.D.1). This after hours charge is applicable whenever a customer requests the service be turned on after the Company's normal business hours.

**Reestablishment Charge:**

A charge of the months off the system times the monthly minimum will be required whenever an existing customer requests termination of service at their established location and then within a twelve month period requests to have the service re-established at the same location (R14-2-403.D.1).

**Reconnection Charge:**

If a customer makes a request of the Company to restore water service previously disconnected for non-payment of service, the Company is authorized to charge a service fee of \$30 for reconnection of service (R14-2-403.D.1).

(continued)

ISSUED:	Aug 01, 1999		EFFECTIVE:	Aug 01, 1999
	Month Day Year			Month Day Year
ISSUED BY:	David P. Stephenson, Director – Rate & Revenue			
	19820 N. 7 <sup>th</sup> St., Suite 201, Phoenix, Arizona			
	Decision No. 61831			

		4th Revised	SHEET NO.	8a
Arizona-American Water Company	Cancelling	3rd Revised	SHEET NO	8a
(Name of Company)	Paradise Valley Water District			
	(Name of Service Area)			

**SERVICE CHARGES**

RATES (continued):

Reconnection Charge (after hours):

If a customer makes a request of the Company to restore water service previously disconnected for non-payment of service, during other than normal business hours, the Company is authorized to charge a service fee of \$60 for reconnection of service (R14-2-403.D.1).

Meter Testing:

Upon request of the customer, the Company shall make a test of the customer's meter and shall advise the customer that he may be present. If the meter has been tested within the last twelve months, the Company will charge the customer a testing fee of \$15.00 which will be refunded to the customer whenever the meter proves to be in excess of three percent (3%) in error (R14-2-408.F.1).

Non-sufficient Funds Check Fee:

A \$12.00 fee will be charged by the Company for all returned checks or dishonored items (R14-2-409).

Re-read Charge:

A charge of \$10 will be required of any customer who requests a re-read of their meter for the current billing period. The charge will be returned if a determination is made that the meter was incorrectly read by the Company (R14-2-408.C.2).

Deposits:

Deposits for new services and terminated services due to delinquent or non-payment may be required by the Company. Amounts herein required will be determined in accordance with Commission Rule R14-2-403.B.7.

Deposit Interest:

Interest on deposits will be made in accordance with Commission Rule R14-2-403.B.3.

Deferred Payments:

The Company may include a finance charge of 1 1/2% per month in all deferred payment plans. Such finance charge will be in accordance with Commission Rule R14-2-409.G.6.

ISSUED:	Aug 01, 1999		EFFECTIVE:	Aug 01, 1999
	Month Day Year			Month Day Year
	ISSUED BY:	David P. Stephenson, Director – Rate & Revenue		
		19820 N. 7 <sup>th</sup> St., Suite 201, Phoenix, Arizona		
		Decision No. 61831		

		4th Revised	SHEET NO.	9
Arizona-American Water Company		Cancelling	SHEET NO	9
(Name of Company)	Paradise Valley Water District			
	(Name of Service Area)			

**SERVICE LINE & METER INSTALLATION CHARGES**

**APPLICABILITY**

Applicable to all new service line and meter installations.

**TERRITORY**

Portions of the City of Scottsdale and the Town of Paradise Valley and vicinity, Maricopa County.

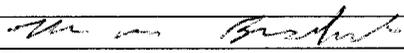
**RATES**

Prior to installing new services the customer shall pay the Company a service installation charge in accordance with the following schedule.

<u>Service Size</u>	<u>Installation Charge</u>
5/8"	480.00
3/4"	560.00
1"	650.00
1 1/2"	895.00
2"	1,555.00
3"	2,235.00
4"	3,440.00
6"	6,195.00

**CONDITIONS**

1. An applicant for service shall be responsible for the cost of installing all customer piping up to the meter.
2. The above installation charge is refundable to the applicant by an annual credit of one-tenth of the amount received, said credit to be applied upon the water bill rendered in November of each year until fully paid, for each service and meter for which the advance was made, and said credit to commence the month of November for all such advances received during the preceding year.
3. In addition to the collection of its regular rates and charges, the Company shall collect from its customers their proportionate share of any privilege, sales or use tax or other imposition or fee levied upon the utility service furnished by the Company.

ISSUED:	July 31, 2006		EFFECTIVE:	Aug 01, 2006
	Month Day Year			Month Day Year
	ISSUED BY:	Thomas Broderick, Manager, Rates and Regulatory Affairs		
		19820 N. 7 <sup>th</sup> St., Suite 201, Phoenix, Arizona		
		Decision No. 68858		

		3rd Revised	SHEET NO.	<u>10</u>
Arizona-American Water Company		2nd Revised	SHEET NO.	<u>10</u>
(Name of Company)	Paradise Valley Water District			
	(Name of Service Area)			

**BACKFLOW/CROSS-CONNECTION TARIFF**

**APPLICABILITY**

All customers served by Paradise Valley Water Company

**TERRITORY**

Portions of the City of Scottsdale and the Town of Paradise Valley, and vicinity, Maricopa County.

**PURPOSE**

To protect the public water supply from the possibility of contamination caused by backflow through unprotected cross-connections by requiring installation and periodic testing of backflow-prevention assemblies pursuant to provisions of Arizona Administrative Code (A.A.C.) R14-2405.B.6 and A.C.C. R18-4-232.

**BACKFLOW/CROSS-CONNECTION CONDITIONS:**

In compliance with the rules and regulations of the Arizona Corporation Commission and the Arizona Department of Environmental Quality (ADEQ), specifically A.A.C. R14-2-405.B.6 and A.A.C. R18-4-232 relating to backflow prevention:

1. Paradise Valley Water Company may require a customer to pay for and install a backflow-prevention assembly if A.A.C. R18-4-232.B or C applies.
2. A backflow-prevention assembly required to be installed by the customer under paragraph 1 of this tariff shall comply with the requirements set forth in A.A.C. R18-4-232.D and E.
3. Subject to the provisions of A.A.C. R14-2-407 and 410 and in accordance with paragraphs 1 and 7 of this tariff, Paradise Valley Water Company may terminate service or deny service to a customer who fails to install a backflow-prevention assembly as required by this tariff.
4. Paradise Valley Water Company shall give any existing customer who is required to install a backflow-prevention assembly written notice of said requirement. If A.A.C. R14-2-410.B1.a. is not applicable, the customer shall be given thirty (30) days in which to comply with this notice. If the customer can show good cause as to why he cannot install the device within thirty (30) days, Paradise Valley Water Company or Commission Staff may suspend this requirement for a reasonable period of time.

(continued)

ISSUED:	Aug 01, 1999		EFFECTIVE:	Aug 01, 1999
	Month Day Year			Month Day Year
ISSUED BY:	David P. Stephenson, Director – Rate & Revenue			
	19820 N. 7 <sup>th</sup> St., Suite 201, Phoenix, Arizona			
	Decision No. 61831			

		3rd Revised	SHEET NO.	10a
Arizona-American Water Company		Cancelling	SHEET NO.	10a
(Name of Company)	Paradise Valley Water District			
	(Name of Service Area)			

**BACKFLOW/CROSS-CONNECTION TARIFF**

**BACKFLOW/CROSS-CONNECTION CONDITIONS (continued):**

5. Testing shall be in conformance with the requirements of A.A.C. R18-4-232F. Paradise Valley Water Company may require the customer to pay to have the backflow-prevention assembly tested as long as the Company does not require an unreasonable number of tests. Paradise Valley Water Company may also require the customer to pay for repairs to a backflow-prevention assembly.
6. The customer shall provide Paradise Valley Water 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);
  - d. description of repairs and recommendations for repairs made by tester; and
  - e. the tester's name and certificate number.
- 7A. In the event the backflow-prevention assembly does not function properly or fails any test, and a hazard as contemplated under A.A.C. R14-2-410.B.1.a. exists, Paradise Valley Water Company may terminate service immediately and without notice. The backflow-prevention assembly shall be repaired or replaced by the customer and retested before service is restored.
- 7B. In the event the backflow-prevention assembly does not function properly or fails any test, or in the event that a customer fails to comply with the testing requirement, and A.A.C. R14-2-410.B.1.a. is not applicable, the backflow-prevention assembly shall be repaired or replaced within fourteen (14) days of the initial discovery of the deficiency in the assembly or its function. Failure to remedy the deficiency or disjunction of the assembly, or failure to retest, shall be grounds for termination of water service in accordance with A.A.C. R14-2-410.

ISSUED:	Aug 01, 1999		EFFECTIVE:	Aug 01, 1999
	Month Day Year			Month Day Year
ISSUED BY:	David P. Stephenson, Director – Rate & Revenue			
	19820 N. 7 <sup>th</sup> St., Suite 201, Phoenix, Arizona			
	Decision No. 61831			