

ORIGINAL



0000082152

Docket No. W-01580A-07-0707

Tonto Village Water Company Response to 1st Deficiency Notice

2682

February 25, 2008

- 1.1 The invoice for the MAP fee for 2006 was paid in January, 2006 and inadvertently omitted from the original application. This invoice is included in this supplement. The correct total is as reported in the application, \$2,248.
- 1.2 The allocation for repairs and maintenance has been amended and the corrected pages are included. The new total for Repair is \$12,608. The new total for Outside Services is \$3,350. The total for Repairs is reduced because one invoice for \$758.52 was inadvertently included twice. The new total for page 19, TOTAL OPERATING EXPENSES, is \$43,871.
- 1.3 See item 1.1 above.
- 1.4 The proposed minimum charge has been reduced from \$24.00 to \$23.00. The proposed revenue should now be correct. A new copy of page 9 is included.
- 1.5 Items 1.5 through 1.10 involve an error in the account #304 which was corrected and rippled through the affected pages. Replacement pages are included for page 15, 19, 20, 21. Page 14 was correct and not included.
- 1.11 New water source will not be in operation by April 30, 2008. The Company has requested that the requirement for a new water source be revoked due to a substantial change in circumstances from the time of the last rate increase or in the alternative, that the requirement be suspended. However, the Company has filed an application with WIFA for funding preliminary engineering design and construction.
- 1.12 The amount of water pumped was incorrect. The corrected amounts are shown on the copy of page 18 included.
- 1.13 The lab doing the testing for the Company charges \$350 to perform the HAA (\$200) and THM (\$150) tests. The frequency has yet to be established by ADEQ. The Company is waiting for ADEQ to decide how often the tests must be performed.
- 1.14 At the end of 2006, the Company had 190 active accounts. There are 6 meters in the ground that have their valves padlocked at the property owner's request or because of failure to pay their bill. Therefore, there are 196 meters in the ground and 190 active accounts.
- 1.15 When a service line is already installed and a customer requests service and a meter is not present, the Company installs a meter and the customer pays only the Account Establishment Fee and the Security Deposit. No other charges are made. If it is a first time service connection, the AIC deposit is collected. Service lines have already been run to the property line for all lots.

Arizona Corporation Commission
DOCKETED

FEB 25 2008

DOCKETED BY NR

AZ CORP COMMISSION
DOCKET CONTROL

2008 FEB 25 P 12:46

RECEIVED



**ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY
MONITORING ASSISTANCE PROGRAM
ANNUAL SAMPLING FEE INVOICE**

* Pursuant to A.R.S. § 49-113, interest will be charged if full payment is not received by the specified due date. If you dispute the amount listed, please contact ADEQ as soon as possible. To reduce interest costs on an unpaid invoice, you may remit an amount that you believe is not in dispute. However, if nonpayment is due to willful neglect, you may suffer an additional five percent penalty of up to twenty-five percent of the amount due for each month or fraction of a month the amount is past due.

If you have any questions about your invoice, contact W. Scott Steinhagen at (602) 771-4445 or Mike Hill at (602) 771-4518 or toll-free within Arizona at (800) 234-5677, extension 771-4445.

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Owner Id #: 10021	Invoice Number 62844
To: TONTO VILLAGE WATER CO PO BOX 9116 MESA, AZ 85204 <i>ck# 1124 1/20/06</i>	Public Water System ID #: 04023
	Billing for Calendar Year: 2006
	Due Date: January 30, 2006
	Total Amount Due \$ 725.45
	Amount Paid \$ 725.45

↑ Keep the top portion for your records. ↑

ADEQ Federal Tax #866004791

↓ THIS ENTIRE BOTTOM PORTION...

Annual Sampling Fee Invoice

Invoice # 62844

TONTO VILLAGE WATER CO PO BOX 9116 MESA, AZ 85204 04023 - Tonto Village Water Co	Owner Id #: 10021	MAP
	Billing for Calendar Year: 2006	
	Due Date: 01/30/2006	

ANNUAL SAMPLING FEE WORKSHEET

For the past several years, the MAP Annual invoice has included a credit to refund surplus dollars above the cost, at the rate of fifty cents (50¢) per connection. This process is changing. Instead, a refund check will be issued to all eligible water systems by April 1, 2006. We ask you to be patient and wait until after April 1 to call with questions on the refund.

Base Fee (all MAP systems)	\$	250.00
Fee per Connection in 2006..... 185 connections X \$ 2.57	\$	475.45
Total Sampling Fee	\$	725.45
Plus Paid Interest Charges and/or Other Adjustments	\$	0.00
Plus Unpaid Interest Charges as of 12/15/2005	\$	0.00
Minus Payments Received and/or Other Adjustments	\$	0.00
Amount Due	\$	725.45
Amount received by ADEQ (Make check payable to State of Arizona)	\$	

* A \$12 fee will be charged for any check not honored by the bank.

Do not write below this line

Make your check or money order payable to **State of Arizona**
THIS FORM MUST ACCOMPANY YOUR REMITTANCE.

Mail to: Arizona Department of Environmental Quality
PO Box 18228
Phoenix, AZ 85005-8228

Check Number:
Received:
Postmarked:
Entered:

MW1 12/15/2005
WM300G6

CURRENT AND PROPOSED RATES AND CHARGES

CUSTOMER CLASS: Residential Commercial Industrial
 Irrigation All Other, specify _____

MINIMUM OR SERVICE CHARGES	CURRENT RATES		PROPOSED RATES	
	\$	GALLONS	\$	GALLONS
5/8" x 3/4" Meter	10.00	for zero gallons	23.00	for zero gallons
3/4" Meter	12.00	for zero gallons	30.00	for zero gallons
1" Meter	20.00	for zero gallons	50.00	for zero gallons
1-1/2" Meter	40.00	for zero gallons	100.00	for zero gallons
2" Meter	65.00	for zero gallons	150.00	for zero gallons
3" Meter	120.00	for zero gallons	300.00	for zero gallons
4" Meter	200.00	for zero gallons	500.00	for zero gallons
6" Meter	400.00	for zero gallons	1,000.00	for zero gallons

GALLONS IN EXCESS OF MINIMUM Commodity Charge in Excess of Minimum (Charge Per 1,000 Gallons)	Current Rates		Proposed Rates	
	Rate	Gallons	Rate	Gallons
	First Tier	\$ 1.05	Up to <u>3,000</u>	\$ 1.20
Second Tier	\$ 2.15	<u>3,001</u> to <u>7,000</u>	\$ 2.25	<u>3,001</u> to <u>7,000</u>
Third Tier	\$ 3.50	Over <u>7,000</u>	\$ 4.00	Over <u>7,000</u>
Flat Rate	\$ N/A	Per Month	\$ N/A	Per Month

Note: If rates and charges vary across customer classes, duplicate the form and complete one for each rate class. (e.g., residential, commercial) unless "All" is checked.

UTILITY PLANT IN SERVICE

Acct. No.	Description	Original Cost	Accumulated Depreciation	OCLD
		<i>Column A</i>	<i>Column B</i>	<i>Column C**</i>
01	Organization	0	0	0
302	Franchises	0	0	0
303	Land & Land Rights	3,466	N/A	3,466
304	Structures & Improvements	3,404	2,634	770
307	Wells & Springs	9,340	7,926	1,414
311	Pumping Equipment	13,935	13,247	688
320	Water Treatment Equipment	0	0	0
320.1	Water Treatment Plants	0	0	0
320.2	Solution Chemical Feeders	3,312	3,312	0
330	Distribution Reservoirs & Standpipes	0	0	0
330.1	Storage Tanks	0	0	0
330.2	Pressure Tanks	26,431	23,755	2,676
331	Transmission & Distrib. Mains	46,101	37,284	8,817
333	Services	0	0	0
334	Meters & Meter Installations	7,546	7,546	0
335	Hydrants	0	0	0
336	Backflow Prevention Devices	0	0	0
339	Other Plant & Misc. Equipment	0	0	0
340	Office Furniture & Equipment	0	0	0
340.1	Computers & Software	2,079	2,079	0
341	Transportation Equipment	0	0	0
343	Tools, Shop & Garage Equip.	0	0	0
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	0	0	0
346	Communication Equipment	0	0	0
347	Miscellaneous Equipment	0	0	0
348	Other Tangible Plant	0	0	0
	TOTAL WATER PLANT	115,614	97,783	17,831

* Must be the same as the amount reported on page 20

** Column C = Column A - Column B

WATER USE DATA SHEET

NAME OF COMPANY	TONTO VILLAGE WATER COMPANY
ADEQ Public Water System Number:	04023

	MONTH/YEAR (12 Months of Test Year)	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)
1.	January 2006	184	404.19	417.28
2.	February 2006	185	450.74	523.15
3.	March 2006	185	412.34	448.59
4.	April 2006	186	538.95	578.76
5.	May 2006	186	773.75	877.71
6.	June 2006	186	1,078.73	1,120.41
7.	July 2006	187	662.23	706.95
8.	August 2006	187	530.96	592.14
9.	September 2006	188	560.84	597.86
10.	October 2006	187	433.31	473.06
11.	November 2006	188	395.34	461.15
12.	December 2006	190	395.4	477.75
	TOTAL	N/A	6,636.78 *	7,254.81 **

Is the water utility located in an ADWR Active Management Area (“AMA”)?

YES NO

Does the Company have an ADWR gallons per capita day (“GPCD”) requirement?

YES NO

If Yes, please provide the GPCD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system. For explanation of any of the above, please contact the Engineering Supervisor at 602-542-7277.

* This number must be equal to the number entered on Page 6, “sold gallons.”

** Gallons pumped cannot equal or be less than the gallons sold.

Acct. No.	OPERATING REVENUES	PRIOR YEAR	TEST YEAR
461	Metered Water Revenue	26,127	35,155
460	Unmetered Water Revenue	0	0
474	Other Water Revenues	3,324	4,235
	TOTAL OPERATING REVENUES	29,451	39,390
	OPERATING EXPENSES		
601	Salaries and Wages (See page 1, item 4)	6,600	6,600
610	Purchased Water (See page 1, item 5)	0	0
615	Purchased Power (See page 1, item 6)	4,329	3,655
618	Chemicals	636	1,865
620	Repairs and Maintenance (See page 1, item 7)	8,140	12,608
621	Office Supplies and Expense	2,159	2,359
630	Outside Services (See page 1, item 8)	4,735	3,350
635	Water Testing (See page 1, item 9)	415	2,248
641	Rents	0	
650	Transportation Expenses	560	3,301
657	Insurance - General Liability	0	0
659	Insurance - Health and Life	0	0
666	Regulatory Commission Expense - Rate Case	0	0
675	Miscellaneous Expense	325	318
403	Depreciation Expense (From page 20)	5,539	5,676
408	Taxes Other Than Income	620	489
408.11	Property Taxes (See page 1, item 10)	1,401	1,368
409	Income Tax	45	45
	TOTAL OPERATING EXPENSES	35,504	43,882
	OPERATING INCOME/(LOSS)	(6,053)	(4,492)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	0	0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility Expenses	0	0
427	Interest Expense	0	0
	TOTAL OTHER INCOME/(EXPENSE)	0	0
	NET INCOME/(LOSS)	(6,053)	(4,492)

Note: Do not include sales tax in revenue or expense. Please refer to the checklist on page 1 for the required attachments related to this schedule.

* This number must be identical to the number entered on page 6 "total operating revenues."

CALCULATION OF DEPRECIATION EXPENSE

Acct. No	Description	Original Cost	Depreciation Percentage	Depreciation Expense
		<i>Column A</i>	<i>Column B</i>	<i>Column C*</i>
301	Organization	0		0
302	Franchises	0		0
303	Land & Land Rights	3,466		0
304	Structures & Improvements	3,404	3.330	113
307	Wells & Springs	9,340	3.330	311
311	Pumping Equipment	13,935	12.500	1,742
320	Water Treatment Equipment	0		0
320.1	Water Treatment Plants	0	3.330	0
320.2	Solution Chemical Feeders	3,312	20.000	662
330	Distribution Reservoirs & Standpipes	0		0
330.1	Storage Tanks	0	2.220	0
330.2	Pressure Tanks	26,431	5.000	1,322
331	Transmission & Distrib. Mains	46,101	2.000	922
333	Services	0	3.330	0
334	Meters & Meter Installations	7,546	8.330	604
335	Hydrants	0	2.000	0
336	Backflow Prevention Devices	0	6.670	0
339	Other Plant & Misc. Equipment	0	6.670	0
340	Office Furniture & Equipment	0	6.670	0
340.1	Computers & Software	2,079	20.000	0
341	Transportation Equipment	0	20.000	0
343	Tools, Shop & Garage Equip.	0	5.000	0
344	Laboratory Equipment	0	10.000	0
345	Power Operated Equipment	0	5.000	0
346	Communication Equipment	0	10.000	0
347	Miscellaneous Equipment	0	10.000	0
348	Other Tangible Plant	0		0
	TOTAL WATER PLANT	115,614		5,676

Note: Use Test Year ending balances for column 1, and approved depreciation rates from the prior rate case in column 2.

*Column C = Column A x Column B

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF TEST YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	(3,723)	(8,638)
134	Working Funds	0	0
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	2,469	2,894
146	Notes/Receivables from Associated Companies	0	0
151	Plant Material and Supplies	0	0
162	Prepayments	1,363	1,758
174	Miscellaneous Current and Accrued Assets	0	0
	TOTAL CURRENT AND ACCRUED ASSETS	109	(3,986)
	FIXED ASSETS		
101	Utility Plant in Service	114,703	115,614
103	Property Held for Future Use	0	0
105	Construction Work in Progress	0	0
108	Accumulated Depreciation - Utility Plant ("AD-UP")	(92,085)	(97,783)
121	Non-Utility Property	0	0
122	Accumulated Depreciation - Non Utility ("AD-NU")	0	0
	TOTAL FIXED ASSETS	22,618	17,831
	TOTAL ASSETS	22,727	13,845

Note. Total Assets on this page should equal the sum of Total Liabilities and Total Capital on page 22. Also, numbers in parentheses should be subtracted. For example, Accounts 108 and 122 should be subtracted from Total Fixed Assets.

** Must equal page 15, original cost*

*** Must equal page 15, accumulated depreciation*