



0000110376

# Granite Mountain Water Company

PO Box 350 \* Chino Valley Arizona 86323

Phone: (928) 717-2616 / Fax: (928) 717-2621

**ORIGINAL**

April 8, 2010

Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007  
**DOCKET NO. W-02467A-09-0333 ET AL.**  
W-02467A-09-0334

**RECEIVED**  
2010 APR 23 P 3:52  
AZ CORP COMMISSION  
DOCKET CONTROL

To the commission:

On April 8th, 2010 the customers of Granite Mountain Water Company, Inc. were notified that the company has made application to the Corporation Commission for a rate increase. This notification included the notification information relating Procedural Order, dated March 30, 2010 along with a complete copy of Schedules CRM-4 and CRM-5 from the Staff Report.

Notice was accomplished by mailing, postage prepaid regular U.S.P.S. mail to the current customer mailing address on file. This notice shall serve as an affidavit of mailing for the commission.

Signed:

Matthew Lauterbach, Administrator  
Granite Mountain Water Company, Inc.  
P.O. Box 350  
Chino Valley, AZ 86323  
(928) 717-2619

Arizona Corporation Commission  
**DOCKETED**

APR 28 2010

Notary:

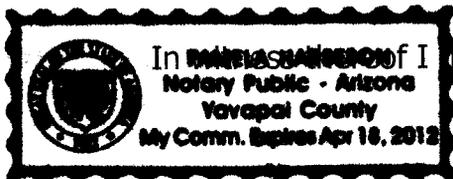
STATE OF ARIZONA )

:S

COUNTY OF YAVAPAI )

DOCKETED BY

This instrument was acknowledged before me this 29<sup>th</sup> day of June, 2009, by Matthew Lauterbach, Administrator of Granite Mountain Water Company, Inc.



In presence of I herewith set my hand and official seal.

Notary

My Commission Expires: 4-18-2012

**NOTICE OF GRANITE MOUNTAIN WATER COMPANY, INC.'S**  
**APPLICATIONS FOR A RATE INCREASE AND**  
**FOR APPROVAL OF FINANCINGS**  
**Docket Nos. W-02467A-09-0333 et al.**

On June 30, 2009, Granite Mountain Water Company, Inc. ("Granite Mountain") filed with the Arizona Corporation Commission ("Commission") a Rate Application requesting a rate increase that would generate an additional \$14,797 in annual revenues. On the same date, Granite Mountain filed a Financing Application requesting authority to obtain a line of credit in the amount of \$125,000 and retroactive authority to issue three promissory notes totaling \$132,793.65, which arose from three loans obtained in January 2004, March 2006, and April 2007.

The Commission is considering the Rate Application and Financing Application together as a consolidated matter and is not required to schedule a hearing concerning the consolidated matter.

The Commission's Utilities Division Staff ("Staff") has issued its recommendations regarding the two applications in a Staff Report dated January 4, 2010. Staff recommends that Granite Mountain be granted a rate increase that would generate an additional \$29,949 in annual revenues, that the line of credit be denied, and that no further consideration is needed for the three loans as they have been paid in full. Attached to this notice is a schedule showing Granite Mountain's current rates, Granite Mountain's proposed rates and Staff's recommended rates and a schedule showing a typical bill analysis using each set of rates.

The Commission is not bound by the proposals made by Granite Mountain, Staff, or any intervenors. The rates and charges ultimately approved by the Commission may be higher or lower than the rates and charges requested in the Rate Application or recommended by Staff.

Regardless of whether a hearing is held, written customer comments can be placed in the file, which the Commission will review before making its final decision on the applications. It is important that customers wishing to comment do so promptly so that the Commission can consider any customer comments and concerns in reaching its decision. Customers should bring to the Commission's attention any questions or concerns related to either application, including concerns as to service, billing procedures, or other factors important in determining the reasonableness of the proposed or recommended rates and charges or the financings.

Copies of the applications, the Staff Report, and the other documents filed in this matter are available at Granite Mountain's office at 2465 Shane Drive, Prescott, AZ 86305 and the Commission's Docket Control at 1200 West Washington Street, Phoenix, AZ 85007 for public inspection during regular business hours and on the Internet via the Commission website ([www.azcc.gov](http://www.azcc.gov)) using the e-Docket function.

If you have questions about either application, you may contact Granite Mountain at 928-717-2616. If you wish to file written comments on either application or want further information, you may

contact the Commission's Consumer Services Section by calling 1-800-222-7000 or 602-542-425 1. Written public comments may also be filed by mailing an original and 13 copies of the comments (referencing Docket No. W-02467A-09-0333 et al.) to the Commission's Docket Control at 1200 West Washington Street, Phoenix, AZ 85007.

Any person entitled by law to intervene and having a direct and substantial interest in this matter will be permitted to intervene. A person desiring to intervene must file a Motion to Intervene with the Commission's Docket Control and serve the Motion upon Granite Mountain. A Motion to Intervene shall contain at least the following:

1. The name, address, and telephone number of the proposed intervenor and of any person upon whom service of documents is to be made if different than the intervenor;
2. A short statement of the proposed intervenor's interest in the proceeding (customer, etc.);
3. Whether the proposed intervenor desires a formal evidentiary hearing on the applications and the reasons for such a hearing; and
4. A statement certifying that a copy of the Motion to Intervene has been mailed to Granite Mountain or its counsel.

The granting of Motions to Intervene shall be governed by Arizona Administrative Code R14-3-105. If a hearing is scheduled in this matter, a deadline for Motions to Intervene will be established in the Procedural Order scheduling the hearing.

Granite Mountain Water Company  
(928) 717-2616

**Rate Design**

<u>Monthly Usage Charge</u>	<u>Present Rates</u>	<u>Company Proposed</u>	<u>Staff Recommended</u>
5/8" x 3/4" Meter	\$23.00	\$27.60	\$28.00
3/4" Meter	\$33.75	\$40.50	\$45.00
1" Meter	\$56.25	\$67.50	\$65.00
1 1/2" Meter	\$112.50	\$135.00	\$150.00
2" Meter	\$180.00	\$216.00	\$240.00
3" Meter	\$337.50	\$405.00	\$480.00
4" Meter	\$565.50	\$678.60	\$750.00
6" Meter	\$1,125.00	\$1,350.00	\$1,500.00
Gallons included in Minimum	0	0	0
<u>Excess of Minimum - per 1,000 Gallons</u>			
<u>5/8" x 3/4" Meter</u>			
0 gallons to 10,000 gallons	\$4.00	N/A	N/A
all gallons over 10,000 gallons	\$5.00	N/A	N/A
0 gallons to 10,000 gallons	N/A	\$4.80	N/A
10,001 to 20,000 gallons	N/A	\$6.00	N/A
all gallons over 20,000	N/A	\$9.00	N/A
0 gallons to 4,000 gallons	N/A	N/A	\$4.50
4,001 to 10,000 gallons	N/A	N/A	\$7.00
all gallons over 10,000	N/A	N/A	\$9.25
<u>3/4" Meter</u>			
0 gallons to 10,000 gallons	\$4.00	N/A	N/A
all gallons over 10,000 gallons	\$5.00	N/A	N/A
0 gallons to 10,000 gallons	N/A	\$4.80	N/A
10,001 to 20,000 gallons	N/A	\$6.00	N/A
all gallons over 20,000	N/A	\$9.00	N/A
0 gallons to 4,000 gallons	N/A	N/A	\$4.50
4,001 to 10,000 gallons	N/A	N/A	\$7.00
all gallons over 10,000	N/A	N/A	\$9.25

<u>1" Meter</u>			
0 gallons to 10,000 gallons	\$4.00	N/A	N/A
all gallons over 10,000 gallons	\$5.00	N/A	N/A
0 gallons to 10,000 gallons	N/A	\$4.80	N/A
10,001 to 20,000 gallons	N/A	\$6.00	N/A
all gallons over 20,000	N/A	\$9.00	N/A
0 gallons to 10,000 gallons	N/A	N/A	\$7.00
all gallons over 10,000 gallons	N/A	N/A	\$9.25
<u>1 1/2" Meter</u>			
0 gallons to 10,000 gallons	\$4.00	N/A	N/A
all gallons over 10,000 gallons	\$5.00	N/A	N/A
0 gallons to 10,000 gallons	N/A	\$4.80	N/A
10,001 to 20,000 gallons	N/A	\$6.00	N/A
all gallons over 20,000	N/A	\$9.00	N/A
0 gallons to 10,000 gallons	N/A	N/A	\$7.00
all gallons over 10,000 gallons	N/A	N/A	\$9.25
<u>2" Meter</u>			
0 gallons to 10,000 gallons	\$4.00	N/A	N/A
all gallons over 10,000 gallons	\$5.00	N/A	N/A
0 gallons to 10,000 gallons	N/A	\$4.80	N/A
10,001 to 20,000 gallons	N/A	\$6.00	N/A
all gallons over 20,000	N/A	\$9.00	N/A
0 gallons to 10,000 gallons	N/A	N/A	\$7.00
all gallons over 10,000 gallons	N/A	N/A	\$9.25
<u>3" Meter</u>			
0 gallons to 10,000 gallons	\$4.00	N/A	N/A
all gallons over 10,000 gallons	\$5.00	N/A	N/A
0 gallons to 10,000 gallons	N/A	\$4.80	N/A
10,001 to 20,000 gallons	N/A	\$6.00	N/A
all gallons over 20,000	N/A	\$9.00	N/A

0 gallons to 10,000 gallons	N/A	N/A	\$7.00
all gallons over 10,000 gallons	N/A	N/A	\$9.25
<u>4" Meter</u>			
0 gallons to 10,000 gallons	\$4.00	N/A	N/A
all gallons over 10,000 gallons	\$5.00	N/A	N/A
0 gallons to 10,000 gallons	N/A	\$4.80	N/A
10,001 to 20,000 gallons	N/A	\$6.00	N/A
all gallons over 20,000	N/A	\$9.00	N/A
0 gallons to 10,000 gallons	N/A	N/A	\$7.00
all gallons over 10,000 gallons	N/A	N/A	\$9.25
<u>6" Meter</u>			
0 gallons to 10,000 gallons	\$4.00	N/A	N/A
all gallons over 10,000 gallons	\$5.00	N/A	N/A
0 gallons to 10,000 gallons	N/A	\$4.80	N/A
10,001 to 20,000 gallons	N/A	\$6.00	N/A
all gallons over 20,000	N/A	\$9.00	N/A
0 gallons to 10,000 gallons	N/A	N/A	\$7.00
all gallons over 10,000 gallons	N/A	N/A	\$9.25
<u>Standpipe/Bulk Rate</u>	N/A	N/A	9.25

**Service Line and Meter Installation Charges**

Meter Size	Company Current Total Charges	Company Proposed Total Charges	Staff Recommended Service Line Charges	Staff Recommended Meter Charges	Staff Recommended Total Charges
5/8 x 3/4-inch	\$400.00	\$500.00	\$406.00	\$95.00	\$500.00
3/4-inch	\$450.00	\$575.00	\$413.00	\$162.00	\$575.00
1-inch	\$555.00	\$650.00	\$441.00	\$209.00	\$650.00
1 1/2-inch	\$716.00	\$716.00	\$395.00	\$321.00	\$716.00
2-inch (turbo)	\$1,572.00	\$1,572.00	\$727.00	\$845.00	\$1,572.00
2-inch (compound)	N/A	N/A	N/A	N/A	N/A
3-inch (turbo)	\$2,400.00	\$2,400.00	\$952.00	\$1,448.00	\$2,400.00
3-inch (compound)	N/A	N/A	N/A	N/A	N/A
4-inch (turbo)	\$3,516.00	\$3,516.00	\$1,310.00	\$2,206.00	\$3,516.00
4-inch (compound)	N/A	N/A	N/A	N/A	N/A
5-inch	N/A	N/A	N/A	N/A	N/A
6-inch (turbo)	\$6,916.00	\$6,916.00	\$2,160.00	\$4,756.00	\$6,916.00
6-inch (compound)	N/A	N/A	N/A	N/A	N/A

**Service Charges**

	Current Charges	Company Proposed	Staff Recommended
Establishment	\$15.00	\$25.00	\$25.00
Establishment (after hours)	\$25.00	\$35.00	\$35.00
Reconnection (delinquent)	\$25.00	\$35.00	\$35.00
Reconnection (delinquent - after hours)	\$25.00	\$45.00	\$45.00
Meter Test (if correct)	\$35.00	\$35.00	\$35.00
Deposit	per rule	per rule	*
Deposit Interest	per rule	per rule	*
Re-Establishment (Within 12 Months)	Months off sys* min.	Months off sys* min.	**
NSF Check	\$15.00	\$20.00	\$20.00
Deferred Payment	1.00%	1.00%	1.00%
Meter Re-Read (if correct)	\$10.00	\$15.00	\$15.00
Late Fee	N/A	1.50%	***

**Staff Recommendations**

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Per Commission Rules (R14-2-403.B)

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Months off system times the minimum (R14-2-403.D)

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1.50 Percent of the unpaid balance per month.