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ARIZONA CORPORATION COMMISSION

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April 29, 2010

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Mr. Patrick J. Black  
Fennemore Craig, P.C.  
3003 North Central Avenue  
Suite 2600  
Phoenix, Arizona 85012

Arizona Corporation Commission  
DOCKETED

APR 29 2010

RE: OAK CREEK WATER COMPANY NO. 1  
DOCKET NO. W-01392A-09-0272  
DECISION NO. 71252

DOCKETED BY	<i>MP</i>
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*Notice of Compliance*

Dear Mr. Black:

Enclosed is a stamped copy of the tariffs that were approved as being in compliance to the above Decision, with an effective date of September 3, 2009.

If you have questions regarding the filing of these tariffs, please contact me at (602) 364-1608.

Sincerely,

Tanya D. Pitre  
Administrative Assistant II  
Utilities Division

/tdp

Enclosures

cc: Dorothy Hains - Utilities Engineer - Water/Wastewater  
Docket Control Center

Oak Creek Water Company No. 1		Revised	SHEET NO	1
(Name of Company)				
	(Name of Service Area)			

## OFF SITE HOOK-UP FEE TARIFF (WATER)

### **I. Purpose and Applicability.**

The purpose of the off-site hook-up fees payable to Oak Creek Water Company No. 1 (“the Company”) pursuant to this tariff is to equitably apportion the costs of constructing additional off-site facilities to provide water production, storage and pressure and Fire flow among all new service connections. These charges are applicable to all new service connections established after the effective date of this tariff. The charges are one-time charges and are payable as a condition to Company’s establishment of service, as more particularly provided below.

### **II. Definitions.**

Unless the context otherwise requires, the definitions set forth in R-14-2-401 of the Arizona Corporation Commission’s (“Commission”) rules and regulations governing water utilities shall apply interpreting this tariff schedule.

“Applicant” means any party entering into an agreement with Company for the installation of water facilities to serve new service connections.

“Company” means Oak Creek Water Company No. 1.

“Main Extension Agreement” means any agreement whereby an Applicant agrees to advance the costs of the installation of water facilities to the Company to serve new service connections, or install water facilities to serve new service connections and transfer ownership of such water facilities to the Company, which agreement shall require the approval of the Commission (same as line extension agreement).

“Off-site Facilities” means wells, storage tanks and related appurtenances necessary for proper operation, including engineering and design costs. Offsite facilities may also include booster pumps, pressure tanks, transmission mains and related appurtenances necessary for proper operation if these facilities are not for the exclusive use of the applicant and will benefit the entire water system.

“Service Connection” means and includes all service connections for single-family residential, commercial, industrial or other uses, regardless of meter size.

ISSUED:		EFFECTIVE:	
	Month Day Year		Month Day Year
		ISSUED BY: Kristin Wakeman, Business Manager Oak Creek Water Company No. 1	
		90 Oak Creek Boulevard Sedona, Arizona 86336	
		Decision No. 71252	September 2, 2009

Oak Creek Water Company No. 1		Revised	SHEET NO	2
(Name of Company)				
	(Name of Service Area)			

**III. Off-Site Hook-Up Fee.**

For each new service connection, the Company shall collect an off-site hook-up fee derived from the following table:

OFF-SITE WATER HOOK-UP FEE TABLE		
Meter Size	Size Factor	Total Fee (\$)
5/8" x 3/4"	1	1,600
3/4"	1.5	2,400
1"	2.5	4,000
1-1/2"	5	8,000
2"	8	12,800
3"	16	25,600
4"	25	40,000
6" or larger	50	80,000

**IV. Terms and Conditions.**

(A) **Assessment of One Time Off-Site Hook-up Fee:** The off-site hook-up fee may be assessed only once per service connection, or lot within a platted subdivision (similar to meter and service line installation charge). However, this provision does not exempt from the hookup fee any newly created parcels, which are the result of further subdivision of a lot or land parcel and which do not have a service connection.

(B) **Use of Off-Site Hook-up Fee:** Off-site hook-up fees may only be used to pay for capital items of off-site facilities, or for repayment of loans obtained for installation of off-site facilities. Off-site hook-up fees shall not be used for repairs, maintenance, or operational purposes.

(C) **Time of Payment:**

1) In the event that the Applicant is required to enter into a Main Extension Agreement, whereby the Applicant, agrees to advance the costs of installing mains, valves, fittings, hydrants and other on-site improvements in order to extend service in accordance with R-14-2-406(B), payment of the fees required hereunder shall be made by the Applicant, no later than within 15 calendar days after receipt of notification from the Company that the Utilities Division of the Arizona

ISSUED:		EFFECTIVE:	
Month	Day	Year	Month
			Day
			Year
		ISSUED BY: Kristin Wakeman, Business Manager Oak Creek Water Company No. 1 90 Oak Creek Boulevard Sedona, Arizona 86336 Decision No. 71252	
			September 2, 2009

Oak Creek Water Company No. 1		Revised	SHEET NO	3
(Name of Company)				
	(Name of Service Area)			

Corporation Commission has approved the Main Extension Agreement in accordance with R-14-2-406(M).

2) In the event that the Applicant is not required to enter into a Main Extension Agreement, the charges hereunder shall be due and payable at the time the meter and service line installation fee is due and payable.

(D) Failure to Pay Charges; Delinquent Payments: Under no circumstances will the Company set a meter or otherwise allow service to be established if the Applicant has not paid in full all charges as provided by this off site hook-up fee tariff.

(E) Off-Site Hook-Up Fees Non-refundable: The amounts collected by the Company pursuant to the off-site hook-up fee tariff shall be non-refundable contributions in aid of construction.

(F) Use of Off-Site Hook-Up Fees Received: All funds collected by the Company as off-site hook-up fees shall be deposited into a separate interest bearing trust account and used solely for the purposes of paying for the costs of off-site facilities, including repayment of loans obtained for the installation of off-site facilities that will benefit the entire water system.

(G) Off-Site Hook-up Fee in Addition to On-site Facilities: The off-site hook-up fee shall be in addition to any costs associated with a main extension agreement for on-site facilities and are in addition to the amounts to be advanced pursuant to charges authorized under other sections of this Tariff.

(H) Disposition of Excess Funds: After all necessary and desirable off-site facilities are constructed utilizing funds collected pursuant to the off-site hook-up fees, or if the off-site hook-up fee has been terminated by order of the Arizona Corporation Commission, any funds remaining in the trust shall be refunded. The manner of the refund shall be determined by the Commission at the time a refund becomes necessary.

(I) Fire Flow Requirements: In the event the applicant for service has fire flow requirements that require additional facilities beyond those facilities whose costs were generally provided, the Company may require the applicant to install such additional facilities as are required to meet those additional fire flow requirements, as a non-refundable contribution, in addition to the off-site hook-up fee.

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