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BEFORE THE ARIZONA CORPORATION COMMISSION

MIKE GLEASON
Chairman
WILLIAM A. MUNDELL
Commissioner
JEFF HATCH-MILLER
Commissioner
KRISTIN K. MAYES
Commissioner
GARY PIERCE
Commissioner

Arizona Corporation Commission

DOCKETED

DEC 23 2008

DOCKETED BY	ne
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IN THE MATTER OF THE APPLICATION
OF GROOM CREEK WATER USERS
ASSOCIATION FOR AN INCREASE IN
RATES

IN THE MATTER OF THE APPLICATION
OF GROOM CREEK WATER USERS
ASSOCIATION FOR APPROVAL OF
FINANCING AND RATE CHANGES

DOCKET NO. W-01865A-07-0385

DOCKET NO. W-01865A-07-0384
DECISION NO. 70661
ORDER

Open Meeting
December 19, 2008
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

- Groom Creek Water Users Association ("GCWUA") is certificated as a public service corporation to provide water service to residents within the State of Arizona.
- On December 3, 2008, Groom Creek Water User's Association ("GCWUA") filed a compliance filing in the above-referenced dockets requesting approval of a Low-Income Assistance Program Tariff as required by Decision No. 70627 issued November 19, 2008. GCWUA is requesting an expedited implementation date of January 1, 2009, which is the effective date of the rate increase approved in the same Decision.
- Due to the Commission's concern with the potential effects of the large rate increase on low-income and fixed-income GCWUA customers, it ordered in Decision No. 70627 that GCWUA customers at or below two times the Federal Poverty Line be held harmless from the

1 rate increase and required GCWUA to file a low-income tariff for Commission review and
2 possible approval by December 31, 2008. Staff was asked to assist GCWUA in developing such a
3 tariff which resulted in GCWUA's above-referenced filing.

4 4. Staff has compared GCWUA's proposed low-income tariff language with other
5 utilities' low-income tariffs and found that similar criteria and language were utilized in
6 implementation of those low-income programs. Staff also believes the proposed tariff with the
7 changes recommended below is comprehensive and self-explanatory.

8 5. Staff recommends that the Commission approve the Low-Income Assistance
9 Program Tariff filed by GCWUA with the modifications summarized below and shown on the
10 attached red-lined revised tariff:

- 11 a. Replace the words "low income" with "low-income" throughout the entire tariff.
- 12 b. In the third sentence of the first paragraph entitled "Availability:" strike the word
13 "and" after Arizona.
- 14 c. Add the following sentence to the sixth line of the second paragraph entitled
15 "Applicability" after the word "Criteria": "The names and financial information of
16 the applicants will be held in strictest confidence. Except for those board members
17 involved in the interview or review of the applicant, no one including other board
18 members will have access to this information."

19 6. Staff also recommends that GCWUA be required to file the revised tariff as a
20 compliance item in this docket; and that GCWUA be required to send a copy of the approved tariff
21 to all GCWUA customers by December 24, 2008, or within five days of the effective date of the
22 decision, whichever is later.

23 CONCLUSIONS OF LAW

24 1. Groom Creek Water Users Association provides water services to residents within the
25 State of Arizona pursuant to a certificate of convenience and necessity issued by the Arizona
26 Corporation Commission.

27 2. The Commission has jurisdiction over Groom Creek Water Users Association, and the
28 subject matter in this application.

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IT IS FURTHER ORDERED that Groom Creek Water Users Association shall send a copy of the approved tariff to all its customers by December 24, 2008, or within five days of the effective date of the decision, whichever is later.

IT IS FURTHER ORDERED that this tariff shall become effective on January 1, 2009.

BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION



CHAIRMAN

COMMISSIONER


COMMISSIONER
COMMISSIONER
COMMISSIONER

IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive Director of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this 23rd day of December, 2008.


BRIAN C. McNEIL
EXECUTIVE DIRECTOR

DISSENT: _____

DISSENT: _____

EGJ:VW:KT/red

1 SERVICE LIST FOR: Groom Creek Water Users Association
2 DOCKET NO. W-01865A-07-0385 and W-01865A-07-0384

3 Mr. Jerry D. Hodgson, President
4 Groom Creek Water Users Association
5 4209 South Adeline Drive
6 Prescott, Arizona 86303

7 Mr. Jonathan S. Hoover
8 1615 Palmcroft Drive SE
9 Phoenix, Arizona 85007-1735

10 Mr. Mohn and Marian Cree
11 1016 East Wagon Wheel Drive
12 Prescott, Arizona 86303

13 Ms. Patty Berry
14 1169 Marapai Road
15 Prescott, Arizona 86303

16 Ms. Mary E. Turbyfill
17 4168 Stagecoach Road
18 Prescott, Arizona 86303

19 Ms. Marjorie Navarro
20 1074 East Wagon Wheel Drive
21 Prescott, Arizona 86303

22 Mr. Robert Schulz
23 1075 East Wagon Wheel Drive
24 Prescott, Arizona 86303

25 Mr. Donald P. Muller
26 4491 South Spur Lane
27 Prescott, Arizona 86303

28 Ms. Janice M. Alward
Chief Counsel, Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Mr. Ernest G. Johnson
Director, Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

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Ms. Lyn Farmer
Chief, Hearing Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

TARIFF SCHEDULE

UTILITY: Groom Creek Water Users Association

TARIFF SHEET NO.: _____

DOCKET NO.: W-01865A

REPLACES SHEET NO.: n/a

DECISION NO.: _____

EFFECTIVE: January 1, 2009

**LOW-INCOME ASSISTANCE PROGRAM
FOR GROOM CREEK WATER USERS ASSOCIATION**

Deleted: _____

Availability:

This low-income assistance program will be effective January 1, 2009, and will be available to residential customers of the Association in Groom Creek, Yavapai County, Arizona meeting the Eligibility Criteria set forth below.

Deleted: _____

Deleted: and _____

Applicability:

This tariff provides low-income customers meeting the Eligibility Criteria (set forth below) at the time qualification and annual certification is sought with a discount of their monthly water bills. Customers who desire to qualify for the low-income assistance rates must initially make application to the President of the Board of Directors or to another Board member appointed by the President for qualification. The applicant must provide verification to the Board that the applicant satisfies the Eligibility Criteria. The names and financial information of the applicants will be held in strictest confidence. Except for those board members involved in the interview or review of the applicant, no one including other board members will have access to this information Subsequent to the initial certification, the residential customer who seeks to retain eligibility for this low income pricing plan must provide in July of each year and upon any change of residence a personal certification that the Eligibility Criteria continue to be satisfied. Participants who have become eligible within 8 months prior to the month of July will not have to re-verify eligibility until the following year. Eligibility information provided by the customer on the application and personal certification is subject to verification by the Board. Refusal or failure of a customer to provide documentation of eligibility acceptable to the Association, upon request of the Board of Directors, shall result in removal from or ineligibility for this plan.

Deleted: _____

Deleted: _____

Low income Assistance Rates:

Low income residential customers who satisfy the Eligibility Criteria will be held harmless from the rate increase to become effective January 1, 2009, and their monthly bills will be based on the following rates: \$14.00 per month base fee plus \$3.00 per 1,000 gallons up to 3,000 gallons; \$3.50 per 1,000 gallons from 3,001 to 6,000 gallons; \$4.00 per 1,000 gallons from 6,001 to 10,000 gallons; and \$8.00 per 1,000 gallons over 10,000 gallons.

TARIFF SCHEDULE

UTILITY: Groom Creek Water Users Association

TARIFF SHEET NO.: _____

REPLACES SHEET NO.: n/a

DOCKET NO.: W-01865A

DECISION NO.: _____

EFFECTIVE: January 1, 2009

**LOW INCOME ASSISTANCE PROGRAM
FOR GROOM CREEK WATER USERS ASSOCIATION**

Eligibility Criteria:

In order to participate in and be eligible for low income assistance pricing, the customer must have on file with the Association an approved application and annual certifications demonstrating that they meet all the following criteria:

1. The applicant's combined household gross income does not exceed two times the Federal poverty level.

Two Times (200%) Current Federal Poverty Guidelines*

1 Person Household	\$ 20,800/Yr. (\$1,733/Mo.)
2 Person Household	\$ 28,000/Yr. (\$2,333/Mo.)
3 Person Household	\$ 35,000/Yr. (\$2,933/Mo.)
4 Person Household	\$ 42,395/Yr. (\$3,533/Mo.)

- ♦ Adjusted in July of each year for any change to the federal guidelines

Examples of items of verification that may be required to substantiate two times the poverty level are described below. Additional information may also be required if any of the following documentation fails to verify the combined household income level.

Documentation of income level by:

1. Copy of the most recent Income Tax Return Form 1040 or equivalent (must have been filed within the last 12 months)
2. Copy of Social Security Form 1099
3. Copy of W-2
4. Copy of IRS federal Form K-1
5. Copy of IRS federal Form 1120, 1120-S, 1065, 1041
6. Medicaid
7. Food Stamps

Recovery of Undercollection:

Customers who wrongfully declare eligibility or fail to notify the Board of Directors when they no longer meet the eligibility requirements may be re-billed for the period of

TARIFF SCHEDULE

UTILITY: Groom Creek Water Users Association

TARIFF SHEET NO.: _____

REPLACES SHEET NO.: n/a

DOCKET NO.: W-01865A

DECISION NO.: _____

EFFECTIVE: January 1, 2009

LOW INCOME ASSISTANCE PROGRAM
FOR GROOM CREEK WATER USERS ASSOCIATION

ineligibility under the Association's normal rate structure in effect at the time of
ineligibility,