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AZ CORP COMMISSION  
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January 23, 2009

**Hand Delivered**

Ernest Johnson  
Director of Utilities  
Utilities Division  
ARIZONA CORPORATION COMMISSION  
1200 West Washington Street  
Phoenix, Arizona 85007

**Re: Perkins Mountain Water Company and Perkins Mountain Utility Company  
Utility Tariffs in Compliance with Decision No. 70663  
(Docket Nos. W-20380A-05-0490 and SW-20379A-05-0489)**

Dear Mr. Johnson:

Perkins Mountain Water Company ("PMWC") and Perkins Mountain Utility Company ("PMUC") hereby submit the following tariffs in compliance with Arizona Corporation Commission Decision No. 70663 dated December 24, 2008 ("Decision"):

- Tariffs for PMWC containing rates and charges consistent with the Decision.
- Tariffs for PMUC containing rates and charges consistent with the Decision.
- Backflow prevention tariff for PMWC consistent with the requirements of the Decision.
- Curtailment tariff for PMWC consistent with the requirements of the Decision.

Please do not hesitate to contact me if you have any questions.

Very truly yours,

Snell & Wilmer

Bradley S. Carroll

Arizona Corporation Commission  
**DOCKETED**

JAN 23 2009

DOCKETED BY

BSC:jyb  
Enclosure

cc: Docket Control (original plus 15 copies)  
Brian K. Bozzo, Utilities Division Compliance Manager

PERKINS MOUNTAIN WATER  
COMPANY

**Perkins Mountain Water Company**

**Rate Schedule G-1  
General Water Service**

**Availability**

Available to all customer classes within the certificated area of Perkins Mountain Water Company where facilities of adequate capacity and pressure are adjacent to the premises served.

**Schedule of Charges**

Meter Size	Monthly Usage Charge	Tier One		Tier Two		Tier Three	
		Commodity Rate (per 1,000 gallons)	Applicable Range (gallons)	Commodity Rate (per 1,000 gallons)	Applicable Range (gallons)	Commodity Rate (per 1,000 gallons)	Applicable Range (gallons)
5/8 x 3/4 – inch	\$35.00	\$2.40	0 – 4,000	\$4.60	4,001 – 20,000	\$6.60	20,001 and above
3/4 – inch	35.00	2.40	0 – 4,000	4.60	4,001 – 20,000	6.60	20,001 and above
1 – inch	46.00	2.40	0 – 4,000	4.60	4,001 – 20,000	6.60	20,001 and above
1 1/2 – inch	125.00	4.60	0 – 42,000	6.60	42,001 and above		
2 – inch	190.00	4.60	0 – 63,000	6.60	63,001 and above		
3 – inch	345.00	4.60	0 – 120,000	6.60	120,001 and above		
4 – inch	575.00	4.60	0 – 180,000	6.60	180,001 and above		
6 – inch	1,150.00	4.60	0 – 207,000	6.60	207,001 and above		
8 – inch	1,840.00	4.60	0 – 235,000	6.60	235,001 and above		

**Terms and Conditions**

Service provided under this rate schedule is subject to miscellaneous charges set forth in Rate Schedule MC – 1.

All charges under this rate schedule are subject to their proportionate share of any privilege, sales or use tax.

Service provided under this rate schedule is subject to the following Arizona Corporation Commission Rules for Water Utilities.

- R14-2-401 Definitions
- R14-2-403 Establishment of service
- R14-2-404 Minimum customer information requirements
- R14-2-405 Service connections and establishments
- R14-2-407 Provision of service
- R14-2-408 Meter Reading
- R14-2-409 Billing and collection
- R14-2-410 Termination of Service

**Availability**

Available to all customer classes within the certificated area of Perkins Mountain Water Company with a fire sprinkler connection separate and distinct from the primary water service line where facilities of adequate capacity and pressure are adjacent to the premises served.

**Schedule of Charges**

<u>Connection Size</u>	<u>Monthly Service Charge*</u>
3 – inch and smaller	\$5.00
4 – inch	5.75
6 – inch	11.50
8 – inch	18.40

\* One percent of monthly usage charge for a comparable sized meter connection, but no less than \$5.00 per month.

**Terms and Conditions**

Service provided under this rate schedule is subject to miscellaneous charges set forth in Rate Schedule MC – 1.

All charges under this rate schedule are subject to their proportionate share of any privilege, sales or use tax.

Service provided under this rate schedule is subject to the following Arizona Corporation Commission Rules for Water Utilities.

R14-2-401	Definitions
R14-2-403	Establishment of service
R14-2-404	Minimum customer information requirements
R14-2-405	Service connections and establishments
R14-2-407	Provision of service
R14-2-409	Billing and collection
R14-2-410	Termination of Service

**Perkins Mountain Water Company**

**Rate Schedule MC-1  
Miscellaneous Charges**

**Service Charges**

The following service charges are applicable to services provided.

<u>Service Charge</u>	<u>Applicable Rate</u>	<u>Rule Reference</u>
Establishment	\$30.00	R14-2-403.D
Establishment (After Hours)	50.00	R14-2-403.D
Re-establishment (Within 12 Months)	*	R14-2-403.D
Reconnection (Delinquent)	40.00	R14-2-403.D
NSF Check	25.00	R14-2-409.F
Meter Re-Read (If Correct)	30.00	R14-2-408.C
Meter Test (If Correct)	30.00	R14-2-408.F
Deferred Payment (Per Month)	1.50%	R14-2-409.G
Late Payment Penalty (Per Month)	1.50%	
Deposit Interest	**	
Deposit	**	
Moving meter/service at customer request	***	

\* Number of months off system times the monthly usage charge for meter size.

\*\* Per Commission Rule R14-2-403.B.

\*\*\* At cost. Cost to include parts, labor, overhead, and all applicable taxes, including income tax if applicable.

**Service Line and Meter Installation Charges**

As required pursuant to R14-2-405, new customers will be required to pay a refundable advance in aid of construction for installation of service line and meter as specified below, except where the refundable advance in aid of construction has been included in a main extension agreement.

<u>Meter Size/Type</u>	<u>Services</u>	<u>Meters</u>	<u>Total</u>
5/8" x 3/4" Meter	\$355.00	\$200.00	\$555.00
3/4" Meter	355.00	240.00	595.00
1" Meter	405.00	270.00	675.00
1 1/2" Meter	440.00	400.00	840.00
2" Meter	600.00	480.00	1,080.00
2" Meter (Turbine)	600.00	915.00	1,515.00
2" Meter (Compound)	600.00	1,640.00	2,240.00
3" Meter (Turbine)	775.00	1,420.00	2,195.00
3" Meter (Compound)	815.00	2,215.00	3,030.00
4" Meter (Turbine)	1,110.00	2,250.00	3,360.00
4" Meter (Compound)	1,170.00	3,145.00	4,315.00
6" Meter (Turbine)	1,670.00	4,445.00	6,115.00
6" Meter (Compound)	1,710.00	6,180.00	7,890.00
8" Meter (Turbine)	*	*	*
8" Meter (Compound)	*	*	*

\* At cost. Cost to include parts, labor, overhead, and all applicable taxes, including income tax if applicable.

PURPOSE:

The purpose of this tariff is to protect Perkins Mountain Water Company ("Company") water from the possibility of contamination caused by the backflow of contaminants that may be present on the customer's premises by requiring the installation and periodic testing of backflow-prevention assemblies pursuant to the provisions of the Arizona Administrative Code ("A.A.C.") R14-2-405.B.6 and A.A.C. R18-4-115.

REQUIREMENTS:

In compliance with the Rules of the Arizona Corporation Commission ("Commission") and the Arizona Department of Environmental Quality ("ADEQ"), specifically A.A.C. R14-2-405.B.6 and A.A.C. R18-4-115 relating to backflow prevention:

1. The Company may require a customer to pay for and to have installed a backflow prevention assembly if A.A.C. R18-4-115.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. R18-4-115.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, the Company may terminate service or may deny service to a customer who fails to install a backflow-prevention assembly as required by this tariff.
4. The 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.B.1.a. is **not** applicable, the customer shall be given thirty (30) days from the time such written notice is received 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, the Company or Commission Staff may suspend this requirement for a reasonable period of time.
5. Testing shall be in conformance with the requirements of A.A.C. R18-4-115.F. The 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.

6. The customer shall provide the 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.
  
7. In the event the backflow-prevention assembly does not function properly or fails any test, and an obvious hazard as contemplated under A.A.C. R14-2-410.B.1.a. exists, the Company may terminate service immediately and without notice. The backflow prevention assembly shall be repaired or replaced by the customer and retested.
  
8. 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 dysfunction of the assembly, or failure to retest, shall be grounds for termination of water service in accordance with A.A.C. R14-2-410.

**Curtailment Plan for Perkins Mountain Water Company**

Perkins Mountain Water Company ("Company"), is authorized to curtail water service to all customers within its certificated area under the terms and conditions listed in this tariff.

This curtailment plan shall become part of the Arizona Department of Environmental Quality Emergency Operations Plan for the Company.

The Company shall provide a copy of the curtailment tariff to any customer, upon request.

**Stage 1 Exists When:**

Company is able to maintain water storage in the system at 100 percent of capacity and there are no known problems with its well production or water storage in the system.

Restrictions: Under Stage 1, Company is deemed to be operating normally and no curtailment is necessary.

Notice Requirements: Under Stage 1, no notice is necessary.

**Stage 2 Exists When:**

- a. Company's water storage or well production has been less than 80 percent of capacity for at least 48 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 2, the Company may request the customers to voluntarily employ water conservation measures to reduce water consumption by approximately 50 percent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays.

Notice Requirements: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

**Stage 3 Exists When:**

- a. Company's total water storage or well production has been less than 50 percent of capacity for at least 24 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions : Under Stage 3, Company shall request the customers to voluntarily employ water conservation measures to reduce daily consumption by approximately 50 percent. All outside watering should be eliminated, except livestock, and indoor water conservation techniques should be employed whenever possible. Standpipe service shall be suspended.

Notice Requirements:

- 1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such Notice shall notify the customers of the general nature of the problem and the need to conserve water.
- 2. Beginning with Stage 3, Company shall post at least ten signs showing the curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to major subdivisions served by the Company.
- 3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 3. Once Stage 3 has been reached, the Company must begin to augment the supply of water by either hauling or through an emergency interconnect with an approved water supply in an attempt to maintain the curtailment at a level no higher than Stage 3 until a permanent solution has been implemented.

**Stage 4 Exists When:**

- a. Company's total water storage or well production has been less than 25 percent of capacity for at least 12 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 4, Company shall inform the customers of a **mandatory** restriction to employ water conservation measures to reduce daily consumption. Failure to comply will result in customer disconnection. The following uses of water shall be prohibited:

- Irrigation of outdoor lawns, trees, shrubs, or any plant life is prohibited
- Washing of any vehicle is prohibited
- The use of water for dust control or any outdoor cleaning uses is prohibited
- The use of drip or misting systems of any kind is prohibited
- The filling of any swimming pool, spas, fountains or ornamental pools is prohibited
- The use of construction water is prohibited
- Restaurant patrons shall be served water only upon request
- Any other water intensive activity is prohibited
- The Company's operation of its standpipe service is prohibited.
- The addition of new service lines and meter installations is prohibited.

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Company shall post at least ten signs showing curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to major subdivisions served by the Company.
3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 4.

Customers who fail to comply with the above restrictions will be given a written notice to end all outdoor use. Failure to comply within two (2) working days of receipt of the notice will result in temporary loss of service until an agreement can be made to end unauthorized use of outdoor water. To restore service, the customer shall be required to pay all authorized reconnection fees. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

Once Stage 4 has been reached, the Company must augment the supply of water by hauling or through an emergency interconnect from an approved supply or must otherwise provide emergency drinking water for its customers until a permanent solution has been implemented.

PERKINS MOUNTAIN UTILITY  
COMPANY

**Availability**

Available to all customer classes within the certificated area of Perkins Mountain Utility Company where facilities of adequate capacity are adjacent to the premises served.

**Schedule of Charges**

<u>Meter Size</u>	<u>Monthly Usage Charge</u>
5/8 x 3/4 - inch	\$81.00
3/4 - inch	81.00
1 - inch	90.00
1 1/2 -inch	300.00
2 -inch	500.00
3 - inch	900.00
4 - inch	1,500.00
6 - inch	3,000.00
8 - inch	4,700.00

**Terms and Conditions**

Service provided under this rate schedule is subject to miscellaneous charges set forth in Rate Schedule MC – 1.

All charges under this rate schedule are subject to their proportionate share of any privilege, sales or use tax.

Service provided under this rate schedule is subject to the following Arizona Corporation Commission Rules for Sewer Utilities.

R14-2-601	Definitions
R14-2-603	Establishment of service
R14-2-604	Minimum customer information requirements
R14-2-605	Service connections
R14-2-607	Provision of service
R14-2-608	Billing and collection
R14-2-609	Termination of Service

**Availability**

Available to all customer classes within the certificated area of Perkins Mountain Utility Company ("Company") where reclaimed water facilities of adequate capacity and pressure are adjacent to the premises served.

**Schedule of Charges**

All Reclaimed Water - \$200.00 per acre-foot or \$0.61 per 1,000 gallons

**Terms and Conditions**

Service provided under this rate schedule is subject to miscellaneous charges set forth in Rate Schedule MC – 1.

All charges under this rate schedule are subject to their proportionate share of any privilege, sales or use tax.

Service provided under this rate schedule is subject to the following Arizona Corporation Commission ("ACC") Rules for Sewer Utilities.

R14-2-601	Definitions
R14-2-603	Establishment of service
R14-2-604	Minimum customer information requirements
R14-2-605	Service connections
R14-2-607	Provision of service
R14-2-608	Billing and collection
R14-2-609	Termination of Service

**Special Conditions**

The reclaimed water provided under this rate schedule is Class A+ reclaimed sewage effluent or other untreated water and is not suitable for human consumption or bodily contact. Reclaimed water provided under this tariff should be used only for irrigation. Deliveries are subject to interruption, curtailment, or scheduling as necessary to match demands with available supplies.

The following priorities are established for the sale of reclaimed water under this rate schedule.

Priority 1 – Filling and refilling of reclaimed water storage retention structures for irrigation of turf and other landscaping in common areas, golf courses, parks, schools and similar areas.

Priority 2 – Irrigation of commercial landscaping and similar exterior water uses.

Priority 3 – Irrigation of residential landscaping and similar exterior water uses.

**Establishment of Service:**

1. In addition to the requirements of ACC rules listed above, an applicant for reclaimed water service shall enter into a Reclaimed Water Service Agreement with the Company prior to the establishment of service. An applicant may be refused service for failure to enter into a Reclaimed Water Service Agreement with the Company.
2. Applicants for service with Priority 2 uses will not be connected until sufficient reclaimed sewage effluent is available to meet Priority 1 demands. Applicants for service with Priority 3 uses will not be connected until sufficient reclaimed sewage effluent is available to meet Priority 1 and Priority 2 demands.

**Management Practices:**

**A customer irrigating with reclaimed water shall:**

1. Use application methods that reasonably preclude human contact with reclaimed water.
2. Prevent reclaimed water from standing on open access areas during normal periods of use.
3. Prevent reclaimed water from coming into contact with drinking fountains, water coolers, or eating areas.
4. Secure hose bibbs discharging reclaimed water to prevent use by the public.
5. Provide signage informing the public that reclaimed water is in use and that no one should drink from the system at:
  - a. Each hose bibb.
  - b. On each school premises in a location visible to staff and students.
  - c. For residential irrigation at each front yard or at all entrances to a subdivision if the signage is supplemented by written yearly notification to individual homeowners by the homeowner's association.

**A customer irrigating with reclaimed water shall not:**

1. Use reclaimed water for human consumption.
2. Use reclaimed water for swimming, wind surfing, water skiing, or other full-immersion water activity with a potential for ingestion.
3. Use reclaimed water for evaporative cooling or misting.
4. Allow runoff of reclaimed water or reclaimed water mixed with stormwater.

Failure to comply with the prescribed management practices will be grounds for termination of service.

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**Service Charges**

The following service charges are applicable to services provided.

<u>Service Charge</u>	<u>Applicable Rate</u>	<u>Rule Reference</u>
Establishment (a)	\$30.00	R14-2-603.D
Establishment (After Hours) (a)	40.00	R14-2-603.D
Re-establishment (Within 12 Months)	*	R14-2-603.D
Reconnection (Delinquent) (a)	30.00	R14-2-603.D
NSF Check (a)	25.00	R14-2-608.E
Deferred Payment (Per Month)	1.50%	
Late Payment Penalty (Per Month)	1.50%	R14-2-608.F
Deposit Interest	**	
Deposit	**	
Moving service at customer request	***	

- (a) Collected only if a customer is not also a water customer of Perkins Mountain Water Company  
\* Number of months off system times the monthly usage charge for meter size.  
\*\* Per Commission Rule R14-2-603.B.  
\*\*\* At cost. Cost to include parts, labor, overhead, and all applicable taxes, including income tax if applicable.