

ORIGINAL



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February 22, 2008

**HAND DELIVERY**

Arizona Corporation Commission  
**DOCKETED**

**FEB 22 2008**

Ms. Shaunna Lee-Rice  
Arizona Corporation Commission  
Docket Control  
1200 West Washington Street  
Phoenix, Arizona 85007

DOCKETED BY	<i>nr</i>
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Re: Utility Source, LLC; Docket No WS-04235A-06-0303; Decision No. 70140;  
Compliance Filing

Dear Ms. Lee-Rice:

The Subject Decision, among other things, required the Company to provide Notice to its customers of the rate increase in a form approved by Staff. Enclosed herewith please find 15 copies of that Notice.

The Company is of the opinion this filing completes all compliance filing requirements under the Decision, except for the on-going annual affidavit regarding property taxes to be filed with each Annual Report. If the Staff is of a differing opinion, please contact the undersigned at your earliest convenience.

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

Sincerely,

Richard L. Sallquist

**RECEIVED**  
2008 FEB 22 A 10:48  
AZ CORP COMMISSION  
DOCKET CONTROL

Enclosure

cc:

Lonnie McCleve  
Tom Bourassa

1 Richard L. Sallquist  
Sallquist, Drummond & O'Connor, P.C.  
2 4500 South Lakeshore Drive  
Suite 339  
3 Tempe, Arizona 85282  
Phone: (480) 839-5202  
4 Fax: (480) 345-0412  
Attorneys for Applicant

5  
6 **BEFORE THE ARIZONA CORPORATION COMMISSION**

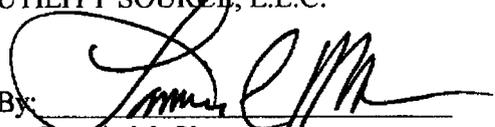
7 IN THE MATTER OF THE APPLICATION OF )  
UTILITY SOURCE, L.L.C. FOR A ) DOCKET NO. WS-04235A-06-0303  
DETERMINATION OF THE CURRENT FAIR )  
8 VALUE OF ITS UTILITY PROPERTY AND ) **AFFIDAVIT OF MAILING**  
FOR AN INCREASE IN ITS WATER AND )  
9 WASTEWATER RATES AND CHARGES FOR )  
UTILITY SERVICES )

10 STATE OF ARIZONA )  
11 )ss  
County of Maricopa )

- 12  
13 1. I am Lonnie McCleve, Manager of Utility Source, L.L.C. My business address is 721  
14 E. San Pedro, Gilbert, Arizona 85234.  
15 2. On February 16 2008, I caused the attached Notice of Increase as required by  
16 Decision No. 70140, dated January 23, 2008, and as approved by Staff in this Docket,  
17 to be mailed by first class mail, postage prepaid, to all customers of the Company.  
18 3. Further affiant sayeth naught.

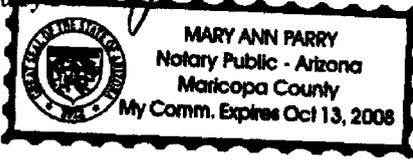
19 DATED this 19 day of February, 2008.

20 UTILITY SOURCE, L.L.C.

21 By: 

22 Lonnie McCleve  
23

1 The foregoing instrument was acknowledged before me this 19 day of February, 2008,  
2 by Lonnie McCleve.

3  
4 *Mary Ann Parry*  
Notary Public  


5 My Commission Expires:  
6 10-13-2008

7 Original and fifteen copies of the  
8 foregoing filed this \_\_\_ day  
9 of February, 2008 with:

10 Docket Control  
11 Arizona Corporation Commission  
12 1200 West Washington  
13 Phoenix, Arizona 85007

14 A copy of the foregoing filed  
15 this \_\_\_ day of February, 2008 to:

16 Hearing Division  
17 Arizona Corporation Commission  
18 1200 West Washington  
19 Phoenix, Arizona 85007

20 Utilities Division  
21 Arizona Corporation Commission  
22 1200 West Washington  
23 Phoenix, Arizona 85007

Legal Division  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007

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# UTILITY SOURCE, LLC

## IMPORTANT NOTICE REGARDING AN INCREASE IN UTILITY RATES

Utility Source, LLC filed an application with the Arizona Corporation Commission (ACC) for an approximate 179 percent increase in water revenues and an approximate 122 percent increase in sewer revenues. After hearing and evaluating all the evidence, the ACC authorized an approximate 111 percent (or \$23.10) monthly increase for an average residential customer with a 5/8" meter who uses approximately 4,740 gallons of water per month, and an approximate 107 percent (or \$22.07) increase in sewer rates per month. As customers were advised in a previous notice, the current rates were artificially set too low by the Company without Commission approval and were determined not to be sufficient to cover the on-going costs of providing service. The exact increase in your monthly bill will vary depending on the customer class to which you belong, the amount of your monthly consumption and the size of your water meter. The following rates and charges will be effective for services provided on and after February 1, 2008:

### WATER DIVISION

#### MONTHLY USAGE CHARGE

Meter Size	Gallons Included	Monthly Minimum
5/8 X 3/4	0	\$ 18.50
3/4 Inch	0	\$ 18.20
1 Inch	0	\$ 46.50
1 1/2 Inch	0	\$ 92.50
2 Inch	0	\$ 148.00
3 Inch	0	\$ 296.00
4 Inch	0	\$ 462.50
6 Inch	0	\$ 925.00

#### COMMODITY RATES (per 1,000 gallons)

5/8" X 3/4" Meter (Residential and Commercial)		<u>Per 1,000 Gallons</u>
0 to 4,000 Gallons	\$	4.80
4,001-9,000 Gallons	\$	7.16
Over 9,000 Gallons	\$	8.60
3/4" Meter (Residential and Commercial)		<u>Per 1,000 Gallons</u>
0 to 4,000 Gallons	\$	4.80
4,001-9,000 Gallons	\$	7.16
Over 9,000 Gallons	\$	8.60
1 Inch Meter (Residential and Commercial)		<u>Per 1,000 Gallons</u>
0 to 27,000 Gallons	\$	7.16
Over 27,000 Gallons	\$	8.60

1-1/2 Inch Meter (Residential and Commercial)  
 0 to 57,000 Gallons  
 Over 57,000 Gallons

<b>Per 1,000 Gallons</b>	
\$	7.60
\$	8.60

2 Inch Meter (Residential and Commercial)  
 0 to 94,000 Gallons  
 Over 94,000 Gallons

<b>Per 1,000 Gallons</b>	
\$	7.16
\$	8.60

3 Inch Meter (Residential and Commercial)  
 0 to 195,000 Gallons  
 Over 195,000 Gallons

<b>Per 1,000 Gallons</b>	
\$	7.16
\$	8.60

4 Inch Meter (Residential and Commercial)  
 0 to 309,000 Gallons  
 Over 309,000 Gallons

<b>Per 1,000 Gallons</b>	
\$	7.16
\$	8.60

6 Inch Meter (Residential and Commercial)  
 0 to 615,000 Gallons  
 Over 615,000 Gallons

<b>Per 1,000 Gallons</b>	
\$	7.16
\$	8.60

**Multi-Family Mobile Home and Commercial**

N/A

**Irrigation Meters**

<b>Per 1,000 Gallons</b>	
\$	9.26

**Standpipe or Bulk Water**

<b>Per 1,000 Gallons</b>	
\$	10.35

**Construction Water**

<b>Per 1,000 Gallons</b>	
\$	10.35

**OTHER WATER RATES**

**Service Line and Meter Advance at time of initial service  
 (Refundable pursuant to A.A.C. R14-2-405)**

**Meter Size**

5/8 x3/4 Inch  
 3/4 Inch  
 1 Inch  
 1 1/2 Inch  
 2" Turbine Meter  
 2" Compound Meter  
 3" Turbine Meter  
 3" Compound Meter

<b>Per Meter</b>	
\$	520.00
\$	575.00
\$	660.00
\$	900.00
\$	1,525.00
\$	2,320.00
\$	2,275.00
\$	3,110.00

4" Turbine Meter	\$	3,360.00	
4" Compound Meter	\$	4,475.00	
6" Turbine Meter	\$	6,035.00	
6" Compound Meter		\$	8,050.00

**WATER SERVICE CHARGES**

		<u>Charge</u>
Establishment of Service	\$	20.00
Establishment of Service (After Hours)	\$	40.00
Re-establishment of Service	Per Rule A.A.C. R-14-403(D)	
Reconnection of Service	\$	50.00
Reconnection (Delinquent and After Hours)	\$	40.00
Charge for Moving Meter	Cost	
After Hours Service Charge	\$	40.00
Minimum Deposit Requirement	Per Rule A.A.C. R-14-403(B)	
Deposit Interest	Per Rule	
Meter Test	\$	20.00
Meter Reread	\$	10.00
Charge for NSF Check	\$	20.00
Late Payment Charge for Delinquent Bill	Per Rule A.A.C. R-14-403(D)	
Deferred Payment Finance Charge	Per Rule A.A.C. R-14-403(B)	
Main Extension & Additional Facility Agreements	Per Rule A.A.C. R-14-406(B)	

**EWER DIVISION**

**MONTHLY USAGE CHARGE**

Rate per 1,000 gallons water usage:		
Residential	\$	5.84
Car Washes, Laundromats, Commercial, Manufacturing	\$	5.71
Hotels and Motels	\$	7.66
Restaurants	\$	9.46
Industrial Laundries	\$	8.39
Waste Haulers	\$	171.20
Restaurant Grease	\$	149.80
Treatment Plant Sludge	\$	171.20
Mud Sump Waste	\$	535.00

**SEWER SERVICE CHARGES**

		<u>Charge</u>
Establishment of Service	\$	20.00
Establishment of Service (After Hours)	\$	40.00
Re-establishment of Service	Per Rule A.A.C. R-14-603(D)	
Reconnection of Service	\$	50.00
Reconnection (Delinquent and After Hours)	\$	40.00
Minimum Deposit Requirement	Per Rule A.A.C. R-14-603(B)	

Deposit Interest		Per Rule
Charge for NSF Check	\$	20.00
Deferred Payment Finance Charge		Per Rule A.A.C. R-14-608(F)
Late Payment, Per Month		Per Rule A.A.C. R-14-608(F)
Service Calls, Per Hour (After Hours Only)	\$	40.00
Service Lateral Connection Charges:		
Residential	\$	500.00
Commercial		Cost
Main Extension Tariff		Cost