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Transcript Exhibit(s)

Docket #(s): W-01303A-09-0343

SU-01303A-09-0343

Exhibit #: Please see attached Exhibit List
for the status of each exhibit.

Part 2 of 2

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To: Docket Control

Date: June 18, 2010

Re: Arizona-American Water Co. – Phase II
W-01303A-09-0343, et al.
Volumes I through VIII, Concluded
May 18 through June 3, 2010

STATUS OF ORIGINAL EXHIBITS

FILED WITH DOCKET CONTROL

Anthem Golf & Country Club (AGCC Exhibits)

1 and 2

Anthem Community Council (Anthem Exhibits)

13, 14, 16 through 18

Arizona-American Water Co. (A Exhibits)

5, 39 through 43, 45 through 50

DMB White Tank, L.L.P. (DMB Exhibits)

1

W.R. Hansen (Hansen Exhibits)

3 through 5

Marshall Magruder (Magruder Exhibits)

1 through 4

Town of Paradise Valley (PV Exhibits)

1

Residential Utility Consumer Office (R Exhibits)

12 through 21

The Resorts (RES Exhibits)

1 and 2

Staff (S Exhibits)

12 through 16

Larry D. Woods (Woods Exhibits)

1

EXHIBITS UTILIZED IN PHASE I
Filed with Docket Control on 05-11-2010

Anthem Community Council (Anthem Exhibits)

1 through 12

Arizona-American Water Co. (A Exhibits)

1 through 4, 6 through 38

W.R. Hansen (Hansen Exhibits)

1 and 2

Residential Utility Consumer Office (R Exhibits)

1 through 11

Staff (S Exhibits)

1 through 11

CONFIDENTIAL EXHIBITS
Retained by ALJ Wolfe

Anthem Community Council (Anthem Exhibits)

15

Arizona-American Water Co. (A Exhibits)

44

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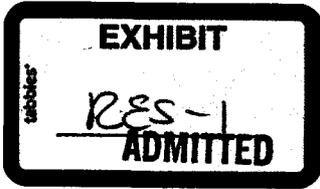
Ms. Teena Wolfe, Administrative Law Judge

Mr. Thomas Campbell, Arizona-American Water Co.

Ms. Maureen Scott, Staff

Mr. Daniel Pozefsky, RUCO

Mr. Lawrence V. Robertson, Anthem Community Council



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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

- Kristin K. Mayes
- Gary Pierce
- Paul Newman
- Sandra D. Kennedy
- Bob Stump

IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS ANTHEM WATER DISTRICT AND ITS SUN CITY WATER DISTRICT.

DOCKET NO W-01303A-09-0343

IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS ANTHEM/AGUA FRIA WASTEWATER DISTRICT, ITS SUN CITY WASTEWATER DISTRICT AND ITS SUN CITY WEST WASTEWATER DISTRICT.

DOCKET NO SW-01303A-09-0343

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Direct Testimony of

John S. Thornton
On Behalf of The Camelback Inn And
The Sanctuary on Camelback Mountain
(the "Resorts")

MAY 3, 2010

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EXECUTIVE SUMMARY

The Paradise Valley Water District (PVWD) Resorts are at the forefront of sound water use and conservation and they are drivers of our local economies of Scottsdale and Paradise Valley through the jobs they employ and the tourism dollars they bring.

Arizona American Water Company's (AAWC) rate consolidation proposal would raise the Resorts' water bills by almost 60% (through monthly minimum charges and commodity rates only), resulting in rate shock.

The Resorts deserve just and reasonable rates to efficiently operate, including their use of water. The Resorts are clearly a differentiated class of customer compared to the average commercial class user and as such the Resorts should have their own tariff. Arizona American Water Company serves potable water to at least four resorts out of its approximate 3,362 commercial class customers and these four resorts are in the Paradise Valley Water District. The consolidated rate proposals by the Arizona American Water Company and staff of the Arizona Corporation Commission do not account for the Resorts' uniqueness.

This testimony discusses concerns with consolidation and it presents three options to mitigate undue harm to the Resorts:

- (1) The Commission could exclude the four PVWD Resorts from the rate consolidation that AAWC proposes just as AAWC has excluded a number of other similarly unique AAWC customers whose tariffs or usage characteristics make them poor candidates for consolidation. This solution would essentially entail establishing a Resort Class of Service that is same as the current PVWD commercial tariffs.
- (2) The Commission could establish a Resort class of service that comprises the current commercial tariffs but raise them by the overall revenue requirement increase in the PVWD imposed by consolidation (about 10%).
- (3) The Commission could establish a Resort Class of service with tariffs and tier break points that relate to the Resorts' consumption but raise Resorts' bills by the overall revenue requirement increase in the PVWD imposed by consolidation (about 10%). The third option is likely the best solution if consolidated rates are adopted.

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I. Witness Identification

Q. WHAT IS YOUR NAME, EMPLOYER AND OCCUPATION?

A. My name is John S. Thornton. I am an independent consultant in utility finance and economics.

Q. PLEASE DESCRIBE YOUR WORK EXPERIENCE AND EDUCATIONAL BACKGROUND.

A. I hold a Master of Science degree from the University of London, having completed the Master's program (economics with specialty in corporate finance) at the London School of Economics and Political Science ("LSE"). I also hold a Graduate Diploma from the LSE. I have participated as a cost of capital expert in numerous electric utility, local gas distribution, and telephone cases in the states of Oregon, Washington, California, Nevada, Oklahoma, and Arizona, and I participated in gas pipeline cases before the Federal Energy Regulatory Commission. I worked at the Public Utility Commission of Oregon for thirteen years and left as a Senior Economist and its chief rate-of-return and finance witness. Subsequently, I became Chief of the Financial and Regulatory Analysis Section of the Arizona Corporation Commission's ("Commission") Utility Division.

I now consult independently for investors and consumers on utility matters. My background is described further in my Witness Qualifications Statement found on Exhibit JST-1.

II. Purpose of Testimony

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my direct testimony is to address the deleterious effects of the proposed consolidated rate structures on the Paradise Valley Water District (PVWD) Resorts who have been

1 excellent conservators of water. I discuss the rate spread problems that the consolidated rates
2 proposals would cause.

3
4 **Q. ARE YOU SPONSORING ANY EXHIBITS TO YOUR REBUTTAL TESTIMONY?**

5 **A.** Yes, I am sponsoring Exhibits JST-1 to JST-14 to my direct testimony.
6

7 **III. Proposed Commercial Class Rate Changes in PVWD As a Result of Consolidation**

8 **Q. PLEASE DESCRIBE THE EXISTING COMMERCIAL CLASS TARIFFS IN PVWD**
9 **AND PROPOSALS UNDER AAWC'S REBUTTAL AND ACC STAFF'S DIRECT**
10 **TESTIMONIES.**

11
12 **A.** The existing commercial class rates and the proposals by AAWC and Staff are compared in
13 Exhibit JST-2. As you can see, both AAWC's and Staff's proposals have their lowest rates (\$2.29
14 and \$2.25 respectively) at close to the highest rate currently (\$2.30). Currently, AAWC's PVWD
15 second tier begins at 400,000 but as you can see from Exhibit JST-2, both AAWC's and Staff's
16 proposals generally have tier breakpoints significantly lower than the current second tier of 400,000
17 gallons. So, not only are proposed rates higher but they kick in at fewer gallons and they result in
18 significant (greater than 50 percent) bill increases to the Resorts.
19

20
21 **IV. Effects of AAWC's Proposed Consolidated Rates on the Resorts**

22 **Q. WHAT IS THE EFFECT OF RATE CONSOLIDATION ON THE PARADISE**
23 **VALLEY WATER DISTRICT?**

24 **A.** Consolidated rates will raise the revenue requirement on the PVWD by about 10 percent,
25 according to AAWC's rebuttal working papers by comparing AAWC's rebuttal revenue
26 requirement with current revenues for the PVWD.
27
28

1 Q. WHAT IS THE EFFECT OF AAWC'S PROPOSED (REBUTTAL)
 2 CONSOLIDATED RATES ON THE RESORTS?
 3

4 A. The Camelback Inn's water bill is expected to rise by about 56 percent and the Sanctuary's
 5 water bill is expected to rise by about 55 percent:

Resort	Water Bill Current Rates	Water Bill AAWC Rebuttal Rates	\$ Increase	% Increase
Camelback	\$172,534	\$268,945	\$96,411	56%
Sanctuary	\$97,896	\$151,488	\$53,592	55%
Monthly minimum and commodity charges only.				

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 10 These exorbitant increases are far in excess of the approximate 10.1 percent revenue requirement
 11 increase imposed on the PVWD simply because of consolidating its rates with rates in higher-cost
 12 systems.

13 Q. WHAT IS THE EFFECT OF STAFF'S PROPOSED CONSOLIDATED RATES ON
 14 THE RESORTS?
 15

16 A. The Camelback Inn's water bill is expected to rise by about 43 percent and the Sanctuary's
 17 water bill is expected to rise by about 42 percent:

Resort	Water Bill Current Rates	Water Bill Staff Direct Rates	\$ Increase	% Increase
Camelback	\$172,534	\$247,062	\$74,528	43%
Sanctuary	\$97,896	\$139,101	\$41,205	42%
Monthly minimum and commodity charges only, Staff system-wide consolidation proposal.				

18
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 21
 22 Staff's proposed consolidated rates are also in excess of the approximate 10.1 percent revenue
 23 requirement increase imposed on the PVWD simply because of consolidating its rates with rates in
 24 higher-cost systems.

25 Q. WHY ARE THE RESORTS SO UNDULY HARMED BY THE PROPOSED
 26 CONSOLIDATED RATE STRUCTURES?
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A. The Resorts are unduly harmed because AAWC's proposed tiered rates are steep, tier breaks are low and the Resorts' consumption would largely fall into the top tier. The proposed commercial tariffs are likely more relevant to average commercial-type business like florists or bakeries or even restaurants, or other smaller commercial firms. Consequently, the tier breaks are low and likely related to average or median consumption. The Resorts' water demands are more like an industrial consumer than a typical commercial business. Resorts can serve the health and safety needs of thousands of people a day.

Q. WHAT IS THE AVERAGE MONTHLY CONSUMPTION FOR AN AAWC COMMERCIAL CUSTOMER COMPARED TO THE RESORTS?

A. The average commercial customer in AAWC's consolidated water districts varies by meter size and is shown below along with the Camelback Inn and Sanctuary resorts' average consumption for their primary meter sizes:

Meter Size	AAWC Average Commercial Usage ¹	Resorts' Usage
2"	137,585	378,000
3"	158,533	3,105,000
6"	1,553,458	5,139,000

Calculated from AAWC's working paper Commercial v3 step 3

As you can see, the Resorts are not typical commercial customers. Statistically, we would likely say that the Resorts are a different population compared to the average commercial customer. The nature of their businesses in serving health and safety needs of thousands of people a month is also a distinguishing feature.

Q. FOR HOW MANY PEOPLE DO THE RESORTS EXPECT TO PROVIDE HEALTH AND SAFETY NEEDS?

1 A. The Resorts expect to provide for the health and safety needs for the following number of
2 people per month between guests, employees, and events:
3

4 Resort	No. of Rooms	Total People Days Per Month (in 2009)
5 Camelback Inn	453	55,270
6 Sanctuary	105	19,223

7 As you can see, the Resorts serve the health and safety needs of tens of thousands of people per
8 month.
9

10 **V. The Proposed Consolidated Rates Will Result in Rate Shock**

11 **Q. WILL THE PROPOSED CONSOLIDATED RATES RESULT IN RATE SHOCK?**

12 A. Yes, AAWC's and Staff's proposed consolidated rates will likely result in rate shock to the
13 Resorts and potentially numerous other customers not directly represented in this proceeding.
14

15 **Q. WHAT IS RATE SHOCK?**

16 A. Rate shock is the psychological effect on a consumer who faces a bill increase far in excess
17 of what they expected. The term does not inherently imply any particular percentage increase in
18 bills but a Commissioner should be concerned with an increased likelihood of rate shock when bills
19 increase by more than 10 percent.
20

21
22 **VI. The Proposed Tiered Consolidated Commercial Rates Will Not Promote Conservation
At the Resorts But They Will Punish Businesses Who Have Conserved**

23 **Q. WHY DO TIERED (INVERTED BLOCK) RATES EXIST?**

24 A. I understand that the only reason inverted block rates exist is to promote conservation by
25 sending increasingly more expensive price signals to customers as they consume increasing
26 amounts of water.
27
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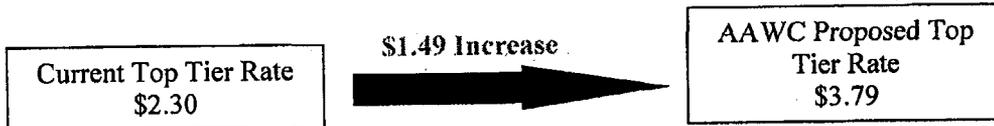
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Q. WILL AAWC'S PROPOSED TIERED CONSOLIDATED RATES PROMOTE WATER CONSERVATION AT THE RESORTS?

A. No, the tiered rates will not promote conservation, but rather they will simply penalize the Resorts because the tiers have no relation to the Resort's consumption patterns. Ostensibly, the purpose of inverted block rates ("tiered rates") is to promote conservation by providing the financial incentive to lower the marginal cost of water by reducing consumption and thereby falling into a lower-priced tier. However, the proposed tier breaks are so low relative to the Resorts' consumption that they could never reasonably lower their consumption to fall below a lower tier break.

Q. WHAT IS AAWC'S PROPOSED TIER BREAK FOR A 6" METER AND HOW DOES THAT RELATE TO THE CAMELBACK INN'S ABILITY TO LOWER CONSUMPTION AND FALL INTO A LOWER TIER?

A. AAWC's proposed top tier break for a 6" commercial meter consumption is 400,000 gallons per month. However, the Camelback Inn draws approximately 5,139,000 gallons on average per month from that meter¹ so the second tier kicks in after the first 8% of consumption. The Camelback has done (and continues to do as new technology becomes available) all it can to conserve water but it cannot reduce its consumption by 92%. Currently, the Camelback Inn pays \$2.30 in the top tier but under AAWC's proposed consolidated rate the top tier would be \$3.79 or a \$1.49-per-1,000 gallons increase in the commodity rate:



¹ The Camelback Inn actually has two meters, a 1.5" meter and a 6" meter whose readings AAWC combines for billing purposes.

1 Based upon the Resorts' unique characteristics, they have certain minimum water needs that far
2 exceed 400,000 gallons per month. For example, The Camelback Inn can host approximately 300
3 families a night. In contrast, AAWC proposes the residential conservation maximum tier to be
4 60,000 for a 5/8" by 3/4" and 1" meters. I don't believe anyone in this case would argue that 6.66
5 residential properties equals one resort ($60,000 \times 6.66 = 400,000$). To provide some additional
6 perspective, the Camelback Inn covers 118 acres, while a typical residential home in Paradise
7 Valley covers one acre. At a minimum, tier breaks should take into consideration the unique water
8 needs of the Resorts including their relative acreage, number of rooms and amenities. An arbitrary
9 tier breakpoint serves no conservation purpose and it arbitrarily penalizes the Resorts despite their
10 efforts made towards conservation as I will discuss below.

11
12
13 **Q. HOW MORE FORMALLY WOULD AN ECONOMIST VIEW THE TIER BREAKS**
14 **AND PRICES?**

15 A. An economist might call the tier price points marginal costs and the tier break points the
16 quantities at which those marginal costs become effective. Economists view behavior affected by
17 marginal signals: producers react to marginal costs and marginal price, consumers react to marginal
18 price and marginal utility, consumer/investors have a marginal propensity to consume, etc. The
19 problems is that the tier breaks occur so early for the Resorts that the marginal price signal sent to
20 them is the top tier and it always will be. Therefore, the tier prices and breaks cannot be altered at
21 the margin through conservation and, therefore, the tier prices and breaks send no manageable
22 signal. The Resorts are effectively at a flat (the highest) marginal rate and cannot adjust their
23 consumption to seek a different price signal.

24
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26 **Q. AAWC PROPOSES FOUR INVERTED BLOCK RATE TIERS FOR THE**
27 **CONSOLIDATED COMMERCIAL CLASS. ARE AAWC'S ACTUAL MARGINAL**
28

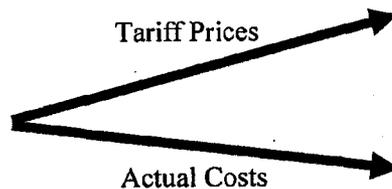
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1 **COSTS OF PROVIDING WATER SERVICE LIKELY TO INCREASE OR DECREASE**
2 **WITH SERVING COMMERCIAL CUSTOMERS LARGER VOLUMES OF WATER?**
3

4 A. Generally, the costs of serving larger amounts of a utility service to a class result in
5 diminishing marginal and average costs. For example, electricity costs generally decline in serving
6 a large industrial electricity consumer because fixed costs are spread out over larger numbers of
7 kilowatts compared to serving a residential consumer. The same is likely true for water utility
8 service.
9

10 **Q. WOULD YOU BE CONCERNED IF THE COSTS OF SERVING A COMMERCIAL**
11 **CUSTOMER DECLINED WITH USAGE BUT TARIFF PRICES INCREASED WITH**
12 **USAGE?**

13 A. Yes, I would be concerned if the actual costs of serving a commercial customer declined
14 with usage, implying traditional (declining) block rates, but the approved tariffs reflected inverted
15 (increasing) block rates because tariff prices and costs would be diverging in a V-like fashion:
16



21 My concern, more clearly, would be that the tariffs were not just and reasonable because they
22 would not reflect cost. In utility regulation, price should generally reflect cost.
23

24
25 **VII. Rate Consolidation and Cross-Subsidization**

26 **Q. ARE YOU CONCERNED THAT RATE CONSOLIDATION WILL RESULT IN**
27 **CROSS-SUBSIDIZATION?**
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A. Yes, I am concerned that rate consolidation will result in cross-subsidization.

Q. WHAT IS CROSS-SUBSIDIZATION?

A. Cross-subsidization is the practice of using profits generated from one product or service to support another provided by the same operating entity.² In our case, cross-subsidization is the proposed practice of generating excess profits from one water system to offset the losses in another water system.

Q. SHOULD CROSS-SUBSIDIZATION GENERALLY BE ENCOURAGED OR AVOIDED IN RATE MAKING?

A. Cross-subsidization is generally to be avoided in rate making rather than encouraged. Let me present a simple example. Consider a restaurateur who owns three restaurants, a fast food, a sit-down, and a 3-star. Each serves two customer classes: kids who eat hamburgers and adults who eat steak and each class has its own menu (tariff):

Unconsolidated Menus				
	Fast Food	Sit Down	Three Star	Total
Kids	\$4	\$5	\$6	\$15
Adults	\$10	\$20	\$30	\$60
Total revenue				\$75

Consolidated Menus				
	Fast Food	Sit Down	Three Star	Total
Kids	\$5	\$5	\$5	\$15
Adults	\$20	\$20	\$20	\$60
Total revenue				\$75

² From the Organization of Economic Co-operation and Development, <http://stats.oecd.org/glossary/detail.asp?ID=4968>.

1 Notice that that by consolidating menus, the fast-food restaurant subsidizes the three-star restaurant,
2 violating the cost-of-service underlying the unconsolidated menus. Notice also that consolidation
3 results in distortion of the relative costs of serving the two classes. The table below depicts the
4 relative costs of serving the two classes before and after the menu consolidation:
5

6

Relative Costs of Serving Adults and Kids			
	Fast Food	Sit Down	Three Star
<i>Pre-Consolidation</i>			
Kids	\$4	\$5	\$6
Adults	\$10	\$20	\$30
Relative costs Adults/Kids	2.5:1	4:1	5:1
<i>Post-Consolidation</i>			
Kids	\$5	\$5	\$5
Adults	\$20	\$20	\$20
Relative costs Adults/Kids	4:1	4:1	4:1

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14 Only in the case of the sit-down restaurant is the 4:1 relative price of serving adults/kids preserved.
15 In the case of the fast food restaurant the relative price of serving adults/kids has risen (adults are
16 subsidizing kids in the fast-food restaurant) and in the case of the three-star restaurant the relative
17 price of serving adults to kids has fallen from 5 to 4 (kids are subsidizing adults in the three-star
18 restaurant). The inherent problem of the cross-subsidization between restaurants and within the
19 classes at each restaurant reduces economic efficiency and rates under consolidated menus wouldn't
20 reflect the outcome under competition. One of utility regulation's goals is to replicate prices under
21 competition (while at the same time garnering the economic benefits of a monopoly provider). We
22 allow a monopoly provider to serve customers resulting in declining average costs but we regulate
23 those costs consistent with sound economic and legal principles.
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VIII. The Proposed Consolidated Rates Will Violate Rate Spread Relationships Based on Cost-of-Service Models

Q. DO AAWC'S PROPOSED CONSOLIDATED RATES EQUITABLY SPREAD THE REVENUE REQUIREMENT INCREASE OF CONSOLIDATING RATES ON THE PVWD ACROSS RATE CLASSES EQUITABLY?

A. No, AAWC's proposed consolidated rates do not spread the revenue requirement increase caused by consolidating rates equitably across rate classes in the PVWD. The commercial class bears an inequitable increase (31.5 percent) compared to the residential class (3.3 percent) as shown in the table below:

AAWC's Revenue Requirement by Class for PVWD Pre- and Post-Consolidation			
Class	Pre-Consolidation	Post-Consolidation	% Increase
Residential	\$7,108,793	\$7,344,558	3.3%
Commercial	\$1,954,299	\$2,570,457	31.5%
OPA	\$21,806	\$41,664	91.1%
Sale For Resale	\$33,843	\$36,930	9.1%
Private Fire	\$7,648	\$57,326	649.5%
Total	\$9,126,389	\$10,050,935	10.1%

This unfortunate result in which the commercial class revenue requirement percentage increase is almost *ten times* the residential revenue requirement percentage increase is similar to my restaurant example above for the fast-food restaurant: the kids price increased to \$5 from \$4, or 25% but the adults price increased to \$20 from \$10, or 100%.

IX. Programs by the Resorts to Preserve and Conserve Water

Q. PLEASE DESCRIBE THE RESORTS WATER CONSERVATION PROGRAMS DURING THE PAST SEVERAL YEARS.

1 A. Programs to conserve and preserve water already made by the Resorts generally include the
2 following: replacing high water use plants and grass with xeriscape landscaping; upgrading and
3 improving irrigation management systems and infrastructure; minimizing water use through
4 efficient delivery systems and prudent water conservation policies; and seasonal and climactic
5 adjustment to landscape irrigation.
6

7 **Q. WHAT IS XERISCAPE LANDSCAPING?**

8 A. Xeriscape landscaping is landscaping that minimizes supplemental irrigation. The Arizona
9 Department of Water Resources ("ADWR") has identified seven principles of xeriscaping that the
10 Camelback Inn and the Sanctuary incorporate wherever possible into their properties' landscaping,
11 including good planning, extensive use of low-water-use plants, appropriate and minimized turf
12 areas, efficient irrigation, and excellent maintenance, amongst others. A copy of ADWR's
13 principles is attached as Exhibit JST-3.
14
15

16 **Water Conservation at The Camelback Inn**

17 **Q. PLEASE DESCRIBE THE CAMELBACK INN'S EFFORTS TO CONSERVE**
18 **WATER.**
19

20 A. The Camelback Inn has integrated water conservation measures into all aspects of the resort
21 that use water. I document them below.

22 •Guests receive a Welcome card on their beds. The next three paragraphs after the room
23 attendant's introduction all relate to and encourage water conservation.
24

25 "Our resort is committed to doing our share to protect the environment through water
26 conservation and clean air.

26 As a standard, your bed linens will be changed every third day. We are delighted to change
27 your linens upon request by placing this card on your pillow.

27 If you wish to reuse your towels, simply leave them, on the towel rack or door hanger.
28 Towels that are left on the bathroom floor will be replaced."

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I attach the Welcome card as Exhibit JST-4.

• In addition, back in 1996, The Camelback Inn was the first resort in the industry to remove the standard 4 gallon flush toilets and replace them with power flush toilets that use compressed air and 1.6 gallons of water per flush saving 3.4 gallons per flush (gpf). Rooms currently have low-flow 1.6 gpf power flush systems but they will be replaced by 1.2 gpf power flush systems.

• The Camelback Inn has also installed recirculation pumps in all rooms at the resort. These pumps provide hot water at first opening of the tap without having to waste water down the drain waiting for it to get hot. Measurements taken at The Camelback Inn indicate a savings of approximately 1 1/2 gallons of water every time a faucet is turned on for hot water.

• The Camelback Inn also installed new showerheads that regulate the water flow while enabling guests to enjoy an adequate high pressure shower. A test run shows that these new heads save approximately 20 to 25 gallons of water per 10 minutes of shower time as compared to the old-style shower heads. The total savings is estimated at 1.2 million gallons per year.

• The Camelback Inn also installed Perlator economy flow aerators that regulate the flow of sink water in guest rooms to 1.5 gallons per minute (gpm).

• A 2010 renovation included removing a 65,000-gallon pool and replacing it with 10,000-gallons of reflecting ponds. I attach a picture of the former pool now deck area as Exhibit JST-5. The small patch of grass in the renovation (barely visible and just at the base of the palm trees) will be converted to decking as well.

• The Camelback Inn has invested in a Rain Bird Stratus Golf Central Control System, which is a state-of-the-art electronic irrigation system that is the most advanced irrigation system in the world. The Camelback Inn's system has distributed valves that water different vegetation

1 differently. For example, older trees are irrigated once every two weeks while other plants are
2 watered according to their minimum needs. This gives The Camelback Inn the ability to regulate
3 water flow to all of our plant life to prevent over watering in areas that don't require water on a
4 regular basis. Without this system all vegetation would receive the same amount of water, resulting
5 in excess water use. In addition, the landscape manager can control the entire irrigation system
6 remotely by laptop from anywhere in the world so that if any leaks are detected at the resort, the
7 personnel can contact her and she can immediately shut off valves to conserve water. The
8 landscape manager also has the ability to shut down the entire system via laptop when rain is
9 detected in the area. This upgrade saved an approximate 9.4 million gallons per year.
10

11
12 ●The Camelback Inn has already upgraded its water delivery systems to feature 100% drip
13 irrigation to plants, 100% bubblers to flowers, and then sprinklers minimized to the increasingly
14 limited turf areas. These systems minimize, to the extent possible with current technology, water
15 delivery to the various plant species (by age) on the property. Hoses are used in rare emergencies.
16

17 ●The Camelback Inn installed pressure reducers in 2006 on the water system entering the
18 property to reduce pressure and subsequent irrigation blowouts and leaks, saving an estimated
19 4,800,341 gallons per year.
20

21 ●One full-time employee is currently tasked to monitor and correct landscaping leaks. The
22 Chief Engineer also conducts a weekly walk around to look for any leaks or dripping faucets that
23 need repair to avoid wasting water.

24 ●The spa's Thalasootherapy baths were removed to eliminate their high-volume use. The
25 total savings is estimated at 120,000 gallons per year.

26 ●The restaurant serves table water only upon request.
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1 • The Camelback Inn also replaced the main kitchen Hobart dish washer with a Champion
2 dish washer, which saves approximately 55% in water and energy usage and it is ENERGY STAR³
3 compliant.
4

5 • Decks and paving are now power washed as opposed to hosed down.

6 • Kitchens are now mopped down as opposed to hosed down.

7 • A reverse osmosis system was removed from the restaurant's glass washer during the
8 2006-2007 renovation.

9 • The Camelback Inn has a stringent weigh-in process for laundry to ensure that the proper
10 pounds are put into washers to maximize the useful life of the equipment and maximize the
11 efficiency of water used per cycle.

12 • Appliances purchased now are all ENERGY STAR rated where applicable, such as in
13 housekeeping's linen spreader-folder.

14 • All public space restrooms are equipped with Toto or American Standard auto-flow sensor
15 urinals and toilets to avoid unnecessary water waste. Public toilets are 1.6 gpf.

16 • All public space restrooms are equipped with auto-flow sensors. The total savings is estimated at
17 45,000 gallons per year.

18 • A cover was installed on the 80,000 spa lap pool to reduce evaporation and reduce heating
19 expense. This Olympic-sized pool is so large that the cover is in cut into three sections.
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24 _____
25 ³ ENERGY STAR employs strategies that in the aggregate use a minimum of 20 percent less
26 potable water than the indoor water use baseline calculated for a building, after meeting the Energy
27 Policy Act of 1992 fixture performance requirements. In addition, ENERGY STAR promotes the
28 use of efficient landscaping and irrigation strategies, including water reuse and recycling, to reduce
outdoor potable water consumption by a minimum of 50% over that consumed by conventional
means as well as employs design and construction strategies that reduce storm water runoff and
polluted site water runoff.

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•A central chiller was converted to a soft-water system, thereby increasing cooling cycles and reducing water use by two-thirds or saving approximately 1,500 gallons of water per month.

•Turfed area in front of units 100-106 was converted to xeriscape.

Q. HAVE THE CAMELBACK INN'S EFFORTS TO CONSERVE WATER RESULTED IN LOWER WATER USE OVERALL?

A. Yes, the Camelback Inn's efforts to conserve water have resulted in a declining trend line of consumption as shown in the graph in Exhibit JST-6.⁴

Q. WHAT FUTURE WATER CONSERVATION EFFORTS ARE PLANNED BY THE CAMELBACK INN?

A. The Camelback Inn is constantly planning capital expenditures to reduce its water use. Those capital expenditures and water conservation programs include the following:

•Hot water heaters are planned to be upgraded in 2011, delivering hotter water more quickly, thereby reducing wait time and wasting water in the line before hot water is delivered.

•Appliances purchased will be Energy Star rated.

•A planned 2012 spa renovation will include more effective shower valves that reduce water use.

•A planned \$6.8 million golf course renovation will "naturalize" 80 to 100 acres of existing turf and reduce water features to one remaining.

•Poly pipe replacements are proactively planned to ensure that water leaks are avoided.

•The state-of-the-art Rain Bird Stratus Golf Central Control System is anticipated to be upgraded with the Rain Bird weather station and smart weather system to automatically turn off irrigation if rain is present.

⁴ Data from previous cases and AAWC Response to Resorts' Data Request No. 1.5.

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- The children's recreation area is slated for xeriscape.
- Low-flow 1.6 gpf room toilets will be replaced with new-technology 1.2 gpf toilets.
- Square footage of color annuals will be reduced and replaced by boulders, for an expected annual water savings of 15,000 gallons.
- Replace small grassy area in Rita's back patio with cement.
- Institute policy of turning kitchen equipment off or putting on standby when not in use to conserve water.

Q. PLEASE DESCRIBE THE CAMELBACK INN'S EFFORTS REPLACE HIGH-WATER-USE PLANTS AND GRASS WITH XERISCAPE LANDSCAPING.

A. The Camelback Inn extensively employs xeriscape planting around its 128 acre resort property to avoid watering in those areas. Of The Camelback Inn's 128 acres, 115 acres is in xeriscape or native landscaping. Less than 4% of the acreage (or less than 5 acres) is in grass. During remodeling at The Camelback Inn in 2003 and 2007, grassy areas were converted into xeriscape landscaping wherever possible. The end result was that over 2 acres of grass was converted into xeriscape landscaping, a reduction in turf of approximately 29%.

Q. DOES THE CAMELBACK INN ADJUST ITS WATERING PRACTICES BASED UPON CLIMATE CHANGES?

A. Yes. The Camelback Inn's landscape manager tailors its irrigation use specifically for seasonality and daily weather conditions. For example, cacti are not watered at all from November to May and irrigation is shut off remotely with a call to the landscape manager if rain is present.

Q. COULD THE CAMELBACK INN EMPLOY ANY OTHER SIGNIFICANT TECHNOLOGIES TO REDUCE ITS WATER USE?

1 A. The Camelback Inn is constantly looking at new technologies to conserve water as those
2 technologies become available, for example the new 1.2 gpf toilets and the Rain Bird weather
3 station and smart weather system including the Rain Check Automatic Rain Shutoff feature I
4 mentioned above.
5

6 **Q. WHAT IS DRIVING THE CAMELBACK INN TO CONSERVE WATER?**

7 A. The Camelback Inn's water conservation efforts have two key drivers. First, the Camelback
8 Inn is owned by the Marriot Corporation who has imposed on the Camelback Inn a 2 percent annual
9 utilities expense reduction mandate. The Marriot Corporation has tasked a unit called The
10 Americas Energy Group whose focus and function is to find, analyze and have properties
11 implement green solutions throughout the Corporation. Water conservation is specifically listed as
12 one of the Group's functions. The Marriot Corporation also has a proprietary Energy Conservation
13 Manual that states, "Energy conservation has been a company priority for several years and
14 continues to result in substantial cost savings, in addition to fulfilling our company's Green
15 Vision." The Manual is a detailed business action plan on reducing water use in all resort
16 operations, in addition to other utilities.
17
18

19
20 **Water Conservation at the Sanctuary on Camelback Mountain**

21 **Q. ARE YOU FAMILIAR WITH THE SANCTUARY'S EFFORTS AND PROGRAMS**
22 **TO CONSERVE WATER?**

23 A. Yes, I am familiar with the Sanctuary's water conservation efforts and programs. The
24 Sanctuary has implemented many programs to conserve water (including some removal of turf) and
25 including desertification of remaining landscaped areas wherever possible. The following
26 summarizes programs and efforts initiated at the Sanctuary:
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●Guests receive a bedside card titled “Conserve Water Dream Sweet” that alerts guests to the Sanctuary’s policy of not changing bed linens every day. That card says, in part,

“Washing bed linens daily contributes to excessive water consumption and the effluence of detergents into the environment. Our Sanctuary Green practice is to change bed linens every other day in occupied guests rooms. Should you prefer a daily linen change, please press the housekeeping button on your phone.”

I include the bedside card as Exhibit JST-7.

●The guest packet in each room also contains a flyer by the Sanctuary Green Team discussing the Sanctuary’s conservation, recycling, and products/purchasing practices that are green, including conservation of water. I include the Green Team flyer as Exhibit JST-8.

●Robes are only laundered at checkout.

●Showerheads in guest rooms are low flow and feature shut off valves. I include a photo of one such showerhead in Exhibit JST-9. Rooms have recycling baskets, also shown in Exhibit JST-9.

●All rooms have hot water recirculating pumps so that water isn’t wasted at taps and showerheads waiting for hot water to arrive.

●Toilets are dual flush (66 percent) or low flow (34 percent).

●The Sanctuary invested approximately \$500,000 between 2005 and 2006 to upgrade its water infrastructure, including more efficient irrigation systems, despite the fact that it is almost entirely xeriscaped. The Sanctuary sits on 53 acres or 2,308,680 square feet of property. Of this 2,308,690 square feet, only 6,500 is in lawn or 0.3 percent. The property is largely landscaped with native plant life or xeriscape. Greater than 50% of the landscaping is indigenous and has no irrigation at all. I include an example of the Sanctuary’s landscape in Exhibit JST-10.

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•The irrigation system limited to the non-indigenous plant life is controlled by an Irritrol timed system with multiple controllers governing multiple valves and tailored to feed water sparingly based on the age and specie of the plant.

•All staff is trained to spot and report irrigation leaks on a constant basis and any such leaks are repaired swiftly.

•A 2008 upgrade replumbed the Sanctuary's centrifugal water booster pump (water pressure is inadequate from AAWC to the property) such that waste water that was previously used to lubricate the pump and disposed of as wastewater is now recycled to irrigate the frontage landscaping, shown in Exhibit JST-10.

•A 2008 renovation project replaced approximately 600 square feet of lawn areas under two signage areas with Astro Turf. I include a photo of an area as Exhibit JST-10.

•A 2010 renovation featured an expansion and upgrade to the banquet and dining facilities that further reduced lawn area and included new Rinnai tankless instant hot water heaters and new water-efficient dishwashers and glass washers.

•The 2010 kitchen renovation included new dishwashers that reuse water and the new HT25 glass washer that is the lowest water-using model on the market, using 0.85 gallons per load and even reusing some of that water for subsequent loads. Neither the dishwashers nor the glass washer have reverse-osmosis systems feeding them that would otherwise waste water.

•Wet mop bucket systems have been replaced by damp mop Swifter-style systems, thereby conserving water by eliminating buckets of water in the cleaning process.

•Laundry facilities are water efficient and much laundry is sent to commercial launderers who can more efficiently use water through economies of scale and more efficient and precise loadings.

1 •Water is offered to guests in the restaurant only upon request, eliminating water waste
2
3 through unused table water.

4 •Water bottles are given to guests only upon request after hikes and activities and bottles
5 have been switched to an easily refillable model. This water is not AAWC water, but it still reflects
6 on the Sanctuary's commitment to conserving water, whatever its source.

7 **Q. DOES THE SANCTUARY HAVE FUTURE CAPITAL EXPENDITURE PLANS TO**
8 **REDUCE ITS WATER USE?**

9
10 A. Yes, the Sanctuary is planning to implement the following programs to reduce its water use:

11 •Remove all olive trees on the property and replace with low-water-use species and
12 hardscape/boulders/landscape.

13 •Prohibition against planting of any further citrus trees on the property.

14 •Remove seven citrus trees to west of parking lot steps and replace with indigenous species.

15 I include a picture of the trees in Exhibit JST-11.

16 The Sanctuary is constantly looking at new technologies to conserve water.

17
18 **Q. WHAT IS DRIVING THE SANCTUARY TO CONSERVE WATER?**

19 A. The Sanctuary's water conservation efforts have the same two key drivers as the Camelback
20 Inn's drivers: cost reduction and green public image. A 2009 cost reduction initiative,
21 implemented when the recession was hitting destination resorts hard, mandated cost reductions in
22 all areas of expense, including utilities expenses. The Green initiative appears to me to be central to
23 the Sanctuary's high-end modern high-design corporate image. The landscaping, while almost
24 entirely xeriscape, is both luxurious and green (as in protects the earth). The Sanctuary even
25 submitted for the 2009 Scottsdale Green by Design Awards. I include a copy of the submission as
26 Exhibit JST-12.
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1
2 **Q. WHAT DO YOU CONCLUDE REGARDING THE RESORTS' WATER**
3 **EFFICIENCY INVESTMENTS AND PRACTICES?**

4 A. These efficiency investments and practices all translate into being better stewards of our
5 precious water resource as well as being wise business decisions. The Resorts are a class of
6 customer at the forefront of prudent and conservative water usage. The Resorts, as large
7 businesses, have access to, information about, and deployment abilities for water conservation
8 programs that are make them efficient and effective conservators of water.
9

10
11 **X. The Resorts are Engines of Our Local Economy and Deserve Just and Reasonable**
12 **Rates to Protect Jobs**

13 **Q. DO THE RESORTS PLAY AN IMPORTANT ROLE IN PROVIDING JOBS IN THE**
14 **LOCAL ECONOMIES OF PARADISE VALLEY AND SCOTTSDALE?**

15 A. Yes, they certainly do play an important role in providing jobs. The Camelback Inn directly
16 employs 800 people and the Sanctuary directly employs 300 people. Traditionally, our Arizona
17 economy has been built on the "four C's": copper, cattle, cotton, and climate. The climate and our
18 local resorts together draw tourism dollars from all over the world. Raising their water bills for no
19 cost-of-service reason will increase their cost basis and they will be less competitive relative to
20 other tourism destinations around the US. The Resorts cannot simply raise their room rates in a
21 competitive environment. An economist would call the resorts price-takers. AAWC's proposed
22 consolidated rates impact the PVWD Resorts in the hundreds of thousands of dollars per year. The
23 increases in water bills put the Resorts in a competitive disadvantage compared to other Scottsdale
24 and Phoenix resorts and they might result in cost cuts such as in salary expense; i.e. jobs.
25 Economists call the effect of a dollar spent on the rest of the economy the multiplier effect and
26 fewer tourism dollars and fewer jobs will have a negative multiplier effect on the local economy.
27
28

1 Q. WHAT IS THE SIZE OF THE LOCAL SCOTTSDALE/PARADISE VALLEY
2 RESORT/HOTEL VISITOR MARKET?
3

4 A. The total number of resort/hotel visitors estimated for 2008 (the latest available data) for the
5 Scottsdale/Paradise Valley region was 1,183,146 comprising 6,507,302 room nights, according to
6 the City of Scottsdale Economic Vitality Department report, "The Scottsdale/Paradise Valley
7 Tourism Study —Part II: Visitor Statistics." I include this report as Exhibit JST-13. Total direct
8 and indirect spending by visitors in Scottsdale in 2008 was approximately 3.6 billion dollars and the
9 average Scottsdale/Paradise Valley resort/hotel visitor spends about \$259 per day. Visitor
10 expenditures in 2008 were estimated at \$193,324,334 in Paradise Valley alone.
11

12 Q. DOES AAWC'S RATE CONSOLIDATION PROPOSAL IMPROVE OR HARM
13 THE RESORTS' BOTTOM LINE AND POTENTIALLY PUT THEM AT A
14 COMPETITIVE DISADVANTAGE TO LURE TOURISM DOLLARS.

15 A. The increased rates under the consolidation proposals by AAWC and Staff would harms the
16 Resorts' bottom line and they could lead to putting the Resorts in a competitive disadvantage in
17 luring tourism dollars to our economy. Corporate and retail shoppers can and do shop for their
18 vacation dollars using the Internet and the competition for tourism can be fierce. The Resorts' room
19 rates cannot simply be raised because they operate in a competitive environment, competing with
20 other destination resorts around the country.
21

22
23 **XI. The Resorts Should Be Excluded From Consolidation Or Otherwise A Resort Class of
24 Service Should Be Established**

25 Q. WHY IS A RESORT CLASS OF SERVICE, OR OTHERWISE EXCLUDING
26 RESORTS IN GENERAL FROM CONSOLIDATING RATES, PARTICULARLY
27 APPROPRIATE?
28

1 A. Establishing a Resort class of service is appropriate because a limited number (at least four)
2 of resort customers exist out of AAWC's approximate 3,362 AAWC commercial potable water
3 customers across all eight water systems. In other words, there is no other customer with whom to
4 combine them. AAWC witness Constance E. Heppenstall testifies in her rebuttal testimony, page 3
5 at lines 6 to 11, that "...certain contracts were due to specific contracts or uniqueness to a specific
6 system or there were no comparable classes in other districts to combine with. These classes
7 include: C2M3 Arizona Water contract, C5M1 Agua Fria - O W PI Surprise, AM1 Sun City Public
8 Interruptible - Peoria, E7M2 Anthem Wholesale (Phoenix) O W and the apartment classes in
9 Mohave and Havasu. The rates for these customers would remain stand-alone." All four resorts are
10 in the PVWD and they are unique to the AAWC systems. Establishing a Resort class of service
11 will result in a sounder rate structure.

12
13
14 **Q. WHAT DOES BONBRIGHT SUGGEST ARE THE CRITERIA FOR A SOUND**
15 **RATE STRUCTURE?**

16
17 A. Bonbright suggests that, of his eight criteria for a sound rate structure, the three primary
18 criteria are the following:

- 19 ●Effectiveness in yielding total revenue requirements under the fair-return standard.
20 ●Fairness of the specific rates in the apportionment of total costs of service among the
21 different consumers.
22 ●Efficiency of the rate classes and rate blocks in discouraging wasteful use of service while
23 promoting all justified types and amounts of use:
24 a. in the control of the total amounts of service supplied by the company.
25 b. in the control of the relative uses of alternative types of service (on-peak versus
26 off-peak electricity, Pullman travel versus coach travel, single-party telephone service versus
27 service from a multi-party line, etc.).⁵

28 **Q. DO AAWC'S AND STAFF'S SYSTEM-WIDE CONSOLIDATED RATE**
PROPOSALS MEET BONBRIGHT'S THREE PRIMARY CRITERIA?

⁵ Phillips, Charles F. Junior; *The Regulation of Public Utilities*, third edition (1993) pages 434-435.

1 A. I am concerned that AAWC's and Staff's system-wide consolidated rate proposals do not
2 meet Bonbright's criteria. First, the proposals apparently shift revenue requirement from monthly
3 charges to commodity charges. In the PVWD, monthly charges decline even while revenue
4 requirement overall is going up. This shift to commodity reduces effectiveness in yielding total
5 revenue requirements under the fair-return standard. Second, we do not have a system-wide cost-
6 of-service study in this case so we do not know if the proposed rates achieve fairness of the specific
7 rates in the apportionment of total costs of service among the different consumers. I would expect
8 that the Resorts would be less expensive to serve than a resident though AAWC's and Staff's
9 proposals have common rates between residential and commercial customers. Third, I have
10 thoroughly documented the efficiency of the Resorts in using water and their inherent built-in
11 incentives to conserve for both budgetary and sales/public image reasons, as well as their own
12 corporate values. Unnecessarily raising water rates to the Resorts will be economically inefficient
13 because the proposed rates will exceed the costs of providing service in PVWD. Rather, water rates
14 to the Resorts should promote all justified types and amounts of use that serve our local economy
15 through jobs and tourism revenues.
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18

19 Q. WHAT DOES THE AMERICAN WATER WORKS ASSOCIATION (AWWA)
20 MANUAL M1 *PRINCIPLES OF WATER RATES, FEES, AND CHARGES* SAY ABOUT
21 ESTABLISHING CUSTOMER CLASSES AND THEIR BREAKDOWN?
22

23 A. The AWWA manual M1 says, in part,

24 "Many systems, particularly larger ones, have customers with individual water use
25 characteristics, service requirements, or other factors that differentiate them from other customers
26 with regard to cost responsibility. **These customers should have a separate class designation.**
Such classes may include hospitals, universities, military establishments, and other such
categories."

(AWWA Manual M1, Fifth edition, page 64; emphasis added)

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1 In this case, we are unfortunately without a system-wide cost of service study which should be the
2 starting point for system-wide rates. A cost of service study would more formally look at classes
3 and sub-classes of customers.
4

5 The Resorts are differentiated because they are unique in their nature, and in their
6 consumption patterns and in their requirements to serve the health and safety needs of tens of
7 thousands of people per month. They are also drivers of local jobs and the local economy. The
8 Camelback Inn employs 800 people and the Sanctuary employs 300 people, as I mentioned earlier.
9

10 XII. Proposed Rate Solutions

11
12 **Q. WHAT RATE SOLUTIONS DO YOU PROPOSE TO ADDRESS THE CONCERNS**
13 **OF JUST AND REASONABLE RATES FOR THE RESORTS?**

14 A. I propose three solutions. (1) The Commission could exclude the four PVWD Resorts from
15 rate consolidation as AAWC proposes for a number of other similarly unique AAWC customers
16 whose tariffs or usage characteristics make them poor candidates for consolidation. Excluded
17 unique customers in this case include apartment classes in Mohave and Havasu. This solution
18 would essentially entail establishing a Resort Class of Service that is same as the current PVWD
19 commercial tariffs. I present Option 1 on page 1 of Exhibit JST-14.
20

21 (2) The Commission could establish a Resort class of service that comprises the current commercial
22 tariffs but raise them by the overall revenue requirement increase in the PVWD imposed by
23 consolidation. AAWC's proposed revenue requirement burden on the PVWD is approximately 10
24 percent as a result of consolidation. Therefore, the Commission could raise the current commercial
25 monthly minimums and commodity rates by 10 percent and thereby establish Resort tariffs. I
26 present Option 2 on page 2 of Exhibit JST-14.
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(3) The Commission could establish a Resort Class of service with tier break points that relate to the Resorts' consumption and whose rates result in the same expected 10 percent bill increase imposed on them by consolidating rates. I present Option 3 on page 3 of Exhibit JST-14. Options 2 and 3 inherently accept an equitable (negative) impact on the Resorts as would be imposed on the PVWD as a result of consolidating rates.

XIII. Conclusion

Q. PLEASE SUMMARIZE YOUR CONCLUSIONS AND RECOMMENDATION.

A. The Commission should exclude the Resorts from rate consolidation or otherwise provide more just and reasonable tariffs for these economic engines of our local economy and who have been at the forefront of best water management practices long before tiered rates were established in the PVWD. The likely best solution is to establish a Resort Class of service with tariffs and tier break points that relate to the Resorts' consumption patterns (Option 3).

Q. DOES THIS CONCLUDE YOUR PRE-FILED DIRECT TESTIMONY?

A. Yes, it does.

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EXHIBITS

JST-1	Witness Qualifications Statement
JST-2	Present vs. AAWC & Staff Proposed Rates for the PVWD
JST-3	ADWR's Xeriscape Principles in <i>Landscapes for Life in the Desert</i>
JST-4	Camelback Welcome Card
JST-5	Camelback Pool Removed and Replaced By Patio
JST-6	Camelback Historical Usage Chart
JST-7	Sanctuary Bedside Card
JST-8	Sanctuary Green Flyer
JST-9	Example of Sanctuary Conservation and Recycling
JST-10	Example of Typical Sanctuary Landscape and Astro Turf
JST-11	Citrus Trees to be Removed
JST-12	Sanctuary Submission for Scottsdale Green By Design Awards
JST-13	Visitor Statistics
JST-14	Tariff Options for the Resort Class

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Witness Qualifications Statement

NAME: JOHN S. THORNTON, JR.

ADDRESS: 7929 E Joshua Tree Lane, Scottsdale AZ 85250-7967

EDUCATION: Master of Science Degree from the University of London, having completed the graduate program in economics at the London School of Economics and Political Science (1986)

Graduate Diploma in Economics from the London School of Economics (1985)

Bachelor of Arts degree, major in economics, from Willamette University (1984)

Certified Rate of Return Analyst, past member of the Society of Utility and Regulatory Financial Analysts

1998 passed level I of the CFA

1995 PaineWebber Seminar on Corporate Finance for the Utility Industry

1990 MIT/Harvard Public Disputes Resolution Program seminar

1990 National Association of Regulatory Utility Commissioners (NARUC)

Advanced Regulatory Studies Program

1988 NARUC Annual Regulatory Studies Program

EXPERIENCE: **Thornton Financial Consulting - Principal, 2004 to present**

Docket No. W-01303A-08-0227 re: In the matter of the application of Arizona-American Water Company for approval of a rate increase for utility service by Agua Fria Water and Agua Fria Wastewater District, Anthem Water and Anthem Wastewater District, Havasu Water District, Mohave Water and Wastewater District, Paradise Valley Water District, Sun City West Water District and Tubac Water District. Represented the Camelback Inn and the Sanctuary on Camelback Mountain in analysis of rate proposals affecting resort users.

Docket No. W-01303A-08-0227 re: In the matter of the application of Arizona-American Water Company for approval of a rate increase for utility service by Agua Fria Water and Agua Fria Wastewater District, Anthem Water and Anthem Wastewater District, Havasu Water District, Mohave Water and Wastewater District, Paradise Valley Water District, Sun City West Water District and Tubac Water District. Analyzed case (2,000 pages of documents) and presented its effects on customers on Paradise Valley before the Paradise Valley Town Council.

Docket No. E-01933A-07-0402 re: In the matter of the application of Tucson Electric Power Company for the establishment of just and reasonable rates and charges designed to realize a reasonable rate of return on the fair value of its operations throughout the State of Arizona. Handicapped rate case outcomes for investors.

Analysis provided to a number of Wall Street investment firms through The Gerson Lehrman Group. (2008)

Docket No. W-01303A-05-0405 re: In the matter of the application of Arizona - American Water Company Inc. for approval of a determination of the current fair value of its utility plant and property; and for increases in its rates and charges based thereon for utility service by its Paradise Valley Water District. Provided revenue requirement and rate spread/rate design analysis related to High Block Usage Surcharge and Public Safety Surcharge to resort customers and proposed alternative surcharges. Forecasted seasonal resort consumption and bills and documented conservation efforts. (2007)

Docket No. W-01445A-06-0200 et alia re: Arizona Water Company vs. Global Water Resources, Inc. Filed testimony on behalf of Arizona Water Company. Analyzed Global Water Resources' financial structure, affiliated interest issues, and use of Infrastructure Coordination and Financing Agreements. (2007)

Docket No. 06-11022 re: application of Nevada Power Co. for authority to increase its annual revenue requirement for general rates charged to all classes of electric customers and for relief properly related thereto: Rate of return witness for intervenor MGM-Mirage. (2007)

Docket No. E-01345A-05-0816 re: In the matter of the application of Arizona Public Service Company for a hearing to determine the fair value of the utility property of the company for ratemaking purposes, to fix a just and reasonable rate of return thereon, to approve rate schedules designed to develop such return, and to amend Decision No. 67744. Provided analysis and commentary to Wall Street hedge fund clients on ACC decision process and procedures and likely outcome of the ACC vote. (2007)

Docket No. E-01933A-05-0650 re: application of Tucson Electric Power Company to amend Arizona Corporation Commission (ACC) Decision No. 62103. Provided analysis and commentary to GLG clients on ACC decision process and procedures and likely outcome of the ACC vote. (2005-2006)

Case No. 200500151 re: application of Oklahoma Gas and Electric Company for authority to increase its electric rates. Rate-of-return witness for intervenor Oklahoma Industrial Energy Consumers. (2005)

Docket No. E-01933A-04-0408 re: in the matter of the filing of general rate case information of Tucson Electric Power Co. pursuant to Decision No. 62103. Provided analysis on process & procedure, likely positions to be taken by parties, and revenue requirement analysis after impacts of potential or likely disallowances. Analysis provided to a number of Wall Street investment firms through The Gerson Lehrman Group. (2004-2005)

Docket No. E-04230A-03-0933 re: in the matter of the reorganization of UniSource Energy Corporation. Analyzed proposed acquisition of UniSource by KKR through Saguro Acquisition Corp. Provided analysis and commentary on Arizona Corporation

Commission (ACC) decision process and procedures and likely outcome of the ACC vote. Analysis provided to a number of Wall Street investment firms through The Gerson Lehrman Group. (2004)

Docket No. UM 1121 re: application of Oregon Electric Utility Co., LLC, et alia for authority to acquire Portland General Electric Co. Analyzed the proposed acquisition of Portland General Electric Co. by the Texas Pacific Group from the Enron bankruptcy estate on behalf of the Industrial Customers of Northwest Utilities. (2004)

Case Nos. AVU-E-04-01 and AVU-G-04-01 re: application of Avista Corporation for authority to increase its electric rates. Rate-of-return witness for intervenor Potlatch Corporation. (2004)

Docket Nos. 03-10001 and 03-10002 re: application of Nevada Power Co. for authority to increase its annual revenue requirement for general rates charged to all classes of electric customers and for relief properly related thereto: Rate of return witness for intervenor MGM-Mirage. (2004)

Docket Nos. 01-10001 and 01-10002 re: application of Nevada Power Co. for authority to increase its annual revenue requirement for general rates charged to all classes of electric customers and for relief properly related thereto: Rate of return witness for intervenor MGM-Mirage. (2002)

Docket No. UE 010395 re: application of Avista Corporation d/b/a Avista Utilities request for recovery of power costs through the deferral mechanism. Corporate finance witness for the Industrial Customers of Northwest Utilities. (2001)

Docket Nos. 99-4001 and 99-4005 re: Sierra Pacific Power Co. compliance filing Docket No. 99-4001 and Nevada Power Co. compliance filing Docket No. 99-4005. Rate of return witness for intervenors Mirage Resorts, Inc., Park Place Entertainment Corp., and the Mandalay Group. (2000)

Application Nos. 98-05-019, 021, & 024. Presented beta adjustment and distribution risk discount testimony on behalf of the Division of Ratepayer Advocates of the California Public Utility Commission. (1998)

Speaker—US Agency for International Development's Conference on Private Sector Participation in the Colombian Power Sector. (1991)

Chief, Financial & Regulatory Analysis Section, Utilities Division, Arizona Corporation Commission, 2001 to 2004

Testified or provided reports in the following dockets:

- W-01656A-98-0577 & WS-02334A-98-0577—Sun City Water Co. and Sun City West Utilities Co.'s request for approval of the Central Arizona Project water utilization plan. Testimony on the effect of the Groundwater Savings Project on Sun City Water Co. and Sun City West Utilities Company's revenue requirement.
- E-01345A-02-0707—Arizona Public Service Co.'s application for authority to incur \$500,000,000 of debt and to acquire a financial interest in an affiliate by lending \$500,000,000 to Pinnacle West Capital Corp. or Pinnacle West Energy Corp. Alternatively, APS' application to guarantee \$500,000,000 of PWCC or PWEC debt. Testimony on the appropriateness of the affiliate transactions and seven conditions under which the loan could be made.
- E-01345A-02-0840—Arizona Public Service Co.'s application for authority to loan \$125,000,000 of debt to an affiliate. (Staff report regarding four conditions under which the affiliate transaction would be appropriate.)
- E-01345A-02-0403—Arizona Public Service Co.'s application for approval of adjustment mechanisms. Testimony on a power supply adjustor earnings test.
- E-01032-00-0751, G-01032A-02-0598, E-01933A-02-0914, E-1032C-02-0914, G-01032A-02-0914—Consolidated dockets of UniSource, Citizens Communications Arizona Gas Division (AGD), & Citizens Communications Arizona Electric Division (AED); general rate case for the AGD, PPFAC adjustment for AED, and sale of AGD and AED to UniSource. (Staff report section on analysis of the financing of the sale and transfer of utility assets.)
- W-01445A-02-0619—Arizona Water Company's application for rates and charges for eight systems. Testimony on implementing lifeline rates and using marginal cost pricing in rate design.

Senior Analyst with the Public Utility Commission of Oregon, 1988-2001

Testified or provided rate of return analyses in the following dockets:

- UE 102—PGE disaggregation/general rate case (chief rate of return witness).
- UE 94—PacifiCorp general rate case (chief rate of return witness).
- UE 93 (UM 592, UM 694)—Portland General Electric Co. excess power cost/Coyote/BPA filing.

- UE 92—Idaho Power general rate case.
- UE 88—Portland General Electric Co. general rate case (chief rate of return witness).
- UE 85/UM 529—Portland General Electric Co. Earnings test for Trojan Shutdown Cost Adjustment Account.
- UE 84—Idaho Power Co. deferred account earnings benchmark.
- UE 82/UM 445—Trojan Outage Cost Adjustment Account earnings test benchmark.
- UE79—Portland General Electric Co. general rate case (chief rate of return witness).
- UG 104/UG 105/UG 106—LDC deferred account earnings test benchmarks.
- UG88—Cascade Natural Gas Co. general rate case (chief rate of return witness).
- UG81—Northwest Natural Gas Co. general rate case (chief rate of return witness).
- UT 125—US WEST Communications, Inc general rate case (chief rate of return witness).
- UT 113—GTE Northwest general rate case (chief rate of return witness).
- UT101—United Telephone Co. of the Northwest general rate case (chief rate of return witness).
- UT85—US WEST general rate case (capital structure and debt cost witness).
- RP95-409—Northwest Pipeline general rate case (FERC).
- RP93-5—Northwest Pipeline general rate case (FERC).

Responsibilities also included the following:

- Analyses and recommendations in over fifty financing dockets involving instruments such as first mortgage bonds, medium-term notes, debentures, preferred stock, QUIDS, TOPRs, common equity, shareholder rights plans (poison pills), and derivative securities including caps, collars, and floors.
- UM 903— Northwest Natural, cost of capital analysis for purchased gas adjustment mechanism.
- UM 21—Cost of capital analysis for avoided cost calculations.
- UM 351—Cost of capital analysis for long-run incremental-cost studies.

- UM 573—Analysis of purchased power on the utility's cost of capital.
- UM 773—Cost of capital analysis for long-run incremental-cost studies.
- UM 814—Enron's application to acquire Portland General Electric Co.
- UM 918—Scottish Power plc's application to acquire PacifiCorp.
- UM 967—Sierra Pacific Resource's application to acquire Portland General Electric Co.

Paradise Valley Water District Commercial Rates
Monthly Charges

<u>Meter Size</u>	<u>Current Rates</u>	<u>AAWC Rebuttal</u>	<u>Staff Direct</u>
5/8 x 3/4	\$25.15	\$16.97	\$14.00
3/4	\$26.16	\$16.97	\$14.00
1	\$50.30	\$42.43	\$35.00
1 1/2	\$90.54	\$84.85	\$70.00
2	\$140.84	\$135.76	\$112.00
3	\$276.65	\$254.55	\$210.00
4	\$462.76	\$424.25	\$350.00
6	\$930.00	\$848.50	\$700.00

Paradise Valley Water District Commercial Rates

Current Commodity Rates (all meter sizes)

0-400,000	\$1.95
Over 400,000	\$2.30

Proposed Commodity Rates (by meter size)

AAWC Proposal		Staff Proposal	
5/8" by 3/4" & 3/4"		5/8 by 3/4" & 3/4"	
0 - 10,000	\$2.29	0-10,000	\$2.2500
10,001 - 35,000	\$2.79	10,001 +	\$3.4821
35,001 - 60,000	\$3.29		
60,001 +	\$3.79		
1"		1"	
0 - 10000	\$2.29	0-40,000	\$2.2500
10,001 - 35000	\$2.79	40,001 +	\$3.4821
35,001 - 60,000	\$3.29		
60,001 +	\$3.79		
1.5"		1.5"	
0-100,000	\$2.29	0-80,000	\$2.2500
100,001 - 200,000	\$2.79	80,001 +	\$3.4821
200,001 - 300,000	\$3.29		
300,001 +	\$3.79		
2"		2"	
0-100,000	\$2.29	0-100,000	\$2.2500
100,001 - 200,000	\$2.79	100,001 +	\$3.4821
200,001 - 300,000	\$3.29		
300,001 +	\$3.79		
3"		3"	
0-100,000	\$2.29	0-200,000	\$2.2500
100,001 - 200,000	\$2.79	200,001 +	\$3.4821
200,001 - 300,000	\$3.29		
300,001 +	\$3.79		
4"		4"	
0 - 200,000	\$2.29	0-300,000	\$2.2500
200,001 - 300,000	\$2.79	300,001 +	\$3.4821
300,001 - 400,000	\$3.29		
400,001 +	\$3.79		
6"		6"	
0 - 200,000	\$2.29	0-500,000	\$2.2500
200,001 - 300,000	\$2.79	500,001 +	\$3.4821
300,001 - 400,000	\$3.29		
400,001 +	\$3.79		

XERISCAPE

Landscapes for Life in the Desert

Whether you have lived here all your life or you have just moved from across the country, creating a landscape in the desert can be a challenging and exciting experience. A beautiful, easy care yard can bring you hours of enjoyment and can provide you with a lovely place to relax, entertain and spend time with family and friends.

Warm, sunny days and a year-round growing season provide gardeners with the opportunity to use a wide array of plants. You can achieve different looks to suit your taste, and your yard can serve a variety of functions that match your lifestyle. Landscaping can also help to decrease some of the harsh effects of our desert climate, as plants and other landscape components provide shade, increase the energy efficiency of our homes and extend our living space from the indoors to the outdoors.

However, the same climate that offers many choices also presents us with a special challenge. Because we live in the Sonoran Desert, we must use water wisely. Selecting low water use plants and



using water efficient irrigation techniques will help you get the most from the water used to establish and maintain your landscape.

In the Sonoran Desert, many people call water efficient, creative landscapes Xeriscapes. This term comes from the Greek word xeros, which means dry, and refers to seven horticultural principles which help to ensure that landscapes, wherever they are located, reflect a sensitivity to the local environment and its climate. By using the Xeriscape principles, you can identify landscape options, express your creativity and, at the same time, be mindful and respectful of our unique desert environment.

This guide will provide the kind of information needed to plan, install and care for a Xeriscape. It is filled with ideas, instructions, tips and illustrations to help you create a landscape that will

beautify your home and meet your recreational needs. The guide is organized into four sections, each covering a different aspect of the Xeriscape process. You can read the guide all at once or refer to specific sections as needed. An extensive list of resources is located at the end of the guide. It provides suggested reading material, websites, telephone numbers for organizations that offer information on Xeriscape, and places to visit to learn more about Xeriscape.

You may already have an established landscape and are reading this guide with the idea of converting your water intensive landscape to a Xeriscape or of modifying your existing Xeriscape to enhance its beauty, functionality or water efficiency. This guide is for you too. All of the steps included in the guide can be directly applied or modified to plan and incorporate changes into existing landscapes.

Opposite: Outdoor living in the Sonoran Desert - native plants provide shade, color and texture. (Palo Verde tree - by chair, Ocotillo - center, Desert Marigold - yellow/foreground, Blanket Flower - orange and yellow/foreground and Penstemon - dark red to right of Ocotillo)

Xeriscape: The Process at a Glance

Planning and Designing a Great Yard

- Make a Drawing of Your Site
- Make a Wish List
- Look at Your Site
- Learn About Plants and Other Landscape Materials
- Draw Your Preliminary Landscape Design and Irrigation Plan
- Pre-Shop for Landscape Materials and Services
- Prepare a Cost Estimate
- Draw Your Working Design

Installing a Xeriscape

- Prepare Your Site
- Measure, Mark and Install Hardscape Areas
- Prepare the Soil
- Mark Plant Locations
- Purchase and Install Irrigation Materials
- Purchase and Install Plants
- Purchase and Install Decomposed Granite and Other Mulches
- Assess Your Accomplishments

Xeriscape Maintenance: Healthy Landscapes for Lasting Beauty

- Watering Schedules Tailored for Our Desert Climate
- General Guidelines for Landscape Watering
- Plant Care
- Irrigation System Care

Revisiting the Landscape

- Additions
- Conversions
- Improvements



Using the Xeriscape Principles to Create Beautiful, Healthy, Water Efficient Gardens

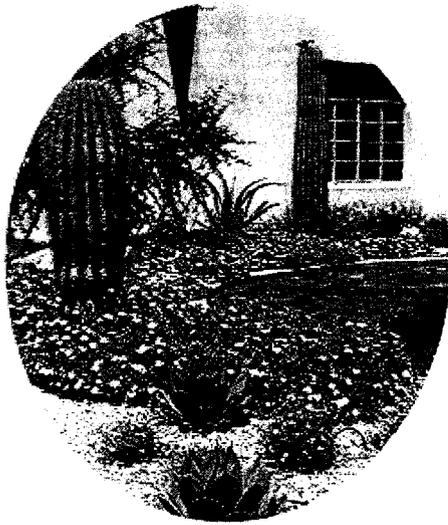
The Xeriscape Principles

1. Good Landscape Planning and Design

Creating a plan will help you get the most out of your landscape while considering issues like cost, function, aesthetic preferences, maintenance requirements, water efficiency and energy efficiency. You can tailor the plan to suit your taste, your needs and your checkbook. The plan will serve as a guide throughout the landscaping process. It will help you stay focused and can help to avoid time consuming and costly mistakes. When developing a plan, think long-term. You may decide to complete your landscape all at once or in stages. Regardless of your approach, take the time to develop a complete plan for your yard.

2. Low Water Use Plants

There are hundreds of water thrifty native or desert adapted plant species available at local nurseries. Some varieties have been available for many years, while others are new on the market. They come in all shapes and sizes and serve a variety of purposes from shade to seasonal color to screening unsightly areas. Many low water use plants have beautiful flowers or interesting forms. They will help you create a



colorful, low-maintenance yard without taxing our limited water resources.

3. Appropriate Turf Areas

Although turf generally requires more water and more maintenance than low water use plants, sometimes only grass will do, especially if you are sports-minded or if there are children or pets at home. Small turf areas can be incorporated successfully into a Xeriscape if they are properly planned, installed and maintained.

4. Efficient Irrigation

In the Sonoran Desert, almost all new plants should be watered regularly to get them established; and most plants, low water use or not, need some kind of irrigation even after they become mature. The trick is to find out how much water your plants require and to apply only that much. When you design your irrigation system, try to put trees, shrubs, groundcovers and turf areas each on different valves so you can time their irrigations separately. Most plants will need more frequent irrigations dur-

ing their first year. Usually, you can cut back on watering during the second and subsequent years, after the plants have become established. Also remember that plants need less water during the cooler months. Adjust your irrigation schedule at least four times each year.

5. Soil Improvements

Most low water use plants thrive naturally in our desert soils, so amendments such as fertilizers and soil supplements are usually not necessary. They do prefer good drainage, and soil should be loosened at planting time to encourage healthy root growth. Soil amendments most likely will be needed for turf areas and areas where more water thirsty plants are installed. Because there is quite a variation in soil quality and composition across the Sonoran Desert, soil amendments may be needed when unusual conditions exist. For more information about your specific soil type and about the possible need for soil improvements, contact your County Cooperative Extension office.

6. Use of Mulches

Mulches cover the soil and reduce evaporation from planted areas. They cool the soil beneath and also help to inhibit weed growth and erosion. There are organic mulches and inorganic mulches. The most popular organic mulches in our area are bark chips and wood grindings. These are often used in planting beds and other small areas. The natural

drop of leaves, flowers and fruit can also be left on the ground as mulch.

Decomposed granite and crushed rock are two of the most popular inorganic mulches.

7. Appropriate Maintenance

When properly designed and maintained, Xeriscapes save water, time and money through reduced plant water needs and lower maintenance requirements. But low water use and low maintenance do not mean no water use and no maintenance. All landscapes need some care and most plants need supplemental water in our desert environment. Proper pruning techniques can keep your yard beautiful and natural looking and save you trips to the landfill. A well-maintained irrigation system can keep plants healthy and water use low. Prudent use of fertilizers will help to avoid excessive plant growth which, in turn, will reduce water use and the need for excessive pruning.



A beautiful mix of colors – Lantana (purple and yellow), Cherry Sage (red plants by windows), Desert Spoon (foreground)

WELCOME

Thank you for choosing Camelback Inn as your home away from home. I have personally cleaned, prepared and inspected your room.

First paragraph after the initial welcome and thank you relates to water conservation

Our resort is committed to doing our share to protect the environment through water conservation and clean air.

As a standard, your bed linens will be changed every third day. We are delighted to change your linens upon request by placing this card on your pillow.

If you wish to reuse your towels, simply leave them on the towel rack or door hanger. Towels that are left on the bathroom floor will be replaced.

We appreciate your help in keeping our guest rooms smelling clean and fresh. Smoking is not permitted in any of our guest rooms. The smell of smoke or evidence of smoking will result in a \$250 cleaning charge to your account.

We hope your stay at Camelback Inn is most memorable and we look forward to your return.

Your Room Attendant

JW MARRIOTT.
CAMELBACK INN® SCOTTSDALE

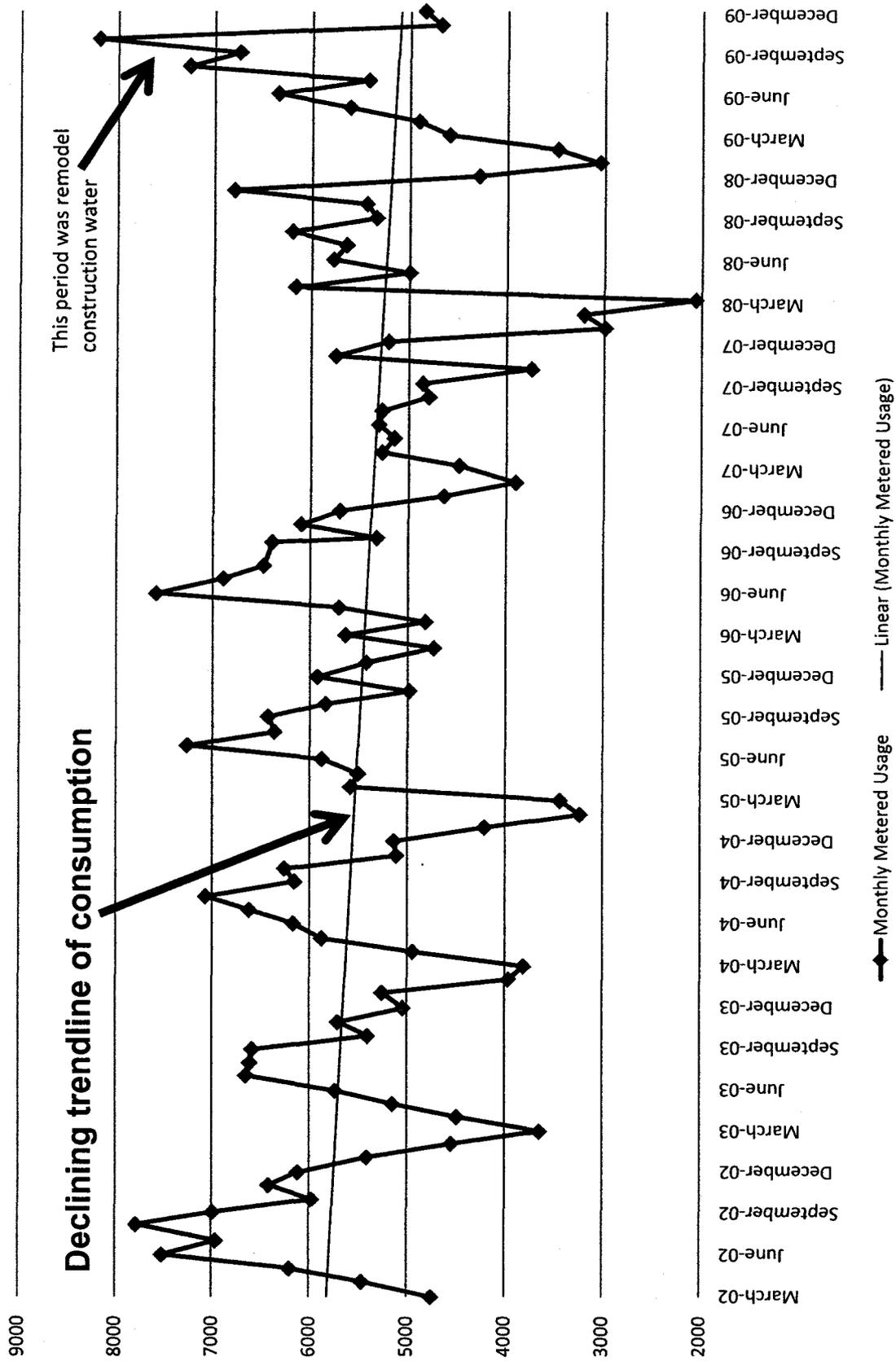


The Welcome card with water conservation message is conspicuously displayed on the bed



This area used to have a 65,000-gallon pool. The area was converted to hardscape patio and approximately 10,000 gallons of reflecting ponds and water features. The yellow arrow indicates the small amount of lawn currently in place that will be replaced by cement.

Camelback Inn Water Usage March 2002 to December 2009



conserve water
dream - weed

Washing bed linens daily contributes to excessive water consumption and the effluence of detergents into the environment.

Our Sanctuary Green practice is to change bed linens every other day in occupied guest rooms. Should you prefer a daily linen change, please press the housekeeping button on your phone.

SANCTUARY
RESORTS & RESIDENCES

The Sanctuary's bedside card is purely related to water conservation and its encouragement



Sanctuary Green Team

A natural setting as beautiful as Camelback Mountain is a constant reminder of the importance of protecting the environment. At Sanctuary, we show our concern for the earth in a variety of ways.

CONSERVATION

- Resort-wide thermostat control
- Photocell or timers on all outdoor lights
- Restaurant and bar lit by daylight as extensively as possible
- Bamboo trees in spa to reduce heating and cooling costs
- Low-flow toilets resort-wide, including guest rooms
- Low water-use drip irrigation on 95% of the property
- Desert landscaping and drought-tolerant plants
- Crushed-rock mulch to reduce water evaporation from the soil
- Electric golf carts resort-wide

RECYCLING

- Cloth napkins, glass cups and ceramic dishes throughout the resort
- Linen re-use program at guests' discretion
- Paper and plastic recycling throughout the resort, including guest rooms
- Rechargeable, battery-powered blowers to reduce noise pollution
- Recycling cardboard, batteries and tires used by maintenance team
- Staff incentive program to encourage environmental friendliness

PRODUCTS/PURCHASING

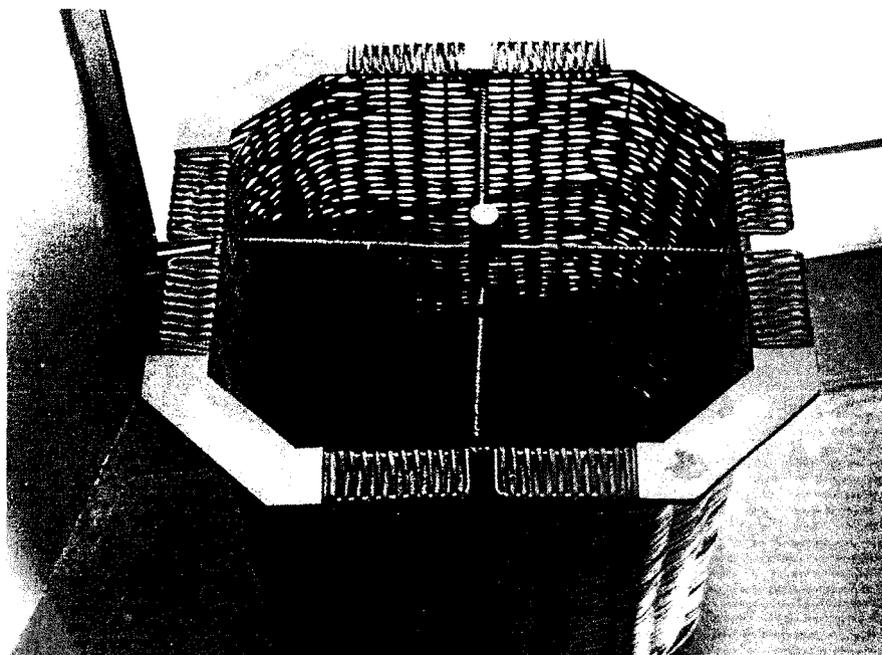
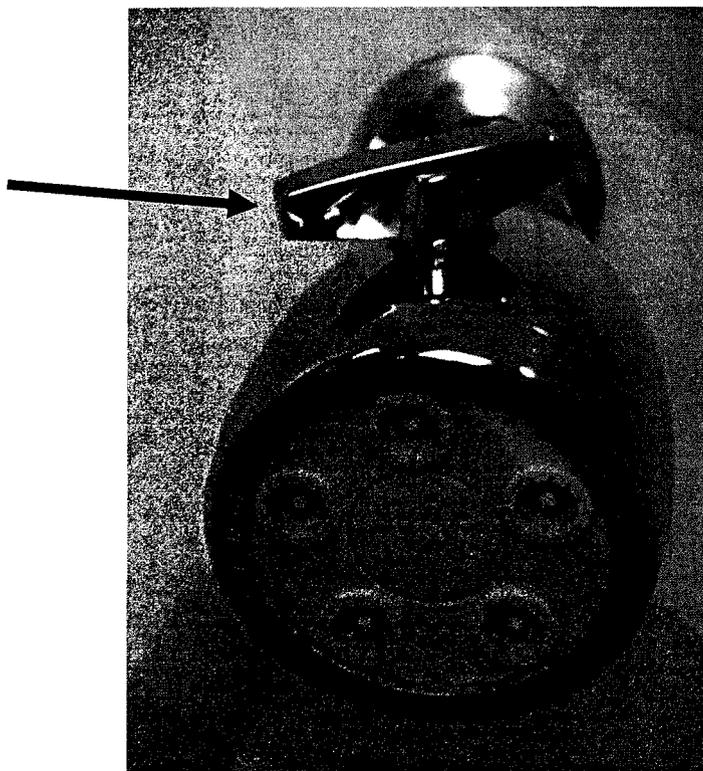
- Organic, paraben-free red flower amenities in guest rooms
- Use of ceramic mugs and glassware in guest rooms
- Organic-based janitorial service in the spa
- Buying from local vendors wherever possible to reduce "food miles"
- Organic food and beverage purchasing
- Printed materials on 30-100% recycled paper certified by the Forest Stewardship Council



sanctuaryaz.com



Showerheads feature shut-off valves

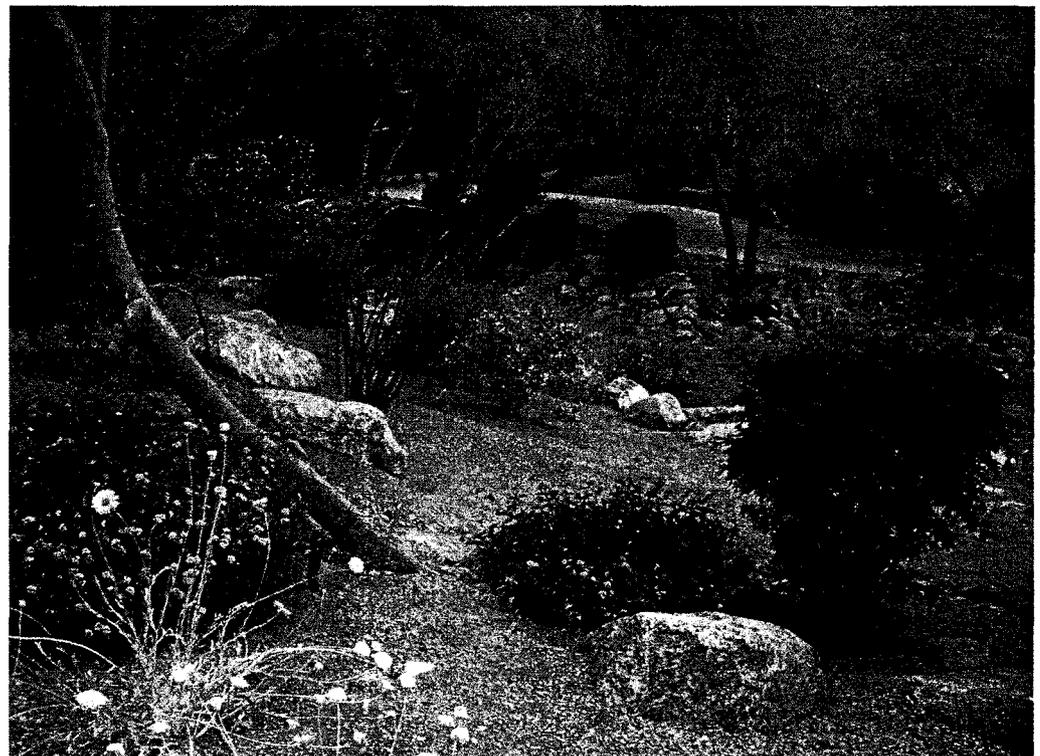


Recycling bins in rooms for plastic, paper, cans and glass

Frontage greenery
irrigated by
recycled/recaptured water



Example of lawn area
replaced by Astro Turf



Typical xeriscape throughout the Sanctuary's property



New banquet extension reduced turf area on wedding lawn



Citrus trees to be removed and replaced by xeriscape and hardscape

SANCTUARY®

camelback mountain
resort and spa

SUBMISSION FOR SCOTTSDALE GREEN BY DESIGN 2009 AWARDS

OVERVIEW

The Sanctuary Green Team and the entire Sanctuary community are proud to be a part of Arizona and the Valley of the Sun. We believe that a setting as beautiful and natural as Camelback Mountain deserves special care and attention and is a constant reminder of the importance of protecting the environment.

We started our Green Team committee just over a year ago and have developed a variety of initiatives resort-wide, both behind the scenes, and in our guest rooms and public areas, that serve to connect us to the preservation of our resort, the mountain and the stunning desert areas of Scottsdale and Paradise Valley.

NEED/OPPORTUNITY/INTENDED AUDIENCE

Although our resort team has always had interest in preserving our environment through recycling and low water use landscaping techniques as well as a variety of "behind the scenes" green practices, we realized that our guests were not aware of most of our initiatives and that there was much more that we could be doing. With that, our small recycling committee grew into the Sanctuary Green Team and our course was set with the following Mission Statement:

We lead as environmental stewards by teaching and promoting sustainable practices as an integral part of our resort operations: reducing waste, recycling, conserving energy, and protecting the native environment in our community.

We have held monthly meetings and each committee member is focused in a specific area for on-going research and new initiatives and projects. This team has had a tremendous impact on the entire property as others see what is being done and are excited to join in and help as projects are announced. We have also developed in-room programs and collateral for our guests and have received numerous guest surveys thanking us for our commitment to sustainability practices.

Our corporate, leisure and group guests are the obvious audience for our green initiatives and we expanded this to include our vendors and employees as well. Our vendors work closely with us to keep us updated as new items become available and many of our employees help us stay current by sharing information and practices for their departments.

GOALS AND OBJECTIVES

Our main goal in setting up our Green Team and establishing green practices was to participate in the global community awareness of this initiative and insure that we are doing as much as possible to protect the earth and our environment. We also wanted to be sure that our guests and vendors were aware that we are working toward as many affordable and prudent initiatives as possible.

The "Big Picture" objective is to communicate our involvement in this issue in a way that shows we care, and by making our involvement obvious, we open the door to ideas and discussions from locals and from guests who come from around the world.

SOLUTION/OVERVIEW

Our solution was to provide an overview and summary of our initiatives on a single sheet for our guest room directory and to also include this information on our website. In addition, we have a card beside the bed in each guest room that allows the guest to choose whether or not they want fresh linens by simply placing the card on their pillow in the morning. This program alone has cut our laundry labor and supply costs by almost 7% and has saved the environment from countless loads of water being wasted and chemicals being used and expelled into the environment.

I have included a PDF file with our Green Initiatives page that is in our Guest Directory. You can also see this information on our website at www.sanctuaryaz.com : on the right side of the home page select resort and you will then see a selection for Green Initiatives.

IMPLEMENTATION AND CHALLENGES

The biggest challenge in this project is that there is a lot of information available and many, many items for guest rooms are still very expensive and are not all tried and true. We implemented several pieces of the program by testing them in a few rooms and soliciting guest feedback. For example, we found a recycle basket that fits our room décor very well and allows for the guest to dispose of paper, plastic and glass in separate compartments. This saves us some labor dollars as we do not have to separate the items when they come down to the Site Services recycle area. We found that less than 50% of our guests made use of the basket even though the majority of them praised us for having them. We do think that as green awareness continues to build we will see greater use of this item.

The ongoing challenge for our industry is the current recession as it relates to the return on investment in implementing additional programs. Our Green Team is committed to our regular meetings and to looking for solutions that make sense for the environment without negatively impacting the guest experience and profitability of the resort.

MEASUREMENT/EVALUATION

Several of our initiatives have been easy to measure and have shown significant savings over the last year, a few of those are listed below:

- 1) Property wide thermostat control. All guest and public areas have temperature guidelines that are checked daily as security makes their rounds. These are logged and reported on the daily report. Guest rooms and private homes also have established guidelines and are monitored by our engineering and housekeeping departments. We have been able to maintain our energy costs over the last year in spite of some rate increases.
- 2) Food Products/Purchasing. Buying from local vendors to get fresh ingredients and reduce food miles has allowed us to maintain our food costs in most areas at or below industry averages.
- 3) Water conservation. The resort has low-flow toilets property wide and 95% of the property is on a low water drip irrigation system, this system works very well due to the fact that we have native vegetation that is drought tolerant.
- 4) Recycling. Paper, plastic, cardboard, glass, tires, and batteries are all recycled at Sanctuary. In addition, our printed materials are all done on 30-100% recycled paper that is certified by the Forest Stewardship Council. The administrative teams at Sanctuary are committed to running their departments as paperless as possible and the majority of our forms and information are available on the property's shared drive.
- 5) Cleaning products. Our housekeeping team uses many organic-based cleaning solutions that are less harmful to the environment and healthier for them to be in contact with on a daily basis.
- 6) Electronic customer survey system. Our previous system was a paper comment card system that we gave the guests upon departure, they would write their comments and mail the cards back to us. In early 2008 we changed to an online survey that saves paper and postage and gives us immediate feedback as well as a high return rate and an excellent tool for identifying trends and opportunities.

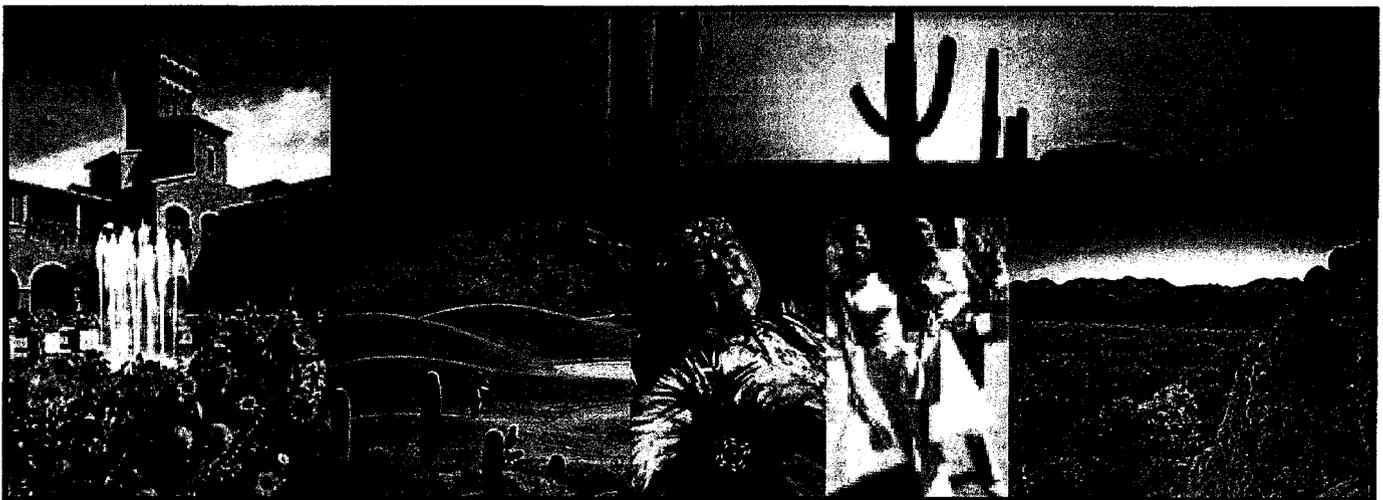
An overall evaluation of what we have accomplished at Sanctuary during the last year would be that we have been able to find significant savings in energy and other costs which have helped offset the higher cost of some of the green chemicals and other initiatives we have undertaken. We have had a very positive response from our guests and vendors who continue to share ideas with us as they become aware of our commitment. Our entire team is focused on moving the current programs forward and looking for cost effective ways to implement additional programs.



The Scottsdale/Paradise Valley Tourism Study — *Part II: Visitor Statistics*



September 2009
Economic Vitality Department



Part II: Visitor Statistics

September 2009

Scottsdale City Council

W.J. "Jim" Lane
Mayor

Lisa Borowsky

Robert Littlefield

Wayne Ecton

Ron McCullagh

Suzanne Klapp

Tony Nelssen

John Little
City Manager

An annual publication of:

The City of Scottsdale
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Last updated: *September 30, 2009*

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I. STUDY OVERVIEW

Part I: Lodging Statistics

Part I of the Scottsdale/Paradise Valley Tourism Study analyzes trends relating to the lodging industry in the Scottsdale/Paradise Valley tourist market area. The study looks specifically at trends in local transient occupancy tax (bed tax) collection, room inventory, average room rates, occupancy rates, and other factors relating to lodging trends. The Lodging Statistics study is designed to provide necessary data relating to the lodging industry for developers, local hoteliers, tourism marketing representatives, financing agencies, and others with an interest in hospitality industry trends.

The Scottsdale/Paradise Valley Tourism Study, Part I: Lodging Statistics report is prepared annually and is available at no charge from the City of Scottsdale Economic Vitality Department, or at www.scottsdaleaz.gov/economics.asp.

Part II: Visitor Statistics

Part II of the Tourism Study analyzes trends relating to tourists themselves. It examines the total number of tourists, their spending patterns and socio-demographic profiles, and the overall economic impact of the tourism industry in the study area. The Visitor Statistics study is designed to provide data that gives a profile of the type of tourist that comes to the area, and to evaluate the economic impact tourism has on the community.

The Scottsdale/Paradise Valley Tourism Study, Part II: Visitor Statistics report is prepared once a year, and is available at no charge from the City of Scottsdale Economic Vitality Department, or at www.scottsdaleaz.gov/economics.asp.

The Economic Vitality Department welcomes your input and suggestions for changes and additions in future issues of this publication, and is pleased to grant permission to use excerpts from this material when credit is given to the City of Scottsdale.

II. THE SCOTTSDALE/PARADISE VALLEY TOURISM STUDY

Introduction

The purpose of *The Scottsdale/Paradise Valley Tourism Study: Parts I and II* is to provide assistance, through collected industry data, to entities evaluating tourism, retail, or hospitality opportunities in the study area; to provide market information to tourism, retail, and hospitality operations located in the study area; and to provide information to elected officials, city management, and the general public regarding the tourism and hospitality markets.

Study Limitations

The information contained in this study is based on tax collection figures, previous studies, local estimates based on Metro area figures, and other data sources. The City believes these figures provide the best available data.

Definition of Terms

Throughout this study, the following terms will be used in describing visitor statistics:

Areas

Scottsdale – Within the corporate limits of the City of Scottsdale

Paradise Valley – Within the corporate limits of the Town of Paradise Valley

Other – Within the Scottsdale/Paradise Valley market area; including portions of East Phoenix, North Tempe, Carefree, Cave Creek, and Fountain Hills (see *Map 1*, p. 9)

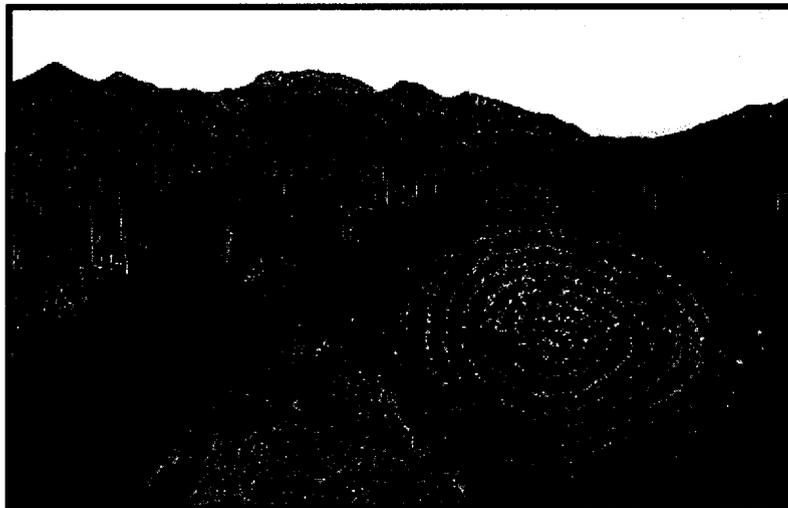
Visitors

Hotel Visitor – Visitor occupying a transient lodging room in the market area

Day Visitor – Visitor not staying overnight in the market area

III. EXECUTIVE SUMMARY

- ◇ Scottsdale hosted an estimated 8.1 million visitors in 2008, with an economic impact of \$3.6 billion.
- ◇ The City of Scottsdale was visited by nearly 6.9 million day visitors in 2008.
- ◇ The typical overnight leisure traveler to Scottsdale is 57 years old with a median household income of \$101,600. These visitors come primarily from the West, the Midwest, and the Northeastern regions of the United States.
- ◇ Tourists to the Scottsdale area have a tremendous impact on revenue for the City. Privilege tax collections attributable to visitors for FY08/09 totaled an estimated \$29.4 million.
- ◇ The top ten activities participated in by Scottsdale visitors are (in order): shopping, day trips, art galleries & museums, Native American arts & culture, Western culture & attractions, outdoor desert activities, special events, nightlife, sporting events, and spas.
- ◇ The total number of visitor-nights spent in Scottsdale hotels in 2008 was 6.5 million.
- ◇ The average room rate for market area hotels in 2008 was \$172.26, and occupancy was 61.0 percent.
- ◇ Scottsdale received a fiscal return of about \$1.20 from visitors for every \$1 spent in operating costs in 2008/09. This is significantly lower than in previous years, primarily due to the national economic downturn.



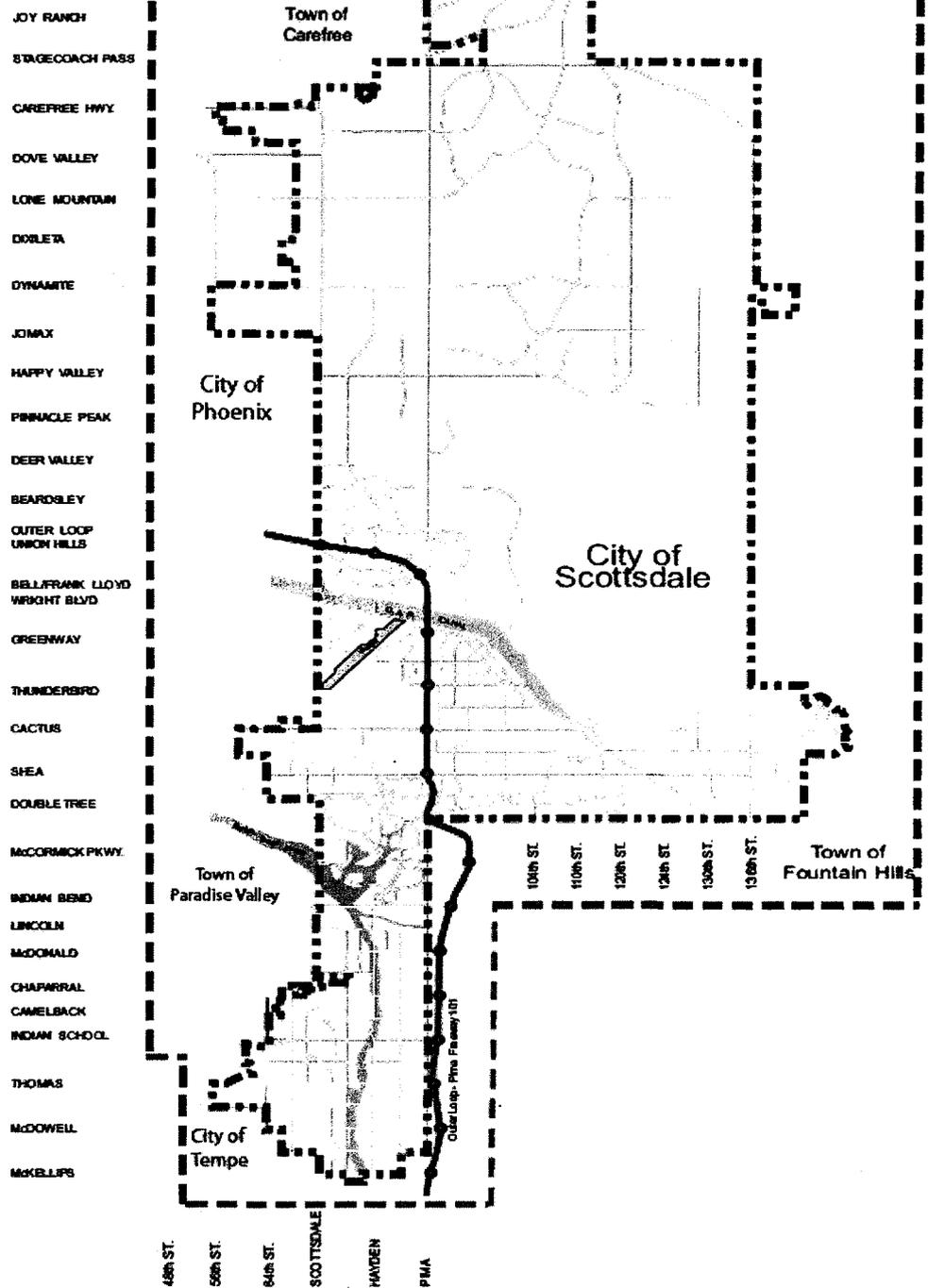
IV. THE SCOTTSDALE/PARADISE VALLEY MARKET AREA

The market area map (p. 9) shows the boundaries of the Scottsdale/Paradise Valley market area. This area contains all of the City of Scottsdale and the Town of Paradise Valley; portions of the cities of Phoenix and Tempe; and parts of the towns of Carefree, Cave Creek, and Fountain Hills.



**Map 1
MARKET AREA**

City Limits
 Market Area



V. ATTRIBUTES OF THE SCOTTSDALE TOURISM MARKET

Scottsdale Tourism Industry

The hospitality industry, represented by premier desert resorts and specialty shopping, has characterized Scottsdale's lifestyle for decades. The growth of this industry has kept pace with Scottsdale's overall economic growth.

The evolution of the lodging industry in Scottsdale has paralleled that of the Southwest. In the early days of Scottsdale's hospitality industry, dude ranches and health spas flourished. In the 1960's, the local art industry and specialty shopping districts blossomed as the resort hotel industry expanded. This ultimately gave way to the full service, amenity-laden, recreation properties that have made the resort business in Scottsdale unique, attractive, and successful.

Today, Scottsdale is an internationally recognized tourism destination community widely known for its spectacular golf courses, recreational amenities, climate, five-star resorts, emerging Downtown with its urban "boutique" hotels, exciting nightlife scene, numerous events and attractions, the Sonoran desert, world-class restaurants, and art galleries. All of these factors contribute to positioning the Scottsdale market to emerge strongly as the current economic downturn eases.

Did you know?

In a 2009 survey, 93%
of all visitors surveyed rated
their Scottsdale experience
as excellent or good!



VI. VISITORS TO THE SCOTTSDALE / PARADISE VALLEY MARKET AREA

The methodology used to determine the impacts of the estimated number of visitors to the City of Scottsdale is as follows: the total number of visitors and visitor-nights by category are determined, the respective expenditure patterns and values appropriate to each visitor category are applied and aggregated, and then the total value of visitor economic impact is determined.

Number of Visitors

Table 1-A (p. 12) presents the total occupied hotel room-nights for the Scottsdale/Paradise Valley market area in 2008. The total number of available rooms in each of the three sub-areas (the City of Scottsdale, the Town of Paradise Valley, and the additional properties considered to be part of the Scottsdale/Paradise Valley market area) is multiplied by 365 in order to determine the number of available room-nights. The number of room-nights is then multiplied by the occupancy rate to determine the total number of occupied room-nights. Based on the 2008 average occupancy of 61.0 percent, the total number of occupied room-nights in 2008 was 3,615,168.

Table 1-B (p. 12) shows the total number of visitors to the market area. To determine the total number of visitors, the total number of occupied room-nights is multiplied by the average number of persons per room, providing a figure for total visitor nights (one visitor night equals one person staying one night). The figure for total visitor nights is then divided by the average length of stay. The Behavior Research Center's 2009 *City of Scottsdale Visitor Inquiry Study* reports the median length of stay for Scottsdale hotel guests in 2008 was 5.5 days.

Using these calculations, the total number of hotel visitors in the Scottsdale/Paradise Valley market area in 2008 was 1,183,146.

Table 2-A (p. 13) shows the total number of visitors in the Scottsdale/PV market area in 2008. The "day visitor" category is difficult to determine because there is no accurate way to measure this group. The number of visitors to the metro Phoenix area in 2008 was approximately 15.0 million. The total number of hotel visitors to the Scottsdale/PV market area (1.2 million) was subtracted from this number and a capture ratio of 50 percent was applied to the balance (using the Behavior Research Center's 2000 "Metropolitan Arizona Visitor Study" findings that 63 percent of metro Phoenix visitors frequent Scottsdale/PV; and discounting 20 percent of that to eliminate those visitors who went only to Paradise Valley), making the number of estimated Scottsdale day visitors to be about 6.9 million in 2008.

Table 2-B (p. 13) shows the total number of overall visitor-nights for 2008 in the Scottsdale/Paradise Valley market area, including both hotel visitors and historical data for houseguests and seasonal visitors (categories which are no longer tracked).

Table 1-A					
2008 Hotel Room-Nights					
<i>Scottsdale/Paradise Valley Market Area</i>					
Scottsdale	9,444	x	365	=	3,447,060
Paradise Valley	1,865	x	365	=	680,725
Other Market Area Properties	4,928	x	365	=	1,798,720
TOTAL	16,237	x	365	=	5,926,505
Scottsdale	3,447,060	x	61.0%	=	2,102,707
Paradise Valley	680,725	x	61.0%	=	415,242
Other Market Area Properties	1,798,720	x	61.0%	=	1,097,219
TOTAL	5,926,505	x	61.0%	=	3,615,168

Source: City of Scottsdale, Economic Vitality Department; Smith Travel Research

*Scottsdale/Paradise Valley "Tourism Study, Part I: Lodging Statistics", Feb. 2009

Table 1-B					
2008 Number of Hotel Visitors/Visitor Nights					
Hotel Visitors					
Scottsdale	2,102,707	x	1.8	=	3,784,872
Paradise Valley	415,242	x	1.8	=	747,436
Other Market Area Properties	1,097,219	x	1.8	=	1,974,995
Total Visitor Nights	3,615,168	x	1.8	=	6,507,302
Hotel Visitors					
Scottsdale	3,784,872	/	5.5	=	688,159
Paradise Valley	747,436	/	5.5	=	135,897
Other Market Area Properties	1,974,995	/	5.5	=	359,090
Total Hotel Visitors:	6,507,302	/	5.5	=	1,183,146

Source: City of Scottsdale, Economic Vitality Department

Table 2-A
Total Number of Market Area Visitors

2002	1,076,721	6,042,926	7,119,647	3.2%
2003	1,216,846	6,108,638	7,325,484	2.9%
2004	1,249,492	6,049,732	7,299,224	-0.4%
2005	1,304,968	6,122,295	7,427,263	1.8%
2006*	1,299,233	6,928,416	8,227,649	10.8%
2007	1,243,405	7,107,053	8,350,458	1.5%
2008	1,183,146	6,894,877	8,078,023	-3.3%

***Note=** "Day Visitors" calculation is based on regional overnight visitation from the Arizona Office of Tourism. The physical boundaries for the Phoenix region were slightly expanded in 2006 from previous years resulting in an increase in the regional overnight visitation total.

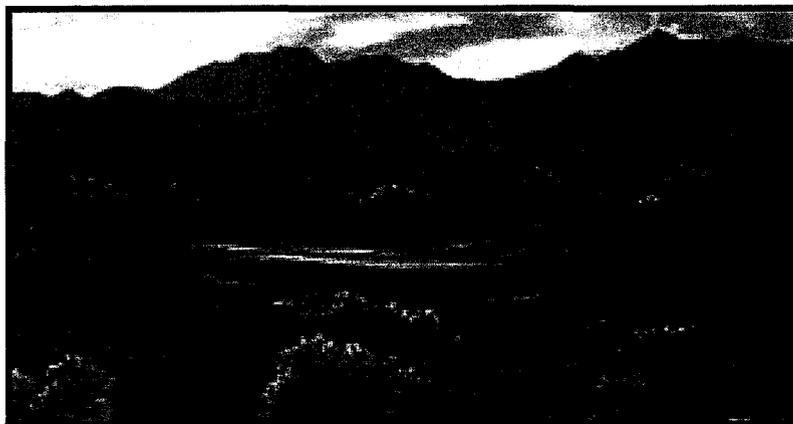
Source: City of Scottsdale, Economic Vitality Department; Arizona Office of Tourism

Table 2-B
Total Number of Market Area Visitor Nights

2002	5,921,964	14.3%
2003	6,327,599	6.8%
2004	6,497,357	2.6%
2005	6,785,820	4.4%
2006	7,015,856	3.4%
2007	6,714,389	-4.3%
2008	6,507,302	-3.1%

*Refer to Table 1-B

Source: City of Scottsdale, Economic Vitality Department



Visitor Spending Patterns

Table 3 (p. 15) details visitor spending patterns by category and type of visitor. The total dollar amounts spent per person per day are based on bed tax and sales tax revenues, and on previous research. This data has been updated and modified for Scottsdale based on local tax collection data.

Scottsdale visitors staying in hotels allocated their expenditures in the following manner: lodging 37 percent, food and beverage 25 percent, retail 14 percent, local transportation 9 percent, and entertainment 15 percent. Additionally, estimates were made as to what portion of each of these categories was *actually spent* in the City of Scottsdale, in order to determine total expenditures in Scottsdale.

Table 3 also provides estimates of daily spending by hotel guests and day visitors. These figures are based on previous research and estimates that take into consideration existing conditions in Scottsdale and the types of visitors typically attracted to Scottsdale. Hotel guest spending per person per day in 2008 was \$258.65, while the average day visitor spent \$51.73 per day.

Did you know?

The total direct and indirect spending by visitors in Scottsdale in 2008 was approximately \$3.6 billion.



Table 3 2008 Visitor Spending in Scottsdale <i>Scottsdale/Paradise Valley Market Area</i>		
Total Spent per Person per Day	\$258.65	\$51.73
Lodging		
% of Total Spent	37%	-
\$ Spent	\$95.70	-
% spent in Scts.	100%	-
\$ spent in Scts.	\$95.70	-
Food & Beverage		
% of Total Spent	25%	40%
\$ Spent	\$64.66	\$20.69
% spent in Scts.	89%	100%
\$ spent in Scts.	\$57.55	\$20.69
Retail Goods		
% of Total Spent	14%	50%
\$ Spent	\$36.21	\$25.87
% spent in Scts.	83%	100%
\$ spent in Scts.	\$30.06	\$25.87
Local Transportation		
% of Total Spent	9%	3%
\$ Spent	\$23.28	\$1.55
% spent in Scts.	50%	100%
\$ spent in Scts.	\$11.64	\$1.55
Entertainment/Attractions		
% of Total Spent	15%	7%
\$ Spent	\$38.80	\$3.62
% spent in Scts.	75%	100%
\$ spent in Scts.	\$29.10	\$3.62
TOTALS		
% of Total Spent	100%	100%
\$ Spent	\$258.65	\$51.73
% spent in Scts.	87%	100%
\$ spent in Scts.	\$224.04	\$51.73

Source: City of Scottsdale, Economic Vitality Department

Total Visitor Expenditures

Table 4 (p. 17) summarizes total visitor expenditures in Scottsdale in 2008. The daily expenditure rate per person from *Table 3* is multiplied by the percentage of those expenditures that are actually made in the City of Scottsdale. The figure is then multiplied by the total number of visitor nights, from *Table 2*, to determine the total expenditures made by Scottsdale visitors.

The total direct expenditures by visitors in the City of Scottsdale in 2008 amounted to over \$1.4 billion. By applying a multiplier of 1.5 in additional indirect expenditures, the total direct and indirect spending by visitors in Scottsdale in 2008 was approximately \$3.6 billion.

Did you know?

The visitor industry provides an estimated \$29.4 million (approximately 20 percent) of total privilege tax collections



Table 4
2008 Total Visitor Expenditures
Scottsdale/Paradise Valley Market Area

Scottsdale					
Hotel Visitor	\$258.65	x	3,784,872	=	\$978,957,112
Day Visitor	\$51.73	x	6,894,877	=	\$356,671,987
Paradise Valley					
Hotel Visitor	\$258.65	x	747,436	=	\$193,324,334
Other Market Area					
Hotel Visitor	\$258.65	x	1,974,995	=	\$510,832,343
TOTAL	-		-		\$2,039,785,776
Scottsdale					
Hotel Visitor	\$978,957,112	x	87.0%	=	\$851,692,687
Day Visitor	\$356,671,987	x	100.0%	=	\$356,671,987
Paradise Valley					
Hotel Visitor	\$193,324,334	x	37.0%	=	\$71,530,004
Other Market Area					
Hotel Visitor	\$510,832,343	x	28.0%	=	\$143,033,056
			Direct Expenditures	=	\$1,422,927,734
			Indirect Expenditures*	=	\$2,134,391,601
			TOTAL	=	\$3,557,319,335

Source: City of Scottsdale, Economic Vitality Department

*Using a multiplier of 1.5 (Indirect expenditures = Direct expenditures x 1.5)

**From Table 3

VII. TOURISM IMPACTS ON SCOTTSDALE

The tourism industry is an integral part of economic activity in the City of Scottsdale, generating almost \$3.6 billion in total economic activity within the community in 2008. The tourism industry is one of the most significant sources of revenue for the City of Scottsdale's operations.

Visitor Fiscal Contributions

The visitor industry is a substantial revenue source for the City of Scottsdale's operations, primarily through bed tax and sales tax. Bed taxes (3 percent in Scottsdale) are paid directly on room rates. With sales tax, visitor expenditures are directly related in a variety of areas, including hotels, restaurants, miscellaneous retail, rentals, and automotive.

This section looks at the actual collections by the City of Scottsdale and assigns the proportions directly ascribed to visitors.

Table 5 (p. 19) provides a breakdown of all the sales taxes paid in FY08/09 by major category and total bed tax paid. By applying an estimate for each of these categories as to the percentage of the tax received from visitors, total privilege tax collections attributable to the visitor industry is determined. The percentages are estimated based on comparison of increases in sales tax revenues during peak season versus off-season.

Visitor Fiscal Contributions (Cont.)

The visitor industry provides an estimated \$29.4 million (approximately 20 percent) of total privilege tax collections. Additionally, secondary revenue sources can be attributed to the visitor (property tax, fees for services, etc.); however, these amounts are not considered to be significant.



Table 5
Direct Revenues from Visitor Expenditures
City of Scottsdale

Hotels/Motels	\$7,220,809	94%	\$6,787,560
Restaurants	\$11,390,061	25%	\$2,847,515
Department Stores	\$14,515,207	20%	\$2,903,041
Misc. Retail	\$19,715,677	22%	\$4,337,449
Other Taxable	\$10,161,591	15%	\$1,524,239
Rental	\$20,548,168	10%	\$2,054,817
Food Stores	\$10,382,802	5%	\$519,140
Construction	\$22,229,702	0%	\$0
Utilities	\$7,291,788	0%	\$0
Fees/Penalties/Interest	\$2,569,286	0%	\$0
Auto Related	\$15,802,056	5%	\$790,103
SUBTOTAL	\$141,827,147	15%	\$21,763,864
Bed Tax	\$7,623,120	100%	\$7,623,120
GRAND TOTAL	\$149,450,267	20%	\$29,386,984

Source: City of Scottsdale, Financial Services Department and Economic Vitality Department

* Percentage based on sales tax data



Fiscal Costs Related to Visitors

Once the fiscal contributions have been determined, the next step is measuring the direct and indirect costs borne by the City of Scottsdale as a result of the visitors.

The most significant costs incurred by the City as a result of the visitor industry are the operating expenses from the City's General Fund, including police and fire protection, parks and recreation, infrastructure, maintenance, etc. For this study, these operating expenses have been allocated among the various resident/visitor sub-groups to determine the annual municipal costs attributable to visitors.

Table 6 uses an allocation formula, based on the number of individual "person-days" spent by each group in the community (residents, hotel visitors, and day visitors), and assumes each person in the community uses City services on an equal basis. For example, Scottsdale residents demand services 365 days per year, while visitors to Scottsdale demand services (on average) five and a half days per year. These percentages are then applied to the municipal operating costs of the General Fund, as shown in Table 7 (p. 21). In FY08/09, the City of Scottsdale spent over \$240 million on these services. Based on the allocation of costs, just over \$24 million of Scottsdale's municipal operating costs were used to serve its annual visitor population.

Residents	242,337	x	365	=	88,453,005	89.9%
Hotel Visitors	1,183,146	x	5.5	=	6,507,302	6.6%
Day Visitors	6,894,877	x	0.5	=	3,447,439	3.5%
Total	8,320,360		-		98,407,746	100%

Source: City of Scottsdale, Economic Vitality Department

Table 7
Municipal Operating Costs Attributable to Visitors
City of Scottsdale: 2008/2009

Resident	89.9%	\$216,213,447	-	-
Hotel Visitor	6.6%	-	\$15,906,371	-
Day Visitor	3.5%	-	\$8,426,877	-
Total	100%	\$216,213,447	\$24,333,247	\$240,546,694

Source: City of Scottsdale, Economic Vitality Department

*Refer to Table 6

**FY 2008/09 General Fund adopted budget for direct public service City departments (i.e., police, fire, community service, and municipal services) totaled \$240,546,694.

***Resident Share plus Visitor Share

Cost/Benefit Analysis

Scottsdale visitors make a significant contribution to the community's economy. Even with the difficult economic environment that strongly affected tourism worldwide, direct expenditures by visitors to Scottsdale totaled an estimated \$1.4 billion for 2008 (refer to *Table 4*). Using a 1.5 multiplier, the total economic contribution (direct and indirect expenditures) of visitors to the community is approximately \$3.6 billion.

Sales tax and bed tax payments by Scottsdale visitors in FY08/09 amounted to about \$29.4 million. These are actual dollars that go into the City treasury. Visitor sales tax and bed tax represented approximately 20 percent of Scottsdale's total sales, use, and bed taxes.

In FY08/09, the City of Scottsdale spent an estimated \$24,333,247 million in operation costs to support its visitors (refer to *Table 7*). The cost of supporting market area visitors is substantially less

than the tax revenues received by the market area from visitors (refer to *Table 5*). In fact, it is estimated that the Scottsdale treasury received about \$5 million more than it expended in support of visitors, resulting in a benefit/cost ratio of \$29,386,984 to \$24,333,247 or 1.2:1.

The Scottsdale visitor is a cost-effective addition to the community because for every \$1 the City spends in operating costs to serve its annual visitor population, it receives \$1.20 in return. Historically, this ratio has been significantly higher, but the 2008 recession impacted Scottsdale resorts and hotels especially hard. However, despite the recession, tourism remains a key Scottsdale economic component with a strong return on investment to the city.

**Resort Class of Service
Option 1**

Applicability:

Applicable to all hotel properties with 50 or greater rooms.

Monthly Charge

<u>Meter Size</u>	<u>Charges</u>
5/8 x 3/4	\$25.15
3/4	\$26.16
1	\$50.30
1 1/2	\$90.54
2	\$140.84
3	\$276.65
4	\$462.76
6	\$930.00

Commodity Rates

0-400,000	\$1.95
400,001 +	\$2.30

**Resort Class of Service
Option 2**

Applicability:

Applicable to all hotel properties with 50 or greater rooms.

Monthly Charge

<u>Meter Size</u>	<u>Charges</u>
5/8 x 3/4	\$27.70
3/4	\$28.81
1	\$55.40
1 1/2	\$99.71
2	\$155.11
3	\$304.68
4	\$509.64
6	\$1,024.21

Commodity Rates

0-400,000	\$2.15
400,001 +	\$2.53

**Resort Class of Service
Option 3**

Applicability:

Applicable to all hotel properties with 50 or greater rooms.

Monthly Charge

<u>Meter Size</u>	<u>Charges</u>
5/8 x 3/4	\$27.70
3/4	\$28.81
1	\$55.40
1 1/2	\$99.71
2	\$155.11
3	\$304.68
4	\$509.64
6	\$1,024.21

Commodity Rates

5/8 by 3/4" & 3/4"

0-10,000	\$2.447
10,001 +	\$2.886

1"

0-40,000	\$2.447
40,001 +	\$2.886

1.5"

0-80,000	\$2.447
80,001 +	\$2.886

2"

0-400,000	\$2.447
400,001 +	\$2.886

3"

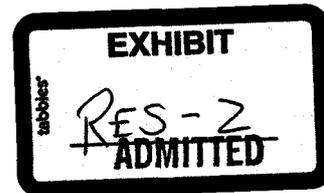
0-3,00,000	\$2.447
3,000,001 +	\$2.886

4"

0-4,000,000	\$2.447
4,000,001 +	\$2.886

6"

0-5,000,000	\$2.447
5,000,001 +	\$2.886



Scottsdale tourism industry braces for immigration backlash

by Peter Corbett - May. 12, 2010 02:07 PM
The Arizona Republic

Scottsdale tourism leaders are uncertain how deeply the city will be hurt by a backlash to Arizona's immigration law. What is clear is that canceled conventions and vacations will slow Scottsdale's recovery from an unprecedented tourism slump, said Mike Surguine, Scottsdale Convention and Visitors Bureau chairman.

"Unfortunately, we took another body blow," he said of the fallout from state Senate Bill 1070, which is aimed at cracking down on illegal immigration.

At the tourism bureau's quarterly meeting Tuesday, Surguine expressed frustration with the controversial legislation even as a hotel industry consultant presented figures showing Scottsdale was starting to rebound from a 25 percent drop in hotel revenue in 2009 from the previous year.

Surguine, a hotel general manager, lamented that Arizona did not seem to learn anything from the boycott that followed cancellation of the Rev. Martin Luther King Jr. holiday.

"Thank God that the politicians can't screw up our weather," Surguine said, adding that he was not trying to make a political statement.

Estimates of the impact of the immigration-law boycott place the loss of Arizona hotel

and convention business as high as \$90 million over the next five years.

Scottsdale is a key player in Arizona tourism with close to 8 million annual visitors contributing an estimated \$3.6 billion to the city's economy.

Surguine and hotel consultant Robert Hayward of Warnick and Co. said it will never be known how many potential visitors and groups will just cross Arizona off their list without disclosing why they did it. Already, more than a dozen cities, unions and other groups have publicly canceled meetings or prohibited travel to Arizona to protest the immigration law.

"It's scary the impact of this boycott," Hayward said. "A lot of it is unfair. If you read the bill it follows the wording of the federal legislation."

In any case, the political pressure will not help Scottsdale recover from an 18 percent decline in room rates in 2009, he said.

Hotel occupancy has been climbing, including in the hard-hit resort sector, but rates still are lagging this year.

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It should help that no full-service hotels are expected to be built in the Valley over the next three to five years, Hayward said.

The market has added about 7,500 rooms in the past three years, with many of the hotels opening just as the economy and tourism were slumping locally and globally, he said.

"This recovery will take longer than 9/11," Hayward said.

He noted that the industry will be negatively affected by funding cuts for the Arizona Office of Tourism and the Scottsdale Convention and Visitors Bureau.

The bureau is facing a loss of up to \$1.5 million in city funding because bed-tax revenue has fallen far short of projections, Surguine said.

"It's a whole new world," he said of the latest challenges facing Scottsdale tourism.

One positive note is that the boycott surfaced just as Scottsdale is heading into its slow summer season, Surguine said.

"Usually, these things happen in November just as we're going into our season," he added.

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RATE BASE ADJUSTMENT - GLENDALE SEWAGE TRANSPORTATION AGREEMENT

LINE NO.	ACCT NO.	DESCRIPTION	[A] COMPANY PROPOSED	[B] STAFF ADJUSTMENTS
1	361100	WW Collecting Mains	\$ 16,050,734	\$ 917,906
2		Accumulated Depreciation	\$ 10,761,769	\$ 4,839

Project	2006	2007	2008	2009
3 A 99 Ave Siphon Elimination		\$ 10,007	\$ 66,314	\$ 1,628
4 B 99 Ave Rehab - Olive to Broadway		25,534	282,405	126,453
5 C 99 Ave Siphon Structure Repairs - N 110		10,878	34,214	359,975
6 D 99 Ave Siphon Structure Repairs - Lined Swr	498			
7 Additions by year	498	46,419	382,933	488,056
8 Depreciation Rate	2.03%	2.03%	2.03%	2.03%
9 Annual Depreciation on Pjt D for 2006 addition	5	10	10	
10 Annual Depreciation on Pjt A, B, & C for 2007 Additions		471	942	
11 Annual Depreciation on Pjt A, B, & C for 2008 Additions			3,887	
12 Accumulate Depreciation on Interceptor Project			\$ 4,839	
13 Net Interceptor Project at Test Year End (L7 - L12)				
14 Interceptor Project Cost				
15 Depreciation Rate				
16 Annual Depreciation Expense on Interceptor Project Cost				

References:
Column (A), Company Schedule C-2
Column (B): Testimony GTM
Column (C): Column (A) + Column (B)

Schedule GTM-1

[C]
STAFF
RECOMMENDED

\$ 16,968,640

\$ 10,766,608

Totals

\$ 77,950
434,391
405,066
498
917,906

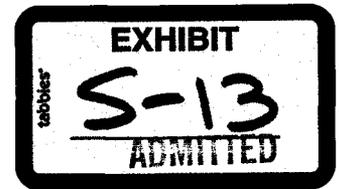
\$ 4,839

\$ 913,067

\$ 917,906

2.03%

\$ 18,633



ACCOUNTING INSTRUCTIONS

22. Utility Plant - Accounting for Capital and Operating Leases

A. For each lease entered into, the utility shall maintain sufficient documents and other background information as necessary to determine whether the lease is a capital or operating lease. This information includes but is not limited to:

- (1) Evidence or documents of ownership;
- (2) Signed copies of the lease agreement;
- (3) Estimated life of the leased property;
- (4) Evidence as to the value of the leased property;
- (5) Evidence as to the lessor's implicit interest rate (if available);
- (6) Evidence as to the lessee's borrowing rate; and
- (7) The amount and disposition of executory costs (taxes, maintenance and insurance).

B. Leases shall be accounted for by the utility as described in Statement of Financial Accounting Standards Nos. 13 (as amended) and 71 published by the Financial Accounting Standards Board; however, the Commission may elect to approve the entries made to the utilities accounts in recording the effect of utility leases.

C. Capitalized leases shall be recorded in the appropriate plant in service account(s) which describe the type of asset leased. These records shall be maintained in sufficient detail such that the utility will be able to report the number, general nature, and residual balances of all capitalized leased assets as well as any related leasehold amortization balances and the balance of any leasehold obligations.

23. Utility Plant - Expenditures on Leased Property

A. The cost of substantial initial improvements (including repairs, rearrangements, additions and betterments) made in the course of preparing for utility property leased for a period of more than one year, and the cost of subsequent substantial additions, replacements, or betterments to such property, shall be charged to the utility plant account appropriate for the class of property leased. If the service life of the improvements is terminable by action of the lease, then the cost, less net salvage, of the improvements shall be spread over the life of the lease by charges to account 407.1 - Amortization of Limited Term Plant. However, if the service life is not terminated by action of the lease, but by depreciation proper, then the cost of the improvements, less net salvage, shall be accounted for as depreciable plant.

ACCOUNTING INSTRUCTIONS

B. If improvements made to property leased for a period of more than one year are of relatively minor cost, or if the lease is for a period of not more than one year, the cost of the improvements shall be charged to the account in which the rent is included either directly or by amortization thereof.

24. Utility Plant - Land and Land Rights

A. The accounts for land and land rights include the cost of land owned in fee by the utility and rights, interests, and privileges held by the utility in land owned by others, such as leaseholds, easements, water and water power rights, diversion rights, submersion rights, rights of way, and other like interests in land. Do not include in the accounts for land, land rights, and rights of way costs incurred in connection with first clearing and grading of land and rights of way and the damage costs associated with the construction and installation of plant. Such costs shall be included in the appropriate plant accounts directly benefited.

B. Where special assessments for public improvements provide for deferred payments, the full amount of the assessments shall be charged to the appropriate land account and the unpaid balance shall be carried in an appropriate liability account. Interest on unpaid balances shall be charged to the appropriate interest account. If any part of the cost of public improvements is included in the general tax levy, the amount thereof shall be charged to the appropriate tax account.

C. Separate entries shall be made for the acquisition, transfer or retirement of each parcel of land, and each land right (except rights of way for collection lines), or water rights, having a life of more than one year. A record shall be maintained showing the nature of ownership; full legal description; area; map reference; purpose for which used; city; county; and tax district in which situated; from whom purchased or to whom sold; payment given or received; other costs; contract date and number; date of recording of deed; and book and page of record. Entries transferring or retiring land or land rights shall refer to the original entry recording its acquisition.

D. Any difference between the amount received from the sale of land or land rights, less agents' commissions and other costs incident to the sale, and the book cost of such land or rights, shall be included in account 414 - Gains (Losses) from Disposition of Utility Property, unless a reserve therefore has been authorized and provided or, less otherwise authorized or required by the



Statement of Financial Accounting Standards No. 13

FAS13 Status Page
FAS13 Summary

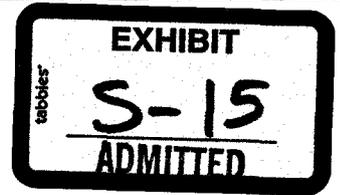
- a direct financing lease. (See paragraph 17(f).)
- ii. *Direct financing leases.* Leases other than leveraged leases that do not give rise to manufacturer's or dealer's profit (or loss) to the lessor but that meet one or more of the criteria in paragraph 7 and both of the criteria in paragraph 8. In such leases, the cost or carrying amount, if different, and fair value of the leased property are the same at the inception of the lease. An exception arises when an existing lease is renewed or extended.¹⁰ In such cases, the fact that the carrying amount of the property at the end of the original lease term is different from its fair value at that date shall not preclude the classification of the renewal or extension as a direct financing lease. (See paragraph 17(f).)
 - iii. *Leveraged leases.* Leases that meet the criteria of paragraph 42.
 - iv. *Operating leases.* All other leases.

Criteria for Classifying Leases (Other Than Leveraged Leases)

7. The criteria for classifying leases set forth in this paragraph and in paragraph 8 derive from the concept set forth in paragraph 60. If at its inception (as defined in paragraph 5(b)) a lease meets one or more of the following four criteria, the lease shall be classified as a capital lease by the lessee. Otherwise, it shall be classified as an operating lease. (See Appendix C for an illustration of the application of these criteria.)

- a. The lease transfers ownership of the property to the lessee by the end of the lease term (as defined in paragraph 5(f)).
- b. The lease contains a bargain purchase option (as defined in paragraph 5(d)).
- c. The lease term (as defined in paragraph 5(f)) is equal to 75 percent or more of the estimated economic life of the leased property (as defined in paragraph 5(g)). However, if the beginning of the lease term falls within the last 25 percent of the total estimated economic life of the leased property, including earlier years of use, this criterion shall not be used for purposes of classifying the lease.
- d. The present value at the beginning of the lease term of the minimum lease payments (as defined in paragraph 5(j)), excluding that portion of the payments representing executory costs such as insurance, maintenance, and taxes to be paid by the lessor, including any profit thereon, equals or exceeds 90 percent of the excess of the fair value of the leased property (as defined in paragraph 5(c)) to the lessor at the inception of the lease over any related investment tax credit retained by the lessor and expected to be realized by him. However, if the beginning of the lease term falls within the last 25 percent of the total estimated economic life of the leased property, including earlier years of use, this criterion shall not be used for purposes of classifying the lease. A lessor shall compute the present value of the minimum lease payments using the interest rate implicit in the lease (as defined in paragraph 5(k)). A lessee shall compute the present value of the minimum lease payments using his incremental borrowing rate (as defined in paragraph 5(1)), unless (i) it is practicable for him to learn the implicit rate computed by the lessor and (ii) the implicit rate computed by the lessor is less than the lessee's incremental borrowing rate. If both of those conditions are met, the lessee shall use the implicit rate.

8. From the standpoint of the lessor, if at inception a lease meets any one of the preceding four criteria and in addition meets both of the following criteria, it shall be classified as a sales-type lease or a direct financing lease, whichever is appropriate (see paragraphs 6(b)(i) and 6(b)(ii)). Otherwise, it shall be classified as an



BEFORE THE ARIZONA CORPORATION COMMISSION

KRISTIN K. MAYES
Chairman
GARY PIERCE
Commissioner
PAUL NEWMAN
Commissioner
SANDRA D. KENNEDY
Commissioner
BOB STUMP
Commissioner

IN THE MATTER OF THE APPLICATION OF)
ARIZONA-AMERICAN WATER COMPANY,)
AN ARIZONA CORPORATION, FOR A)
DETERMINATION OF THE CURRENT FAIR)
VALUE OF ITS UTILITY PLANT AND)
PROPERTY AND FOR INCREASE IN ITS)
RATES AND CHARGES BASED THEREON)
FOR UTILITY SERVICES BY ITS ANTHEM)
WATER DISTRICT AND ITS SUN CITY)
WATER DISTRICT.)

DOCKET NO. W-01303A-09-0343

IN THE MATTER OF THE APPLICATION OF)
ARIZONA-AMERICAN WATER COMPANY,)
AN ARIZONA CORPORATION, FOR A)
DETERMINATION OF THE CURRENT FAIR)
VALUE OF ITS UTILITY PLANT AND)
PROPERTY AND FOR INCREASE IN ITS)
RATES AND CHARGES BASED THEREON)
FOR UTILITY SERVICES BY ITS)
ANTHEM/AGUA FRIA WASTEWATER)
DISTRICT, ITS SUN CITY WASTEWATER)
DISTRICT AND ITS SUN CITY WEST)
WASTEWATER DISTRICT.)

DOCKET NO. SW-01303A-09-0343

(RATE DESIGN)

DIRECT TESTIMONY OF

JEFFREY M. MICHLIK

PUBLIC UTILITIES ANALYST V

UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION

MARCH 29, 2010

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SCHEDULES

Water Districts

Anthem Water District

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Typical Residential Bill Analysis.....	JMM-2

Sun City Water District

Rate Design	JMM-1
Typical Residential Bill Analysis.....	JMM-2

Wastewater Districts

Anthem/Agua Fria Wastewater District

Rate Design	JMM-1
Typical Residential Bill Analysis.....	JMM-2

Sun City Wastewater District

Rate Design	JMM-1
Typical Residential Bill Analysis.....	JMM-2

Sun City West Wastewater District

Rate Design	JMM-1
Typical Residential Bill Analysis.....	JMM-2

Consolidated Water Scenario One

Statewide Consolidation of All Water Districts

Rate Design	JMM-3
Typical Residential Bill Analysis.....	JMM-4

Consolidated Wastewater Scenario One

Statewide Consolidation of All Wastewater Districts

Rate Design	JMM-3
Typical Residential Bill Analysis.....	JMM-4

Consolidated Water Scenario Two

Statewide Consolidation of All Water Districts Except Sun City and Sun City West

Rate Design	JMM-5
Typical Residential Bill Analysis.....	JMM-6

Consolidation of Sun City and Sun City West Water Districts

Rate Design	JMM-5
Typical Residential Bill Analysis.....	JMM-6

Consolidated Wastewater Scenario Two

Statewide Consolidation of All Wastewater Districts Except Sun City and Sun City West

Rate Design JMM-5
Typical Residential Bill Analysis..... JMM-6

Consolidation of Sun City and Sun City West Wastewater Districts

Rate Design JMM-5
Typical Residential Bill Analysis..... JMM-6

Consolidated Water Scenario Three

Consolidation of Sun City and Sun City West Water Districts

Rate Design JMM-7
Typical Residential Bill Analysis..... JMM-8

Consolidation of Agua Fria, Anthem, and Paradise Valley Water Districts

Rate Design JMM-7
Typical Residential Bill Analysis..... JMM-8

Consolidation of Tubac, Mohave, and Havasu Water Districts

Rate Design JMM-7
Typical Residential Bill Analysis..... JMM-8

EXECUTIVE SUMMARY
ARIZONA-AMERICAN WATER COMPANY
DOCKET NOS. W-01303A-09-0343 AND SW-01303A-09-0343

Arizona-American Water Company ("Company") is a certificated Arizona public service corporation that provides water utility service in various communities throughout the state. On July 2, 2009, the Company filed an application for a permanent rate increase. This filing includes two water and three wastewater districts. The Company utilized a test year ended December 31, 2008.

Staff recommends approval of its stand-alone rate designs for Anthem Water District, Sun City Water District, Anthem/Aqua Fria Wastewater District, Sun City Wastewater District, and Sun City West Wastewater District.

Pursuant to Decision No. 71410, Staff has provided rate consolidation scenarios for the water and wastewater districts.

Water Districts

Anthem Water District:

The typical 5/8 x 3/4-inch meter residential customer with a median usage of 8,000 gallons would experience a \$33.46 or a 100.39 percent increase in his monthly bill from \$33.33 to \$66.79 under the Company's proposed rates and a \$22.67 or a 68.02 percent increase in his monthly bill from \$33.33 to \$56.00 under Staff's recommended rates.

Sun City Water District:

The typical 5/8 x 3/4-inch meter residential customer with a median usage of 7,000 gallons would experience a \$4.29 or a 27.75 percent increase in his monthly bill from \$15.46 to \$19.75 under the Company's proposed rates and a \$1.24 or an 8.02 percent increase in his monthly bill from \$15.46 to \$16.70 under Staff's recommended rates.

Wastewater Districts

Anthem/Aqua Fria Wastewater District:

The typical 5/8 x 3/4-inch water meter residential customer with a median usage of 7,000 gallons would experience a \$42.64 or an 81.81 percent increase in his monthly bill from \$52.12 to \$94.76 under the Company's proposed rates and a \$43.50 or an 83.46 percent increase in his monthly bill from \$52.12 to \$95.62 under Staff's recommended rates.

Sun City Wastewater District:

The typical 5/8 x 3/4-inch water meter residential customer would experience a \$5.58 or a 40.76 percent increase in his monthly bill from \$13.69 to \$19.27 under the Company's proposed rates and a \$4.36 or a 31.85 percent increase in his monthly bill from \$13.69 to \$18.05 under Staff's recommended rates.

Sun City West Wastewater District:

The typical 5/8 x 3/4-inch water meter residential customer would experience a \$6.54 or a 26.15 percent increase in his monthly bill from \$25.01 to \$31.55 under the Company's proposed rates and a \$6.93 or a 27.71 percent increase in his monthly bill from \$25.01 to \$31.94 under Staff's recommended rates.

1 **INTRODUCTION**

2 **Q. Please state your name, title, and business address.**

3 A. My name is Jeffrey M. Michlik. I am a Public Utilities Analyst V employed by the
4 Arizona Corporation Commission ("ACC" or "Commission") in the Utilities Division
5 ("Staff"). My business address is 1200 West Washington Street, Phoenix, Arizona 85007.
6

7 **Q. Briefly describe your responsibilities as a Public Utilities Analyst V.**

8 A. In my capacity as a Public Utilities Analyst V, I analyze and examine accounting,
9 financial, statistical and other information and prepare reports based on my analyses that
10 present Staff's recommendations to the Commission on utility revenue requirements, rate
11 design and other matters. I also provide expert testimony on these same issues.
12

13 **Q. Please describe your educational background and professional experience.**

14 A. In 2000, I graduated from Idaho State University, receiving a Bachelor of Business
15 Administration Degree in Accounting and Finance, and I am a Certified Public
16 Accountant with the Arizona State Board of Accountancy. I have attended the National
17 Association of Regulatory Utility Commissioners' ("NARUC") Utility Rate School,
18 which presents general regulatory and business issues.
19

20 I joined the Commission as a Public Utilities Analyst in May of 2006. Prior to
21 employment with the Commission, I worked four years for the Arizona Office of the
22 Auditor General as a Staff Auditor, and one year in public accounting as a Senior Auditor.
23

24 **Q. What is the scope of your testimony in this case?**

25 A. I am presenting Staff's analysis and recommendations regarding Arizona-American Water
26 Company's ("Company" or "Arizona-American") applications for permanent increases in

1 its rates and charges in its Anthem Water District, Sun City Water District, Anthem/Agua
2 Fria Wastewater District, Sun City Wastewater District, and its Sun City West Wastewater
3 District. I am presenting testimony and schedules addressing rate design.

4
5 Additionally, Staff is presenting rate consolidation scenarios of the Company's various
6 Districts as instructed in Decision No. 71410.

7
8 **Q. What is the basis of your testimony in this case?**

9 A. Based on the adjustments and revenue requirements recommended by Staff, I will present
10 Staff's recommended rate designs.

11
12 **BACKGROUND**

13 **Q. Please describe the Company and background of the current rate case.**

14 A. Arizona-American is a certificated Arizona public service corporation with headquarters
15 located in Phoenix, Arizona. The Company supplies water and wastewater services to
16 customers throughout Arizona. On July 2, 2009, the Company filed an application for a
17 rate increase for its Anthem Water District, Sun City Water District, Anthem/Agua Fria
18 Wastewater District, Sun City Wastewater District, and Sun City West Wastewater
19 District. The Company used a test year ending December 31, 2008.

20
21 In addition, Decision No. 71410 in the Company's last rate case ordered:

22
23 This docket shall remain open for the limited purpose of consolidation in
24 the Company's next rate case with a separate docket in which a revenue-
25 neutral change to rate design of all Arizona-American Water Company's
26 water districts or other appropriate proposals or all Arizona-American's
27 water and wastewater districts or other appropriate proposals may be

1 considered simultaneously, after appropriate public notice, with
2 appropriate opportunity for informed public comment and participation.¹

3 In addition, the Decision states:
4

5 We will require Commission Staff to propose at least one consolidation
6 proposal in the Company's next rate case which will allow parties and the
7 public ample opportunity to have notice of this issue and participate in that
8 discussion.²
9

10 **Q. Has Staff prepared at least one consolidation scenario?**

11 A. Yes, Staff is presenting several alternative rate consolidation scenarios.
12

13 **RATE DESIGN**

14 **Q. What is Staff's recommendation?**

15 A. Staff recommends individual or stand-alone rates for all of the Company's Districts, as
16 denoted in Schedules JMM-1 and JMM-2.
17

18 **Q. Is Staff presenting a consolidated rate design as required by Decision No. 71410?**

19 A. Yes. While Staff's recommendation is for stand-alone rates for all of the Company's
20 Districts, Staff has prepared several rate consolidation scenarios.
21

22 **Q. Has the Company put forth a consolidated rate design proposal at this point?**

23 A. No. However, the Company has developed a rate consolidation model and made it
24 available to interested parties in this case. Staff used this model to develop its various
25 consolidated rate design scenarios. Company witness Townsley also addressed rate
26 consolidation in his testimony.

¹ Decision No. 71410 at 78:14-19 (Docket No. W-01303A-08-0227 et al., issued December 8, 2009)

² *Id.* at 51:9-14.

1 **Q. Have you prepared schedules summarizing the present, Company-proposed, and**
2 **Staff-recommended rates and charges?**

3 A. Yes. Staff has presented its recommended stand-alone rates in the attached Schedules
4 JMM-1 and JMM-2. A summary of the present, Company-proposed, and Staff-
5 recommended rates is presented in the following section.

6
7 **ANTHEM WATER DISTRICT**

8 **Q. Would you please summarize the present rate design for the Anthem Water District?**

9 A. The present monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch
10 \$17.53; 3/4-inch \$17.53; 1-inch \$42.88; 1 1/2-inch \$86.41; 2-inch \$138.30; 3-inch
11 \$276.78; 4-inch \$432.63; 6-inch \$865.27; and 8-inch \$1,334.57. No gallons are included
12 in the monthly minimum charge. The residential water commodity rate for the 5/8 x 3/4-
13 inch and 3/4-inch customer is \$1.5400 per thousand gallons for zero to 4,000 gallons,
14 \$2.4100 per thousand gallons for 4,001 to 10,000 gallons, and \$3.08 per thousand gallons
15 for any consumption over 10,000 gallons. The larger residential, commercial, industrial,
16 and construction commodity break-over points vary by meter size, but are \$2.4100 per
17 thousand gallons for the first tier and \$3.0800 per thousand gallons for any consumption
18 over the first tier. The present rate design also has a commodity charge for irrigation and
19 wholesale customers. The monthly charge for fire sprinkler service varies by meter size.

20
21 **Q. Would you please summarize the Company's proposed rate design for the Anthem**
22 **Water District?**

23 A. The Company's proposed monthly minimum charges by meter size are as follows: 5/8 x
24 3/4-inch \$35.13; 3/4-inch \$35.13; 1-inch \$85.93; 1 1/2-inch \$173.15; 2-inch \$277.13; 3-
25 inch \$554.63; 4-inch \$866.93; 6-inch \$1,733.87; and 8-inch \$2,674.28. Zero gallons are
26 included in the monthly minimum charge. The Company proposes a 3-tier inverted

1 residential commodity rate for the 5/8 x 3/4-inch and 3/4-inch customers only of \$3.0859
2 per thousand gallons for zero to 4,000 gallons, \$4.8293 per thousand gallons for 4,001 to
3 10,000 gallons, and \$6.1719 per thousand gallons for any consumption over 10,000
4 gallons. The other proposed residential commodity rate tiers vary by meter size, but are
5 \$4.8293 per thousand gallons for the first tier and \$6.1719 per thousand gallons for any
6 consumption over the first tier. The proposed commercial commodity rate tiers vary by
7 meter size, but are \$4.8293 per thousand gallons for the first tier and \$6.1719 per thousand
8 gallons for any consumption over the first tier. The Company is proposing an increase in
9 its commodity charge for irrigation and wholesale customers. The Company is also
10 proposing an increased monthly charge for private fire service which varies by meter size.

11
12 **Q. Would you please summarize Staff's recommended rate design for the Anthem**
13 **Water District?**

14 **A.** Staff's recommended rates and charges are presented on Schedule JMM-1. Staff's
15 recommended monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch
16 \$25.00; 3/4-inch \$25.00; 1-inch \$62.50; 2-inch \$125.00; 3-inch \$200.00; 4-inch \$400.00;
17 6-inch \$625.00; 8-inch \$1,250.00; and 10-inch \$2,000.00. Zero gallons are included in the
18 monthly minimum charge. For the 5/8 x 3/4-inch and 3/4-inch residential customers, Staff
19 recommends a 3-tier inverted rate design with commodity charges of \$2.0000 per
20 thousand gallons for zero to 3,000 gallons, \$5.0000 per thousand gallons for 3,001 to
21 9,000 gallons, and \$7.8670 per thousand gallons for any consumption over 9,000 gallons.
22 Staff's recommended larger residential, commercial, and industrial commodity rates have
23 two tiers and vary by meter size, set at \$5.0000 per thousand gallons for the first tier and
24 \$7.8670 per thousand gallons for any consumption over the first tier. Staff recommends
25 an increase in commodity charge for irrigation and wholesale customers. Staff

1 recommends increasing the monthly charge for fire sprinkler service to the greater of
2 \$10.00 or 2 percent of the monthly minimum charge for that meter size.

3
4 **Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in**
5 **Anthem?**

6 A. The typical 5/8 x 3/4-inch meter residential customer with a median usage of 8,000
7 gallons would experience a \$33.46 or a 100.39 percent increase in his monthly bill, from
8 \$33.33 to \$66.79, under the Company's proposed rates and a \$22.67 or a 68.02 percent
9 increase in his monthly bill, from \$33.33 to \$56.00, under Staff's recommended rates. A
10 typical bill analysis is provided on Schedule JMM-2.

11
12 **Q. Are there any other recommendations that Staff would like to make for the Anthem**
13 **Water District?**

14 A. Yes. Staff recommends the elimination of the Capacity Reservation Charges CRC-1.

15
16 **Q. Why is Staff recommending elimination of this charge?**

17 A. As the revenue stream associated from this charge was zero in the test year and is not
18 forecasted to be significant in future years, Staff recommends elimination.

19
20 **SUN CITY WATER DISTRICT**

21 **Q. Would you please summarize the present rate design for the Sun City Water**
22 **District?**

23 A. The present monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch \$7.99;
24 3/4-inch \$7.99; 1-inch \$20.49; 1 1/2-inch \$40.97; 2-inch \$65.56; 3-inch \$131.12; 4-inch
25 \$204.87; 6-inch \$409.73; and 8-inch \$655.58. No gallons are included in the monthly
26 minimum charge. The residential water commodity rate for the 5/8 x 3/4-inch and

1 3/4-inch customer is \$0.7190 per thousand gallons for zero to 3,000 gallons, \$1.3290 per
2 thousand gallons for 3,001 to 10,000 gallons, and \$1.6920 per thousand gallons for any
3 consumption over 10,000 gallons. The larger residential, commercial, industrial, and
4 construction commodity break-over points vary by meter size, but are \$1.3290 per
5 thousand gallons for the first tier and \$1.6920 per thousand gallons for any consumption
6 over the first tier. The present rate design also has a commodity charge for raw irrigation
7 and both a monthly minimum and commodity rate for public interruptible and 2-inch
8 irrigation customers. The monthly charge for fire sprinkler service varies by meter size.

9
10 **Q. Would you please summarize the Company's proposed rate design for the Sun City**
11 **Water District?**

12 **A.** The Company's proposed monthly minimum charges by meter size are as follows: 5/8 x
13 3/4-inch \$10.21; 3/4-inch \$10.21; 1-inch \$26.17; 1 1/2-inch \$52.33; 2-inch \$83.73; 3-inch
14 \$167.47; 4-inch \$261.67; 6-inch \$523.32; and 8-inch \$837.32. Zero gallons are included
15 in the monthly minimum charge. The Company proposes a 3-tier inverted residential
16 commodity rate for the 5/8 x 3/4-inch and 3/4-inch customers only of \$0.9183 per
17 thousand gallons for zero to 3,000 gallons, \$1.6974 per thousand gallons for 3,001 to
18 10,000 gallons, and \$2.1611 per thousand gallons for any consumption over 10,000
19 gallons. The other proposed residential commodity rate tiers vary by meter size, but are
20 \$1.6974 per thousand gallons for the first tier and \$2.1611 per thousand gallons for any
21 consumption over the first tier. The proposed commercial, commodity rate tiers vary by
22 meter size, but are \$1.674 per thousand gallons for the first tier and \$2.1611 per thousand
23 gallons for any consumption over the first tier. The Company is proposing an increase in
24 its commodity charge for raw irrigation and its monthly minimum and commodity rate for
25 public interruptible and 2-inch irrigation customers. The Company is also proposing an
26 increased monthly charge for private fire service which varies by meter size.

1 **Q. Would you please summarize Staff's recommended rate design for the Sun City**
2 **Water District?**

3 A. Staff's recommended rates and charges are presented on Schedule JMM-1. Staff's
4 recommended monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch
5 \$9.00; 3/4-inch \$9.00; 1-inch \$22.50; 1 1/2-inch \$45.00; 2-inch \$72.00; 3-inch \$144.00;
6 4-inch \$225.00; 6-inch \$450.00; 8-inch \$720.00. Zero gallons are included in the monthly
7 minimum charge. For the 5/8 x 3/4-inch and 3/4-inch residential customers, Staff
8 recommends a 3-tier inverted rate design with commodity charges of \$0.7000 per
9 thousand gallons for zero to 3,000 gallons, \$1.4000 per thousand gallons for 3,001 to
10 9,000 gallons, and \$2.4518 per thousand gallons for any consumption over 9,000 gallons.
11 Staff's recommended larger residential, commercial, and industrial commodity rates have
12 two tiers and vary by meter size, set at \$1.4000 per thousand gallons for the first tier and
13 \$2.4518 per thousand gallons for any consumption over the first tier. Staff is
14 recommending an increase in its commodity charge for raw irrigation and its monthly
15 minimum and commodity rate for public interruptible and 2-inch irrigation customers.
16 Staff recommends increasing the monthly charge for fire sprinkler service to the greater of
17 \$10.00 or 2 percent of the monthly minimum charge for that meter size.

18
19 **Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in Sun**
20 **City?**

21 A. The typical 5/8 x 3/4-inch meter residential customer with a median usage of 7,000
22 gallons would experience a \$4.29 or a 27.75 percent increase in his monthly bill, from
23 \$15.46 to \$19.75, under the Company's proposed rates and a \$1.24 or an 8.00 percent
24 increase in his monthly bill, from \$15.46 to \$16.70, under Staff's recommended rates. A
25 typical bill analysis is provided on Schedule JMM-2.

1 **Q. Did the Company make any other rate proposals that you would like to comment on?**

2 A. Yes. Both Company witnesses Cole and Buls recommend that the Commission approve a
3 new surcharge for Sun City Water called an "Infrastructure Improvement Surcharge." The
4 Company states that significant levels of replacement capital will need to be invested in
5 the future because the Sun City Water District is nearly 50 years old. The Company
6 would like the surcharge to cover replacement of the following types of infrastructure:
7 mains, replacement meters, replacement pumps, motors, and electrical and control
8 equipment at Sun City booster stations.

9
10 **Q. Do you agree with the Company's proposal?**

11 A. No. The Company has offered no explanation why these ordinary infrastructure
12 improvements or replacements should be handled in this extraordinary fashion. The Staff
13 believes that such ordinary infrastructure improvements should be handled in the normal
14 fashion through inclusion in rate base in future rate filings as appropriate. The
15 Commission has rejected such requests for extraordinary treatment in the past.

16
17 **ANTHEM/AUGUA FRIA WASTEWATER DISTRICT**

18 **Q. Would you please summarize the present rate design for the Anthem/Agua Fria**
19 **Wastewater District?**

20 A. The present monthly minimum charge for all residential customers is \$27.76 with a
21 volumetric charge of \$3.4800 per 1,000 gallons up to 7,000 gallons. The present monthly
22 minimum charges and commodity charges for the commercial customer are as follows:
23 5/8 x 3/4-inch \$27.76 with a volumetric charge of \$3.4800 per 1,000 gallons up to 10,000
24 gallons; 3/4-inch \$41.64 with a volumetric charge of \$3.4800 per 1,000 gallons up to
25 15,000 gallons; 1-inch \$55.58 with a volumetric charge of \$3.4800 per 1,000 gallons up to
26 20,000 gallons; large meter sized customers \$111.12 with a volumetric charge of \$3.4800

1 per 1,000 gallons for all usage. The Anthem/Aqua Fria Wholesale (Phoenix) OWU has a
2 volumetric charge of \$3.1700 per 1,000 gallons for all usage.
3

4 **Q. Would you please summarize the Company's proposed rate design for the**
5 **Anthem/Aqua Fria Wastewater District?**

6 A. The Company's proposed monthly minimum charge for all residential customers is \$50.47
7 with a volumetric charge of \$6.3268 per 1,000 gallons up to 7,000 gallons. The proposed
8 monthly minimum charges and commodity charges for the commercial customer are as
9 follows: 5/8 x 3/4-inch \$50.47 with a volumetric charge of \$6.3268 per 1,000 gallons up
10 to 10,000 gallons; 3/4-inch \$75.70 with a volumetric charge of \$6.3268 per 1,000 gallons
11 up to 15,000 gallons; 1-inch \$101.05 with a volumetric charge of \$6.3268 per 1,000
12 gallons up to 20,000 gallons; large meter sized customers \$202.02 with a volumetric
13 charge of \$6.3268 per 1,000 gallons for all usage. The Anthem/Aqua Fria Wholesale
14 (Phoenix) OWU will be a volumetric charge of \$5.7632 per 1,000 gallons for all usage.
15

16 **Q. Would you please summarize Staff's recommended rate design for the Anthem/Aqua**
17 **Fria Wastewater District?**

18 A. Staff recommends no monthly minimum charges for all residential customers, but a
19 volumetric charge of \$13.6600 per 1,000 gallons for all usage which will be explained in
20 more detail below. The Staff recommended monthly minimum charges and commodity
21 charges for the commercial customers are as follows: 5/8 x 3/4-inch \$44.40 with a
22 volume metric charge of \$5.5666 per 1,000 gallons up to 10,000 gallons; 3/4-inch \$66.61
23 with a volume metric charge of \$5.5666 per 1,000 gallons up to 15,000 gallons; 1-inch
24 \$88.91 with a volume metric charge of \$5.5666 per 1,000 gallons up to 20,000 gallons;
25 large meter sized customers \$177.75 with a volume metric charge of \$5.566 per 1,000

1 gallons for all usage. The Anthem/Aqua Fria Wholesale (Phoenix) OWU will be a
2 volumetric charge of \$5.0707 per 1,000 gallons for all usage.

3
4 **Q. Why is Staff eliminating the monthly minimum and volumetric rate for the first**
5 **7,000 gallons for residential customers and, instead, charging a fixed rate per 1,000**
6 **gallons of usage?**

7 A. Staff recommends that the Company bill its residential customers in Anthem/Agua Fria in
8 a similar manner to the way some municipalities would bill customers for wastewater
9 services. Staff has set a rate of \$13.6600 per 1,000 gallons of volumetric usage for all
10 usage. *Staff will adjust this rate in its surrebuttal testimony based on the Company's*
11 *response to a Staff data request.* This rate represents water usage through-out the test
12 year. Staff recommends that the Company bill each individual residential customer based
13 on the customer's water usage for the months of January, February, and March. The
14 customer's billing then would be reset every year based on the customer's water usage for
15 the months of January, February, and March.

16
17 **Q. Why is Staff proposing this type of rate design?**

18 A. During the summer months, customers typically use more water for activities such as
19 watering lawns and filling swimming pools—activities that are not generally related to the
20 amount of wastewater being eliminated from the home. Staff concludes that a customer's
21 water usage during the winter months is a more accurate representation of the amount of
22 wastewater being discharged from the customer's home year-round and, thus, provides a
23 more appropriate basis for his wastewater commodity charges.

1 **Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in**
2 **Anthem/Agua Fria?**

3 A. The typical 5/8 x 3/4-inch meter residential customer with a median usage of 7,000
4 gallons would experience a \$42.64 or an 81.81 percent increase in his monthly bill, from
5 \$52.12 to \$94.76, under the Company's proposed rates and a \$43.50 or an 83.46 percent
6 increase in his monthly bill, from \$52.12 to \$95.62, under Staff's recommended rates. A
7 typical bill analysis is provided on Schedule JMM-2.

8
9 **SUN CITY WASTEWATER DISTRICT**

10 **Q. Would you please summarize the present rate design for the Sun City Wastewater**
11 **District?**

12 A. The present monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch
13 \$13.69; 1-inch \$34.23; 1 1/2-inch \$68.45; meter sizes 2-inch and larger \$109.52; Single-
14 Unit Non Water \$13.69; Multi-Unit All Water \$13.69; and Multi-Unit Non Water \$13.69.
15 There is no residential volumetric charge. The present monthly minimum charges and
16 volumetric charges for single- and multi-unit commercial customers are as follows: 5/8 x
17 3/4-inch \$6.72 with a volumetric charge of \$0.9727 per 1,000 gallons up to 5,000 gallons;
18 1-inch \$16.81 with a volumetric charge of \$0.9727 per 1,000 gallons up to 12,500 gallons;
19 1 1/2-inch \$33.61 with a volumetric charge of \$0.9727 per 1,000 gallons up to 25,000
20 gallons; 2-inch \$53.78 with a volumetric charge of \$0.9727 per 1,000 gallons up to 40,000
21 gallons.

22
23 The present monthly minimum charge for commercial meter sizes over 2-inch is \$53.78,
24 with a volumetric charge of \$0.9727 for all usage. The present monthly minimum charge
25 for Paradise Park is \$6,362.49, with a volumetric charge of \$1.3708 per 1,000 gallons for

1 all usage. The present monthly minimum charge for single- and multi-unit Commercial
2 Non Water Customers is \$53.78.

3
4 The present monthly minimum charge for Commercial Toilets is \$4.12; Dish Washing
5 Machines is \$31.43; Laundry Machines is \$7.65; Wash Racks is \$15.56; and Rental
6 Rooms is \$7.99.

7
8 **Q. Would you please summarize the Company's proposed rate design for the Sun City**
9 **Wastewater District?**

10 **A.** The Company's proposed monthly minimum charges by meter size are as follows: 5/8 x
11 3/4-inch \$19.34; 1-inch \$48.37; 1 1/2-inch \$96.72; meter sizes 2-inch and larger \$154.75;
12 Single-Unit Non Water \$19.34; Multi-Unit All Water \$19.34; and Multi-Unit Non Water
13 \$19.34. There is no residential volumetric charge. The proposed monthly minimum
14 charges and volumetric charges for single- and multi-unit commercial customers are as
15 follows: 5/8 x 3/4-inch \$9.50 with a volumetric charge of \$1.3744 per 1,000 gallons up to
16 5,000 gallons; 1-inch \$23.75 with a volumetric charge of \$1.3744 per 1,000 gallons up to
17 12,500 gallons; 1 1/2-inch \$47.49 with a volumetric charge of \$1.3744 per 1,000 gallons
18 up to 25,000 gallons; 2-inch \$75.99 with a volumetric charge of \$1.3744 per 1,000 gallons
19 up to 40,000 gallons.

20
21 The proposed monthly minimum charge for commercial meter sizes over 2-inch is \$75.99,
22 with a volumetric charge of \$1.3744 per 1,000 gallons for all usage. The proposed
23 monthly minimum charge for Paradise Park is \$8,990.30, with a volumetric charge of
24 \$1.9370 per 1,000 gallons for all usage. The proposed monthly minimum charge for
25 single- and multi-unit Commercial Non Water Customers is \$75.99.

1 The proposed monthly minimum charge for Commercial Toilets is \$5.82; Dish Washing
2 Machines is \$44.41; Laundry Machines is \$10.81; Wash Racks is \$21.99; and Rental
3 Rooms is \$11.29.

4
5 **Q. Would you please summarize Staff's recommended rate design for the Sun City**
6 **Wastewater District?**

7 A. Staff's recommended monthly minimum charges by meter size are as follows: 5/8 x 3/4-
8 inch \$18.05; 1-inch \$45.14; 1 1/2-inch \$90.27; meter sizes 2-inch and larger \$144.44;
9 Single-Unit Non Water \$18.05; Multi-Unit All Water \$18.05; and Multi-Unit Non Water
10 \$18.05. There is no residential volumetric charge. The recommended monthly minimum
11 charges and volumetric charges for single- and multi-unit commercial customers are as
12 follows: 5/8 x 3/4-inch \$8.86 with a volumetric charge of \$1.2875 per 1,000 gallons up to
13 5,000 gallons; 1-inch \$22.17 with a volumetric charge of \$1.2875 per 1,000 gallons up to
14 12,500 gallons; 1 1/2-inch \$44.33 with a volumetric charge of \$1.2875 per 1,000 gallons
15 up to 25,000 gallons; 2-inch \$70.93 with a volumetric charge of \$1.2875 per 1,000 gallons
16 up to 40,000 gallons.

17
18 The recommended monthly minimum charge for commercial meter sizes over 2-inch is
19 \$70.93, with a volumetric charge of \$1.2875 per 1,000 gallons for all usage. The
20 recommended monthly minimum charge for Paradise Park is \$8,391.11, with a volumetric
21 charge of \$1.8079 per 1,000 gallons for all usage. The recommended monthly minimum
22 charge for single- and multi-unit Commercial Non Water Customers is \$70.93.

23
24 The recommended monthly minimum charge for Commercial Toilets is \$5.43; Dish
25 Washing Machines is \$41.45; Laundry Machines is \$10.09; Wash Racks is \$20.52; and
26 Rental Rooms is \$10.54.

1 **Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in Sun**
2 **City?**

3 A. The typical 5/8 x 3/4-inch meter residential customer would experience a \$5.58 or a 40.76
4 percent increase in his monthly bill, from \$13.69 to \$19.27, under the Company's
5 proposed rates and a \$4.36 or a 31.85 percent decrease in his monthly bill, from \$13.69 to
6 \$18.05, under Staff's recommended rates. A typical bill analysis is provided on Schedule
7 JMM-2.

8

9 **SUN CITY WEST WASTEWATER DISTRICT**

10 **Q. Would you please summarize the present rate design for the Sun City West**
11 **Wastewater District?**

12 A. The present monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch
13 \$25.01; 1-inch \$62.53; 1 1/2-inch \$125.05; meter sizes 2-inch and Larger \$200.08; Single-
14 Unit Non Water \$25.01; Multi-Unit All Water \$25.01. There is no residential volumetric
15 charge. The present monthly minimum charges and volumetric charges for single- and
16 multi-unit commercial customers are as follows: 5/8 x 3/4-inch \$14.26 with a volumetric
17 charge of \$2.1024 per 1,000 gallons up to 5,000 gallons; 1-inch \$35.65 with a volumetric
18 charge of \$2.1024 per 1,000 gallons up to 12,500 gallons; 1 1/2-inch \$71.31 with a
19 volumetric charge of \$2.1024 per 1,000 gallons up to 25,000 gallons; 2-inch \$114.10 with
20 a volumetric charge of \$2.1024 per 1,000 gallons up to 40,000 gallons.

21

22 The present monthly minimum charge for commercial meter sizes over 2-inch is \$114.10,
23 with a volumetric charge of \$2.1024 per 1,000 gallons for all usage. The present monthly
24 minimum charge for Single Unit Commercial Non Water Customers is \$114.10.

1 The present monthly minimum charge for Commercial Toilets is \$9.41; Dish Washing
2 Machines is \$75.47; Laundry Machines is \$17.61; and Wash Racks is \$36.89.

3
4 **Q. Would you please summarize the Company's proposed rate design for the Sun City
5 West Wastewater District?**

6 **A.** The Company's proposed monthly minimum charges by meter size are as follows: 5/8 x
7 3/4-inch \$31.55; 1-inch \$78.87; 1 1/2-inch \$157.74; meter sizes 2-inch and larger
8 \$252.39; Single-Unit Non Water \$31.55; Multi-Unit All Water \$31.55. There is no
9 residential volumetric charge. The proposed monthly minimum charges and volumetric
10 charges for single- and multi-unit commercial customer are as follows: 5/8 x 3/4-inch
11 \$17.99 with a volumetric charge of \$2.6521 per 1,000 gallons up to 5,000 gallons; 1-inch
12 \$44.97 with a volumetric charge of \$2.6521 per 1,000 gallons up to 12,500 gallons; 1 1/2-
13 inch \$89.95 with a volumetric charge of \$2.6521 per 1,000 gallons up to 25,000 gallons;
14 2-inch \$143.93 with a volumetric charge of \$2.6521 per 1,000 gallons up to 40,000
15 gallons.

16
17 The proposed monthly minimum charge for commercial meter sizes over 2-inch is
18 \$143.93, with a volumetric charge of \$2.6521 per 1,000 gallons for all usage. The
19 proposed monthly minimum charge for Single Unit Commercial Non Water Customers is
20 \$143.93.

21
22 The proposed monthly minimum charge for Commercial Toilets is \$11.87; Dish Washing
23 Machines is \$95.20; Laundry Machines is \$22.20; and Wash Racks is \$46.53.

1 **Q. Would you please summarize Staff's recommended rate design for the Sun City West**
2 **Wastewater District?**

3 A. Staff's recommended monthly minimum charges by meter size are as follows: 5/8 x 3/4-
4 inch \$31.94; 1-inch \$79.84; 1 1/2-inch \$159.68; meter sizes 2-inch and larger \$255.48;
5 Single-Unit Non Water \$31.94; Multi-Unit All Water \$31.94. There is no residential
6 volumetric charge. The recommended monthly minimum charges and volumetric charges
7 for single- and multi-unit commercial customer are as follows: 5/8 x 3/4-inch \$18.21 with
8 a volumetric charge of \$2.6846 per 1,000 gallons up to 5,000 gallons; 1-inch \$45.52 with
9 a volumetric charge of \$2.6846 per 1,000 gallons up to 12,500 gallons; 1 1/2-inch \$91.06
10 with a volumetric charge of \$2.6846 per 1,000 gallons up to 25,000 gallons; 2-inch
11 \$145.69 with a volumetric charge of \$2.6846 per 1,000 gallons up to 40,000 gallons.

12
13 The recommended monthly minimum charge for commercial meter sizes over 2-inch is
14 \$145.69, with a volumetric charge of \$2.6846 per 1,000 gallons for all usage. The
15 recommended monthly minimum charge for Single Unit Commercial Non Water
16 Customers is \$145.69.

17
18 The recommended monthly minimum charge for Commercial Toilets is \$12.02; Dish
19 Washing Machines is \$96.37; Laundry Machines is \$22.49; and Wash Racks is \$47.10.

20
21 **Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in Sun**
22 **City West?**

23 A. The typical 5/8 x 3/4-inch meter residential customer would experience a \$6.54 or a 26.15
24 percent increase in his monthly bill, from \$25.01 to \$31.55, under the Company's
25 proposed rates and a \$6.93 or a 27.71 percent increase in his monthly bill, from \$25.01 to

1 \$31.94, under Staff's recommended rates. A typical bill analysis is provided on Schedule
2 JMM-2.

3
4 **CONSOLIDATION WATER SCENARIOS**

5 **Q. Are there some water customers that could not be consolidated together into a**
6 **general rate class?**

7 A. Yes. Certain classes of customers are unique to specific systems or may have special
8 contracts that apply to their rates. Therefore, for all consolidated water scenarios the
9 following rate class customers could not be consolidated:

10
11 Agua Fria Water District

12 C2M3 Arizona Water Contract

13 C5M1 Aqua Fria - OWU PI Surprise

14
15 Sun City West Water District

16 A5M1 Sun City Public Interruptible - Peoria

17
18 Anthem Water District

19 E7M2 Anthem Wholesale (Phoenix) OWU

20
21 Mohave Water District

22 G1M2A Bullhead Residential Apt 5/8" Meter

23 G1M2B Bullhead Residential Apt 1" Meter

24 G1M2C Bullhead Residential Apt 1.5" Meter

25 G1M2D Bullhead Residential Apt 2" Meter

26 G1M2F Bullhead Residential Apt 4" Meter

1 G1M2G Bullhead Residential Apt 6" Meter

2

3 Havasu Water District

4 H1M3D Havasu Residential Apt 2" Meter

5 H1M3F Havasu Residential Apt 4" Meter

6 H1M3H Havasu Residential Apt 4" Meter - Valley Manor

7 H1M3J Havasu Residential Apt 4" Meter - Kenjen RV

8 H1M3K Havasu Residential Apt 4" Meter - HV Falls RV

9 H1M3L Havasu Residential Apt 1" Meter - LH RV

10 H1M3M Havasu Residential Apt 1" Meter - D Hills RV

11 H1M3P Havasu Residential Apt 6" Meter - Hav Resrt

12

13 Paradise Water District

14 P2PVC Paradise Valley Country Club 6"

15

16 **CONSOLIDATION WASTEWATER SCENARIOS**

17 **Q. Are there some wastewater customers that could not be consolidated together into a**
18 **general rate class?**

19 A. Yes. Certain classes of customers are unique to specific systems or may have special
20 contracts that apply to their rates. Therefore, for all consolidated wastewater scenarios the
21 following rate class customers could not be consolidated:

22

23 Anthem/Agua Fria Wastewater District

24 E5M2 Anthem Wholesale (Phoenix) OWU

1 Sun City Wastewater District
2 A2MSP Sun City Sewer Paradise Park I/U

3
4 Mohave Wastewater District
5 P7A1 Mohave Sewer Effluent Sales

6
7 **CONSOLIDATED MODEL**

8 **Q. Did Staff use a computer model to present its various rate consolidation proposals?**

9 A. Yes.

10

11 **Q. Who developed the model that Staff used?**

12 A. The Company hired a consultant, Gannet Fleming, to develop a rate consolidation model
13 in Microsoft excel.

14

15 **Q. Have Staff, the Residential Utility Consumer Office and all other interveners been**
16 **offered access to the Company's consolidation model?**

17 A. Yes. The Company facilitated several workshops to demonstrate its model and has also
18 made its model available to everyone in the form of a compact disc.

19

20 **Q. Why did the Company make this model available to all parties?**

21 A. A shared model avoids the difficulties and expense involved with each party having to
22 develop its own consolidation model. In addition, a shared model allows for all parties to
23 present their rate designs in a consistent format, which makes comparisons of the various
24 proposals much easier.

1 **Q. Has Staff examined the Company's model and has Staff found it to be reliable?**

2 A. Yes. Staff performed a number of trials, testing the formula links and calculations
3 contained in the model. These trials appeared to yield the expected outputs. Staff will
4 continue to examine the model in more detail to ensure the accuracy of the data. Staff
5 appreciates the Company's assistance in developing this model and making it available for
6 use in this case.

7

8 **Q. Are there some assumptions that the Company has used in order to consolidate**
9 **customers' rates?**

10 A. Yes. As mentioned before, some rate class customers cannot be consolidated. Also, in
11 regards to the wastewater consolidated model, some residential customer classes had
12 volumetric charges in addition to a monthly minimum charge. In order to apply the same
13 rate structure to all consolidated customers, the volumetric charges were eliminated.

14

15 **Q. Are these assumptions acceptable to Staff?**

16 A. Yes.

17

18 **RATE CONSOLIDATION SCENARIO ONE**

19 **Q. Can you explain how Staff's consolidated schedules for Scenario One are organized?**

20 A. Yes. Scenario One represents Staff's total consolidation of all of the Company's
21 respective water and wastewater districts in Arizona, as shown on Schedules JMM-3.

22

23 **Q. Has Staff provided a typical bill analysis for residential customers under Scenario**
24 **One?**

25 A. Yes, the typical bill analyses are shown on Schedules JMM-4 for each district.

1 **Q. Which districts are included in Staff's Scenario One water district consolidation?**

2 A. Scenario One includes Sun City, Sun City West, Agua Fria, Anthem, Tubac, Mohave,
3 Havasu, and Paradise Valley water districts.

4
5 **Q. Which districts are included in Staff's Scenario One wastewater district
6 consolidation?**

7 A. Scenario One includes Sun City, Sun City West, Anthem/Agua Fria, and Mohave.
8

9 **RATE CONSOLIDATION SCENARIO TWO**

10 **Q. Can you explain how Staff's consolidated schedules for Scenario Two are organized?**

11 A. Yes. Scenario Two represents Staff's consolidation of the Company's Sun City and Sun
12 City West water and wastewater districts, and all remaining districts under a separate
13 consolidation proposal, as shown on Schedules JMM-5.

14
15 **Q. Has Staff provided a typical bill analysis for residential customers under Scenario
16 Two?**

17 A. Yes, the typical bill analyses are shown on Schedules JMM-6 for each district.
18

19 **Q. What districts are included in Staff's Scenario Two water district consolidations?**

20 A. Sun City and Sun City West were consolidated for purposes of rate design. Agua Fria,
21 Anthem, Tubac, Mohave, Havasu, and Paradise Valley districts were separately
22 consolidated for purposes of rate design.

1 **Q. What districts are included in Staff's Scenario Two wastewater district**
2 **consolidations?**

3 A. Sun City and Sun City West were consolidated together. Anthem/Agua Fria and Mohave
4 were separately consolidated.
5

6 **RATE CONSOLIDATION SCENARIO THREE**

7 **Q. Did Staff propose a Scenario Three for the wastewater districts?**

8 A. No. Scenario Three includes only the water districts.
9

10 **Q. Can you explain how Staff's consolidated schedules for Scenario Three are**
11 **organized?**

12 A. Yes. Scenario Three represents Staff's separate consolidation proposals for the
13 Company's 1) Sun City and Sun City West water districts; 2) the Agua Fria, Anthem, and
14 Paradise Valley water districts; and 3) the Tubac, Mohave, and Havasu water districts, as
15 shown on Schedules JMM-7.
16

17 **Q. Has Staff provided a typical bill analysis for residential customers under Scenario**
18 **Three?**

19 A. Yes, the typical bill analyses are shown on Schedules JMM-8 for each district.
20

21 **Q. Is Staff recommending any of the three consolidation scenarios?**

22 A. No. As stated previously, Staff is recommending individual or stand-alone rates for all of
23 the Company's districts. Mr. Elijah Abinah discusses this issue in more detail in his
24 testimony.
25

1 Q. Does this conclude your direct testimony?

2 A. Yes, it does.

**ANTHEM WATER DISTRICT
STAND-ALONE RATES
SCHEDULES JMM-1 AND JMM-2**

Monthly Usage Charge		Present	Company Proposed Rates	Staff Recommended Rates
Anthem Distco Res 5/8" x 3/4" and 3/4"	E1M1A	\$ 17.53	\$ 35.13	\$ 25.00
Anthem Distco Res 1"	E1M1B	42.88	85.93	62.50
Anthem Distco Res 1 1/2"	E1M1C	86.41	173.15	125.00
Anthem Distco Res 2"	E1M1D	138.30	277.13	200.00
Anthem Distco Res 3"	E1M1E	276.78	554.63	400.00
Anthem Distco Res 4"	E1M1F	432.63	866.93	625.00
Anthem Distco Res 6"	E1M1G	865.27	1,733.87	1,250.00
Anthem Distco Res 8"	E1M1H	1,334.57	2,674.28	2,000.00
Anthem Distco Com 5/8" & 3/4"	E1M2A	17.53	35.13	25.00
Anthem Distco Com 1"	E1M2B	42.88	85.93	62.50
Anthem Distco Com 1 1/2"	E1M2C	86.41	173.15	125.00
Anthem Distco Com 2"	E1M2D	138.30	277.13	200.00
Anthem Distco Com 3"	E1M2E	276.78	554.63	400.00
Anthem Distco Comm 4"	E1M2F	432.63	866.93	625.00
Anthem Distco Comm 6"	E1M2G	865.27	1,733.87	1,250.00
Anthem Distco Comm 8"	E1M2H	1,334.57	2,674.28	2,000.00
Anthem Public Interruptible	E2M2	-	-	-
Anthem Wholesale (Phoenix) OWU	E7M2	-	-	-
Anthem Treatco Potable Irrig	D7M1	-	-	-
Anthem Treatco NP Irrig - Genl	D7M2	-	-	-
Anthem Distco Private Fire 3"	E6M03	49.67	99.53	10.00
Anthem Distco Private Fire 4"	E6M04	84.40	169.13	12.50
Anthem Distco Private Fire 6"	E6M06	126.60	253.69	25.00
Anthem Distco Private Fire 8"	E6M08	127.72	255.93	40.00
Anthem Distco Private Fire 10"	E6M10	255.45	511.88	57.50

Note: The following rate classes are no longer in effect or have been moved to a different district:
C1M1A, C1M1B, and C6M06

Commodity Charge		Present	Company Proposed Rates	Staff Recommended Rates
Anthem Distco Res 5/8 & 3/4	E1M1A			
First 4,000 gallons		\$ 1.5400	\$ 3.0859	N/A
4,001 to 10,000 gallons		2.4100	4.8293	N/A
Over 10,000 gallons		3.0800	6.1719	N/A
First 3,000 gallons		N/A	N/A	2.0000
3,001 to 9,000 gallons		N/A	N/A	5.0000
Over 9,000 gallons		N/A	N/A	7.8670
Anthem Distco Res 1"	E1M1B			
First 4,000 gallons		1.5400	3.0859	N/A
4,001 to 46,000 gallons		2.4100	4.8293	N/A
Over 46,000 gallons		3.0800	6.1719	N/A
First 3,000 gallons		N/A	N/A	2.0000
3,001 to 21,000 gallons		N/A	N/A	5.0000
Over 21,000 gallons		N/A	N/A	7.8670
Anthem Distco Res 1 1/2"	E1M1C			
First 109,000 gallons		2.4100	4.8293	N/A
Over 109,000 gallons		3.0800	6.1719	N/A
First 41,000 gallons		N/A	N/A	5.0000
Over 41,000 gallons		N/A	N/A	7.8670
Anthem Distco Res 2"	E1M1D			
First 185,000 gallons		2.4100	4.8293	N/A
Over 185,000 gallons		3.0800	6.1719	N/A
First 66,000 gallons		N/A	N/A	5.0000
Over 66,000 gallons		N/A	N/A	7.8670
Anthem Distco Res 3"	E1M1E			
First 390,000 gallons		2.4100	4.8293	N/A
Over 390,000 gallons		3.0800	6.1719	N/A
First 134,000 gallons		N/A	N/A	5.0000
Over 134,000 gallons		N/A	N/A	7.8670
Anthem Distco Res 4"	E1M1F			
First 621,000 gallons		2.4100	4.8293	N/A
Over 621,000 gallons		3.0800	6.1719	N/A
First 211,000 gallons		N/A	N/A	5.0000
Over 211,000 gallons		N/A	N/A	7.8670
Anthem Distco Res 6"	E1M1G			
First 1,265,000 gallons		2.4100	4.8293	N/A
Over 1,265,000 gallons		3.0800	6.1719	N/A
First 426,000 gallons		N/A	N/A	5.0000

Over 426,000 gallons		N/A	N/A	7.8670
Anthem Distco Res 8"	E1M1H			
First 1,964,000 gallons		2.4100	4.8293	N/A
Over 1,964,000 gallons		3.0800	6.1719	N/A
First 685,000 gallons		N/A	N/A	5.0000
Over 685,000 gallons		N/A	N/A	7.8670
Anthem Distco Com 5/8" & 3/4"				
First 10,000 gallons	E1M2A	2.4100	4.8293	5.0000
Over 10,000 gallons	E2M1A	3.0800	6.1719	7.8670
Anthem Distco Com 1"				
First 46,000 gallons	E1M2B	2.4100	4.8293	N/A
Over 46,000 gallons	E2M1B	3.0800	6.1719	N/A
First 21,000 gallons		N/A	N/A	5.0000
Over 21,000 gallons		N/A	N/A	7.8670
Anthem Distco Com 1 1/2"				
First 109,000 gallons	E1M2C	2.4100	4.8293	N/A
Over 109,000 gallons	E2M1C	3.0800	6.1719	N/A
First 41,000 gallons		N/A	N/A	5.0000
Over 41,000 gallons		N/A	N/A	7.8670
Anthem Distco Com 2"				
First 185,000 gallons	E1M2D	2.4100	4.8293	N/A
Over 185,000 gallons	E2M1D	3.0800	6.1719	N/A
First 66,000 gallons		N/A	N/A	5.0000
Over 66,000 gallons		N/A	N/A	7.8670
Anthem Distco Com 3"				
First 390,000 gallons	E1M2E	2.4100	4.8293	N/A
Over 390,000 gallons	E2M1E	3.0800	6.1719	N/A
First 134,000 gallons		N/A	N/A	5.0000
Over 134,000 gallons		N/A	N/A	7.8670
Anthem Distco Comm 4"				
First 621,000 gallons	E1M2F	2.4100	4.8293	N/A
Over 621,000 gallons	E2M1F	3.0800	6.1719	N/A
First 211,000 gallons		N/A	N/A	5.0000
Over 211,000 gallons		N/A	N/A	7.8670
Anthem Distco Comm 6"				
First 1,265,000 gallons	E1M2G	2.4100	4.8293	N/A
Over 1,265,000 gallons	E2M1G	3.0800	6.1719	N/A
First 426,000 gallons		N/A	N/A	5.0000
Over 426,000 gallons		N/A	N/A	7.8670
Anthem Distco Comm 8"				
First 1,964,000 gallons	E1M2H	2.4100	4.8293	N/A
Over 1,964,000 gallons	E2M1H	3.0800	6.1719	N/A
First 685,000 gallons		N/A	N/A	5.0000
Over 685,000 gallons		N/A	N/A	7.8670
Anthem Interruptible	E2M2	3.0800	5.5243	5.5243
Anthem Wholesale (Phoenix) OWU	E7M2	0.3000	0.5381	0.5381
Anthem Treatco Potable Irrig	D7M1	1.4300	2.8655	2.5648
Anthem Treatco NP Irrig - Genl	D7M2	1.4300	2.8655	2.5648
MISC-1 Miscellaneous Charges				
Service Establishment, Reestablishment, and/or				
Reconnect Charges	during business hours	\$ 60.00	\$ 60.00	\$ 60.00
	after business hours	\$ 90.00	\$ 90.00	\$ 90.00
Insufficient Funds, NSF Fee		\$ 20.00	\$ 25.00	\$ 25.00
Customer Requested Meter Reread	if not in error	\$ 10.00	\$ 10.00	\$ 10.00
Meter Test Charge	less than 3% difference	\$ 30.00	\$ 30.00	\$ 30.00
Service and Meter Installation Charges				
	Serv Line			
Service Size 5/8"	\$ 370.00	\$ 370.00	\$ 370.00	
3/4"	\$ 370.00	\$ 370.00	\$ 370.00	
1"	\$ 420.00	\$ 420.00	\$ 420.00	
1-1/2"	\$ 450.00	\$ 450.00	\$ 450.00	
2" Turbine	\$ 580.00	\$ 580.00	\$ 580.00	
2" Compound	\$ 580.00	\$ 580.00	\$ 580.00	

3" Turbine	\$	745.00	\$	745.00	\$	745.00
3" Compound	\$	765.00	\$	765.00	\$	765.00
4" Turbine	\$	1,090.00	\$	1,090.00	\$	1,090.00
4" Compound	\$	1,120.00	\$	1,120.00	\$	1,120.00
6" Turbine	\$	1,610.00	\$	1,610.00	\$	1,610.00
6" Compound	\$	1,630.00	\$	1,630.00	\$	1,630.00
Over 6"	cost		cost		cost	
Mtr Install						
5/8"	\$	130.00	\$	130.00	\$	130.00
3/4"	\$	205.00	\$	205.00	\$	205.00
1"	\$	240.00	\$	240.00	\$	240.00
1-1/2"	\$	450.00	\$	450.00	\$	450.00
2" Turbine	\$	945.00	\$	945.00	\$	945.00
2" Compound	\$	1,640.00	\$	1,640.00	\$	1,640.00
3" Turbine	\$	1,420.00	\$	1,420.00	\$	1,420.00
3" Compound	\$	2,195.00	\$	2,195.00	\$	2,195.00
4" Turbine	\$	2,270.00	\$	2,270.00	\$	2,270.00
4" Compound	\$	3,145.00	\$	3,145.00	\$	3,145.00
6" Turbine	\$	4,425.00	\$	4,425.00	\$	4,425.00
6" Compound	\$	6,120.00	\$	6,120.00	\$	6,120.00
Over 6"	cost		cost		cost	
CRC-1 Capacity Reservation Charges						
Fee per Equivalent Residential Unit		\$765		\$765		\$0
Type of Improvement	Associated ERU					
Single Family Homes	1.00		1.00		-	
Apartment Units	0.75		0.75		-	
Recreation Center	32.00		32.00		-	
Elementary Schools	35.00		35.00		-	
Middle Schools	125.00		125.00		-	
High School	125.00		125.00		-	
Junior College	125.00		125.00		-	
Club House	16.00		16.00		-	
Neighborhood Park	5.00		5.00		-	
Regional Park	10.00		10.00		-	
Church	4.00		4.00		-	
Other Commercial Units (per acre)	4.25		4.25		-	
Landscape Services	-		-		-	
RBR-1 Rate Base Reduction						
Meter Size	Factor					
5/8" x 3/4"	1	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
3/4"	1.5	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500
1"	2.5	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500
1-1/2"	5	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
2"	8	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000
3"	16	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000
4"	25	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
6"	50	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
8"	100	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000

Typical Bill Analysis
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	9,616	\$ 37.22	\$ 74.59	\$ 37.37	100.39%
Median Usage	8,000	33.33	66.79	\$ 33.46	100.39%
Staff Recommended					
Average Usage	9,616	\$ 37.22	\$ 65.85	\$ 28.62	76.89%
Median Usage	8,000	33.33	56.00	\$ 22.67	88.02%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 17.53	\$ 35.13	100.40%	\$ 25.00	42.61%
1,000	19.07	38.22	100.40%	27.00	41.58%
2,000	20.61	41.30	100.40%	29.00	40.71%
3,000	22.15	44.39	100.40%	31.00	39.95%
4,000	23.69	47.47	100.40%	36.00	51.96%
5,000	26.10	52.30	100.39%	41.00	57.09%
6,000	28.51	57.13	100.39%	46.00	61.35%
7,000	30.92	61.96	100.39%	51.00	64.94%
8,000	33.33	66.79	100.39%	56.00	68.02%
9,000	35.74	71.62	100.39%	61.00	70.68%
10,000	38.15	76.45	100.39%	66.00	73.34%
11,000	40.56	81.28	100.39%	71.00	76.00%
12,000	42.97	86.11	100.39%	76.00	78.66%
13,000	45.38	90.94	100.39%	81.00	81.32%
14,000	47.79	95.77	100.39%	86.00	83.98%
15,000	50.20	100.60	100.39%	91.00	86.64%
16,000	52.61	105.43	100.39%	96.00	89.30%
17,000	55.02	110.26	100.39%	101.00	91.96%
18,000	57.43	115.09	100.39%	106.00	94.62%
19,000	59.84	119.92	100.39%	111.00	97.28%
20,000	62.25	124.75	100.39%	116.00	99.94%
25,000	71.63	143.03	100.39%	135.00	118.77%
30,000	81.01	161.31	100.39%	154.00	137.60%
35,000	90.39	179.59	100.39%	173.00	156.43%
40,000	99.77	197.87	100.39%	192.00	175.26%
45,000	109.15	216.15	100.39%	211.00	194.09%
50,000	118.53	234.43	100.39%	230.00	212.92%
75,000	157.51	316.61	100.39%	309.00	291.75%
100,000	196.49	398.79	100.39%	388.00	370.58%

**SUN CITY WATER DISTRICT
STAND-ALONE RATES
SCHEDULES JMM-1 AND JMM-2**

Monthly Usage Charge		Present	Company Proposed Rates	Staff Recommended Rates
Residential 5/8" Low Income	LICR	\$ 4.00	\$ 5.11	\$ 4.50
Sun City Res 5/8 & 3/4	A1M1A	7.99	10.21	9.00
Sun City Residential 1"	A1M1B	20.49	26.17	22.50
Sun City Residential 1 1/2"	A1M1C	40.97	52.33	45.00
Sun City Residential 2"	A1M1D	65.56	83.73	72.00
Sun City Residential 3"	A1M1E	131.12	167.47	144.00
Sun City Residential 4"	A1M1F	204.87	261.67	225.00
Sun City Residential 6"	A1M1G	409.73	523.32	450.00
Sun City Residential 8"	A1M1H	655.58	837.32	720.00
Sun City Commercial 5/8" & 3/4"	A2M1A	7.99	10.21	9.00
Sun City Commercial 1"	A2M1B	20.49	26.17	22.50
Sun City Commercial 1 1/2"	A2M1C	40.97	52.33	45.00
Sun City Commercial 2"	A2M1D	65.56	83.73	72.00
Sun City Commercial 3"	A2M1E	131.12	167.47	144.00
Sun City Commercial 4"	A2M1F	204.87	261.67	225.00
Sun City Commercial 6"	A2M1G	409.73	523.32	450.00
Sun City Commercial 8"	A2M1H	655.58	837.32	720.00
Sun City Public Interruptible - Peoria	A5M1	8.90	8.81	8.39
Sun City Irrigation - 2"	A7M1D	65.56	83.73	79.75
Sun City Irrigation - Raw	A7M2	-	-	-
Sun City West Irrigation - Raw [a]	B7M2	-	-	-
Private Fire 3"	A6M03	11.14	14.23	10.00
Private Fire 4"	A6M04	17.23	22.01	10.00
Private Fire 6"	A6M06	36.21	46.25	10.00
Private Fire 8"	A6M08	47.28	60.39	14.40
Private Fire 10"	A6M10	68.34	87.29	20.70
Private Hydrant - Peoria	A8M1	6.95	8.88	8.45
Commodity Charge				
Sun City Res 5/8 & 3/4	A1M1A			
First 3,000 gallons		\$ 0.7190	\$ 0.9183	N/A
3,001 to 10,000 gallons		1.3290	1.6974	N/A
Over 10,000 gallons		1.6920	2.1611	N/A
First 3,000 gallons		N/A	N/A	0.7000
3,001 to 9,000 gallons		N/A	N/A	1.4000
Over 9,000 gallons		N/A	N/A	2.4518
Sun City Residential 1"	A1M1B			
First 43,000 gallons		1.3290	1.6974	N/A
Over 43,000 gallons		1.6920	2.1611	N/A
First 20,000 gallons		N/A	N/A	1.4000
Over 20,000 gallons		N/A	N/A	2.4518
Sun City Residential 1 1/2"	A1M1C			
First 98,000 gallons		1.3290	1.6974	N/A
Over 98,000 gallons		1.6920	2.1611	N/A
First 41,000 gallons		N/A	N/A	1.4000
Over 41,000 gallons		N/A	N/A	2.4518
Sun City Residential 2"	A1M1D			
First 164,000 gallons		1.3290	1.6974	N/A
Over 164,000 gallons		1.6920	2.1611	N/A
First 67,000 gallons		N/A	N/A	1.4000
Over 67,000 gallons		N/A	N/A	2.4518
Sun City Residential 3"	A1M1E			
First 342,000 gallons		1.3290	1.6974	N/A
Over 342,000 gallons		1.6920	2.1611	N/A
First 138,000 gallons		N/A	N/A	1.4000
Over 138,000 gallons		N/A	N/A	2.4518
Sun City Residential 4"	A1M1F			
First 543,000 gallons		1.3290	1.6974	N/A
Over 543,000 gallons		1.6920	2.1611	N/A
First 218,000 gallons		N/A	N/A	1.4000
Over 218,000 gallons		N/A	N/A	2.4518
Sun City Residential 6"	A1M1G			
First 700,000 gallons		1.3290	1.6974	N/A
Over 700,000 gallons		1.6920	2.1611	N/A
First 442,000 gallons		N/A	N/A	1.4000
Over 442,000 gallons		N/A	N/A	2.4518
Sun City Residential 8"	A1M1H			
First 1,450,000 gallons		1.3290	1.6974	N/A

Over 1,450,000 gallons		1.6920	2.1611	N/A
First 710,000 gallons		N/A	N/A	1.4000
Over 710,000 gallons		N/A	N/A	2.4518
Sun City Commercial 5/8" & 3/4"	A2M1A			
First 10,000 gallons		1.3290	1.6974	N/A
Over 10,000 gallons		1.6920	2.1611	N/A
First 9,000 gallons		N/A	N/A	1.4000
Over 9,000 gallons		N/A	N/A	2.4518
Sun City Commercial 1"	A2M1B			
First 43,000 gallons		1.3290	1.6974	N/A
Over 43,000 gallons		1.6920	2.1611	N/A
First 20,000 gallons		N/A	N/A	1.4000
Over 20,000 gallons		N/A	N/A	2.4518
Sun City Commercial 1 1/2"	A2M1C			
First 98,000 gallons		1.3290	1.6974	N/A
Over 98,000 gallons		1.6920	2.1611	N/A
First 41,000 gallons		N/A	N/A	1.4000
Over 41,000 gallons		N/A	N/A	2.4518
Sun City Commercial 2"	A2M1D			
First 164,000 gallons		1.3290	1.6974	N/A
Over 164,000 gallons		1.6920	2.1611	N/A
First 67,000 gallons		N/A	N/A	1.4000
Over 67,000 gallons		N/A	N/A	2.4518
Sun City Commercial 3"	A2M1E			
First 342,000 gallons		1.3290	1.6974	N/A
Over 342,000 gallons		1.6920	2.1611	N/A
First 138,000 gallons		N/A	N/A	1.4000
Over 138,000 gallons		N/A	N/A	2.4518
Sun City Commercial 4"	A2M1F			
First 543,000 gallons		1.3290	1.6974	N/A
Over 543,000 gallons		1.6920	2.1611	N/A
First 218,000 gallons		N/A	N/A	1.4000
Over 218,000 gallons		N/A	N/A	2.4518
Sun City Commercial 6"	A2M1G			
First 700,000 gallons		1.3290	1.6974	N/A
Over 700,000 gallons		1.6920	2.1611	N/A
First 442,000 gallons		N/A	N/A	1.4000
Over 442,000 gallons		N/A	N/A	2.4518
Sun City Commercial 8"	A2M1H			
First 1,450,000 gallons		1.3290	1.6974	N/A
Over 1,450,000 gallons		1.6920	2.1611	N/A
First 710,000 gallons		N/A	N/A	1.4000
Over 710,000 gallons		N/A	N/A	2.4518
Sun City Public Interruptible - Peoria	A5M1	0.9828	1.2553	1.1956
Sun City Irrigation - 2"	A7M1D	1.0604	1.3544	1.2900
Sun City Irrigation - Raw	A7M2	0.8480	1.0831	1.0316
Sun City West Irrigation - Raw	B7M2	0.8480	1.0831	1.0316
Private Fire 3"	A6M03	0.9828	1.2553	-
Private Fire 4"	A6M04	0.9828	1.2553	-
Private Fire 6"	A6M06	0.9828	1.2553	-
Private Fire 8"	A6M08	0.9828	1.2553	-
Private Fire 10"	A6M10	0.9828	1.2553	-
Private Hydrant - Peoria	A8M1	0.9828	1.2553	1.1956
MISC-1 Miscellaneous Charges				
Service Establishment, Reestablishment and/or Reconnection Charge				
During Normal Business Hours	\$	30.00	\$	30.00
During Non-Business Hours	\$	40.00	\$	40.00
Insufficient Funds (NSF) Check Charge	\$	10.00	\$	25.00

Customer Requested Meter Reread Charge		\$ 5.00	\$ 5.00	\$ 5.00
Meter Test Charge		\$ 10.00	\$ 10.00	\$ 10.00
Service and Meter Installation Charges				
Service Installation Charges 5/8"		Serv Line		
3/4"		\$ 370.00	\$ 370.00	\$ 370.00
1"		\$ 420.00	\$ 420.00	\$ 420.00
1-1/2"		\$ 450.00	\$ 450.00	\$ 450.00
2" Turbine Meter		\$ 580.00	\$ 580.00	\$ 580.00
2" Compound Meter		\$ 580.00	\$ 580.00	\$ 580.00
3" Turbine Meter		\$ 745.00	\$ 745.00	\$ 745.00
3" Compound Meter		\$ 765.00	\$ 765.00	\$ 765.00
4" Turbine Meter		\$ 1,090.00	\$ 1,090.00	\$ 1,090.00
4" Compound Meter		\$ 1,120.00	\$ 1,120.00	\$ 1,120.00
6" Turbine Meter		\$ 1,610.00	\$ 1,610.00	\$ 1,610.00
6" Compound Meter		\$ 1,630.00	\$ 1,630.00	\$ 1,630.00
Over 6"		actual cost	actual cost	actual cost
Mtr Install				
Meter Installation Charges 5/8"		\$ 130.00	\$ 130.00	\$ 130.00
3/4"		\$ 205.00	\$ 205.00	\$ 205.00
1"		\$ 240.00	\$ 240.00	\$ 240.00
1-1/2"		\$ 450.00	\$ 450.00	\$ 450.00
2" Turbine Meter		\$ 945.00	\$ 945.00	\$ 945.00
2" Compound Meter		\$ 1,640.00	\$ 1,640.00	\$ 1,640.00
3" Turbine Meter		\$ 1,420.00	\$ 1,420.00	\$ 1,420.00
3" Compound Meter		\$ 2,195.00	\$ 2,195.00	\$ 2,195.00
4" Turbine Meter		\$ 2,270.00	\$ 2,270.00	\$ 2,270.00
4" Compound Meter		\$ 3,145.00	\$ 3,145.00	\$ 3,145.00
6" Turbine Meter		\$ 4,425.00	\$ 4,425.00	\$ 4,425.00
6" Compound Meter		\$ 6,120.00	\$ 6,120.00	\$ 6,120.00
Over 6"		actual cost	actual cost	actual cost
CAP-1	Central AZ Project - Raw	All Usage	\$ 0.848000	\$ 0.848000
GFS-1	Groundwater Savings Fee			
	Residential	per unit	\$ 1.565	\$ 1.565
	Non-residential	All Usage	\$ 0.119200	\$ 0.119200

[a] Pro Forma Adj to move accounts to A7M2

Typical Bill Analysis
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	7,954	\$ 16.73	\$ 21.37	\$ 4.64	27.75%
Median Usage	7,000	15.46	19.75	\$ 4.29	27.75%
Staff Recommended					
Average Usage	7,954	\$ 16.73	\$ 18.04	\$ 1.30	7.80%
Median Usage	7,000	15.46	16.70	\$ 1.24	8.00%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 7.99	\$ 10.21	27.78%	\$ 9.00	12.64%
1,000	8.71	11.13	27.78%	9.70	11.38%
2,000	9.43	12.05	27.77%	10.40	10.31%
3,000	10.15	12.96	27.77%	11.10	9.39%
4,000	11.48	14.66	27.76%	12.50	8.92%
5,000	12.81	16.36	27.76%	13.90	8.55%
6,000	14.13	18.06	27.76%	15.30	8.25%
7,000	15.46	19.75	27.75%	16.70	8.00%
8,000	16.79	21.45	27.75%	18.10	7.79%
9,000	18.12	23.15	27.75%	19.50	7.61%
10,000	19.45	24.85	27.75%	21.95	12.86%
11,000	21.14	27.01	27.74%	24.40	15.43%
12,000	22.83	29.17	27.74%	26.86	17.61%
13,000	24.53	31.33	27.74%	29.31	19.49%
14,000	26.22	33.49	27.74%	31.76	21.13%
15,000	27.91	35.65	27.74%	34.21	22.58%
16,000	29.60	37.81	27.74%	36.66	23.85%
17,000	31.29	39.97	27.74%	39.11	24.99%
18,000	32.99	42.14	27.74%	41.57	26.01%
19,000	34.68	44.30	27.74%	44.02	26.93%
20,000	36.37	46.46	27.74%	46.47	27.77%
25,000	44.83	57.26	27.73%	58.73	31.00%
30,000	53.29	68.07	27.73%	70.99	33.21%
35,000	61.75	78.87	27.73%	83.25	34.81%
40,000	70.21	89.68	27.73%	95.51	36.03%
45,000	78.67	100.49	27.73%	107.76	36.98%
50,000	87.13	111.29	27.73%	120.02	37.75%
75,000	129.43	165.32	27.73%	181.32	40.09%
100,000	171.73	219.35	27.73%	242.61	41.28%

**ANTHEM/AGUA FRIA WASTEWATER
STAND-ALONE RATES
SCHEDULES JMM-1 AND JMM-2**

Monthly Usage Charge	Rate Schedule	Present	Company Proposed Rates	Staff Recommended Rates
Anthem/Agua Fria Wastewater Residential	E1MS1	\$ 27.76	\$ 50.47	\$ -
Anthem/Agua Fria Wastewater Commercial 5/8"	E2MS1	27.76	50.47	44.40
Anthem/Agua Fria Wastewater Commercial 3/4"	E2MS2	41.64	75.70	66.61
Anthem/Agua Fria Wastewater Commercial 1"	E2MS3	55.58	101.05	88.91
Anthem/Agua Fria Wastewater Commercial LG	E2MS4	111.12	202.02	177.75
Anthem Wholesale Phoenix	E5M2	-	-	-
Volumetric Charge				
Anthem/Agua Fria Wastewater Residential	E1MS1			
First 7,000 gallons		\$ 3.4800	\$ 6.3268	N/A
Over 7,000 gallons		-	-	-
All Usage		N/A	N/A	\$ 13.6600
Anthem/Agua Fria Wastewater Commercial 5/8"	E2MS1			
First 10,000 gallons		3.4800	6.3268	5.5666
Over 10,000 gallons		-	-	-
Anthem/Agua Fria Wastewater Commercial 3/4"	E2MS2			
First 15,000 gallons		3.4800	6.3268	5.5666
Over 15,000 gallons		-	-	-
Anthem/Agua Fria Wastewater Commercial 1"	E2MS3			
First 20,000 gallons		3.4800	6.3268	5.5666
Over 20,000 gallons		-	-	-
Anthem/Agua Fria Wastewater Commercial LG	E2MS4			
All Usage		3.4800	6.3268	5.5666
Anthem Wholesale Phoenix	E5M2			
All Usage		3.1700	5.7632	5.0707
Annual Fee for Industrial Discharge Service				
<= 50,000 gals water per month		\$ 500.00	\$ 500.00	\$ 500.00
> 50,000 gals water per month		\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
SHU-1 Sewer Facilities Hook-Up Fee				
Fee per Equivalent Residential Unit		\$ 765	\$ 765	\$ 765
ERU Schedule:	# ERUs		# ERUs	# ERUs
Single Family Home	1.00		1.00	1.00
Apartment Units	0.50		0.50	0.50
Commercial Units (per acre)	4.00		4.00	4.00
Resorts (per room)	0.50		0.50	0.50
Parks, Golf Courses and Rights of Way	-		-	-
MISC-1 Miscellaneous Fees				
Establishment during business hours		\$ 30.00	\$ 30.00	\$ 30.00
Establishment after business hours		\$ 45.00	\$ 45.00	\$ 45.00
Reconnection (delinquent)		\$ 40.00	\$ 40.00	\$ 40.00
Reconnection after hours		\$ 55.00	\$ 55.00	\$ 55.00
NSF Check		\$ 15.00	\$ 15.00	\$ 15.00
Late Fee		1.50%	1.50%	1.50%

Typical Bill Analysis
 General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	5,632	\$ 47.36	\$ 86.10	\$ 38.74	81.81%
Median Usage	7,000	52.12	94.76	42.64	81.81%
Staff Recommended					
Average Usage	5,632	\$ 47.36	\$ 76.93	\$ 29.57	62.45%
Median Usage	7,000	52.12	95.62	43.50	83.46%

Present & Proposed Rates (Without Taxes)
 General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 27.76	\$ 50.47	81.81%	\$ -	-100.00%
1,000	31.24	56.80	81.81%	13.66	-56.27%
2,000	34.72	63.12	81.81%	27.32	-21.31%
3,000	38.20	69.45	81.81%	40.98	7.28%
4,000	41.68	75.78	81.81%	54.64	31.09%
5,000	45.16	82.10	81.81%	68.30	51.24%
6,000	48.64	88.43	81.81%	81.96	68.50%
7,000	52.12	94.76	81.81%	95.62	83.46%
8,000	52.12	94.76	81.81%	109.28	109.67%
9,000	52.12	94.76	81.81%	122.94	135.88%
10,000	52.12	94.76	81.81%	136.60	162.09%
11,000	52.12	94.76	81.81%	150.26	188.30%
12,000	52.12	94.76	81.81%	163.92	214.50%
13,000	52.12	94.76	81.81%	177.58	240.71%
14,000	52.12	94.76	81.81%	191.24	266.92%
15,000	52.12	94.76	81.81%	204.90	293.13%
16,000	52.12	94.76	81.81%	218.56	319.34%
17,000	52.12	94.76	81.81%	232.22	345.55%
18,000	52.12	94.76	81.81%	245.88	371.76%
19,000	52.12	94.76	81.81%	259.54	397.97%
20,000	52.12	94.76	81.81%	273.20	424.17%
25,000	52.12	94.76	81.81%	341.50	555.22%
30,000	52.12	94.76	81.81%	409.80	686.26%
35,000	52.12	94.76	81.81%	478.10	817.31%
40,000	52.12	94.76	81.81%	546.40	948.35%
45,000	52.12	94.76	81.81%	614.70	1079.39%
50,000	52.12	94.76	81.81%	683.00	1210.44%
75,000	52.12	94.76	81.81%	1,024.50	1865.66%
100,000	52.12	94.76	81.81%	1,366.00	2520.87%

**SUN CITY WASTEWATER
STAND-ALONE RATES
SCHEDULES JMM-1 AND JMM-2**

Monthly Usage Charge	Rate Schedule	Present	Company Proposed Rates	Staff Recommended Rates
Sun City Wastewater Residential S Unit 5/8"x 3/4"	A1S1A	\$ 13.69	\$ 19.34	\$ 18.05
Sun City Wastewater Residential Single Unit 1"	A1S1B	34.23	48.37	45.14
Sun City Wastewater Residential Single Unit 1 1/2"	A1S1C	68.45	96.72	90.27
Sun City Wastewater Residential Single Unit =>2"	A1S1D	109.52	154.75	144.44
Sun City Wastewater Residential S Unit Non Water	A1S1N	13.69	19.34	18.05
Sun City Wastewater Residential M Unit All Water	A1S2A	13.69	19.34	18.05
Sun City Wastewater Residential M Unit Non Water	A1S2N	13.69	19.34	18.05
Sun City Wastewater Commercial WC	A2MS2	4.12	5.82	5.43
Sun City Wastewater Commercial DW	A2MS3	31.43	44.41	41.45
Sun City Wastewater Commercial WM	A2MS4	7.65	10.81	10.09
Sun City Wastewater Commercial WR	A2MS5	15.56	21.99	20.52
Sun City Wastewater Commercial RR	A2MS6	7.99	11.29	10.54
Paradise Park I/U	A2MSP	6,362.49	8,990.30	8,391.11
Sun City Wastewater Commercial S Unit 5/8" x 3/4"	A2S1A	6.72	9.50	8.86
Sun City Wastewater Commercial S Unit 1"	A2S1B	16.81	23.75	22.17
Sun City Wastewater Commercial S Unit 1 1/2"	A2S1C	33.61	47.49	44.33
Sun City Wastewater Commercial S Unit 2"	A2S1D	53.78	75.99	70.93
Sun City Wastewater Commercial S Unit > 2"	A2S1E	53.78	75.99	70.93
Sun City Wastewater Commercial single Unit Non Water	A2S1N	53.78	75.99	70.93
Sun City Wastewater Commercial M Unit 5/8" x 3/4"	A2S2A	6.72	9.50	8.86
Sun City Wastewater Commercial M Unit1"	A2S2B	16.81	23.75	22.17
Sun City Wastewater Commercial M Unit 1 1/2"	A2S2C	33.61	47.49	44.33
Sun City Wastewater Commercial M Unit 2"	A2S2D	53.78	75.99	70.93
Sun City Wastewater Commercial M Unit > 2"	A2S2E	53.78	75.99	70.93
Sun City Wastewater Commercial M Non Water	A2S2N	53.78	75.99	70.93
Sun City Wastewater Commercial Large User => 2"	A2S7D	53.78	75.99	70.93

Note: The following rate classes are no longer in effect or have been moved to a different district:
A1MS1, A2MS1, A2MS7, and A2MS8

Volumetric Charge

Paradise Park I/U All Usage	A2MSP	1.3708	1.9370	1.8079
Sun City Wastewater Commercial S Unit 5/8" x 3/4" & 3/4" First 5,000 gallons	A2S1A	0.9727	1.3744	1.2875
Over 5,000 gallons		-	-	-
Sun City Wastewater Commercial S Unit 1" First 12,500 gallons	A2S1B	0.9727	1.3744	1.2875
Over 12,500 gallons		-	-	-
Sun City Wastewater Commercial S Unit 1 1/2" First 25,000 gallons	A2S1C	0.9727	1.3744	1.2875
Over 25,000 gallons		-	-	-
Sun City Wastewater Commercial S Unit > 2" All Usage	A2S1E	0.9727	1.3744	1.2875
Sun City Wastewater Commercial M Unit 5/8" x 3/4" First 5,000 gallons	A2S2A	0.9727	1.3744	1.2875
Over 5,000 gallons		-	-	-
Sun City Wastewater Commercial M Unit1" First 12,000 gallons	A2S2B	0.9727	1.3744	1.2875
Over 12,000 gallons		-	-	-
Sun City Wastewater Commercial M Unit 1 1/2" First 25,000 gallons	A2S2C	0.9727	1.3744	1.2875
Over 25,000 gallons		-	-	-
Sun City Wastewater Commercial M Unit 2" First 40,000 gallons	A2S2D	0.9727	1.3744	1.2875
Over 40,000 gallons		-	-	-
Sun City Wastewater Commercial M Unit > 2" All Usage	A2S2E	0.9727	1.3744	1.2875
Sun City Wastewater Commercial Large User => 2" All Usage	A2S7D	0.9727	1.3744	1.2875

Typical Bill Analysis
 General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	-	\$ 13.69	\$ 19.27	\$ 5.58	40.76%
Median Usage	-	13.69	19.27	\$ 5.58	40.76%
Staff Recommended					
Average Usage	-	\$ 13.69	\$ 18.05	\$ 4.36	31.85%
Median Usage	-	13.69	18.05	\$ 4.36	31.85%

Present & Proposed Rates (Without Taxes)
 General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 13.69	\$ 19.27	40.76%	\$ 18.05	31.85%
1,000	13.69	19.27	40.76%	18.05	31.85%
2,000	13.69	19.27	40.76%	18.05	31.85%
3,000	13.69	19.27	40.76%	18.05	31.85%
4,000	13.69	19.27	40.76%	18.05	31.85%
4,783	13.69	19.27	40.76%	18.05	31.85%
5,000	13.69	19.27	40.76%	18.05	31.85%
6,000	13.69	19.27	40.76%	18.05	31.85%
7,000	13.69	19.27	40.76%	18.05	31.85%
8,000	13.69	19.27	40.76%	18.05	31.85%
9,000	13.69	19.27	40.76%	18.05	31.85%
10,000	13.69	19.27	40.76%	18.05	31.85%
11,000	13.69	19.27	40.76%	18.05	31.85%
12,000	13.69	19.27	40.76%	18.05	31.85%
13,000	13.69	19.27	40.76%	18.05	31.85%
14,000	13.69	19.27	40.76%	18.05	31.85%
15,000	13.69	19.27	40.76%	18.05	31.85%
16,000	13.69	19.27	40.76%	18.05	31.85%
17,000	13.69	19.27	40.76%	18.05	31.85%
18,000	13.69	19.27	40.76%	18.05	31.85%
19,000	13.69	19.27	40.76%	18.05	31.85%
20,000	13.69	19.27	40.76%	18.05	31.85%
25,000	13.69	19.27	40.76%	18.05	31.85%
30,000	13.69	19.27	40.76%	18.05	31.85%
35,000	13.69	19.27	40.76%	18.05	31.85%
40,000	13.69	19.27	40.76%	18.05	31.85%
45,000	13.69	19.27	40.76%	18.05	31.85%
50,000	13.69	19.27	40.76%	18.05	31.85%
75,000	13.69	19.27	40.76%	18.05	31.85%
100,000	13.69	19.27	40.76%	18.05	31.85%

**SUN CITY WEST WASTEWATER
STAND-ALONE RATES
SCHEDULES JMM-1 AND JMM-2**

Monthly Usage Charge	Rate Schedule	Present	Company Proposed Rates	Staff Recommended Rates
Sun City West Wastewater Residential Single 5/8" x 3/4"	B1S1A	\$ 25.01	\$ 31.55	\$ 31.94
Sun City West Wastewater Residential Single Unit 1"	B1S1B	62.53	78.87	79.84
Sun City West Wastewater Residential Single Unit 1-1/2"	B1S1C	125.05	157.74	159.68
Sun City West Wastewater Residential Single Unit => 2"	B1S1D	200.08	252.39	255.48
Sun City West Wastewater Residential S Unit Non Water	B1S1N	25.01	31.55	31.94
Sun City West Wastewater Residential Multi all Units	B1S2A	25.01	31.55	31.94
Sun City West Wastewater Commercial WC	B2MS2	9.41	11.87	12.02
Sun City West Wastewater Commercial DW	B2MS3	75.47	95.20	96.37
Sun City West Wastewater Commercial WM	B2MS4	17.61	22.20	22.49
Sun City West Wastewater Commercial WR	B2MS5	36.89	46.53	47.10
Sun City West Wastewater Commercial Single Unit 5/8-inch	B2S1A	14.25	17.99	18.21
Sun City West Wastewater Commercial Single Unit 1-inch	B2S1B	35.65	44.97	45.52
Sun City West Wastewater Commercial Single Unit 1 1/2-inch	B2S1C	71.31	89.95	91.06
Sun City West Wastewater Commercial Single Unit 2"	B2S1D	114.10	143.93	145.69
Sun City West Wastewater Commercial Single Unit > 2"	B2S1E	114.10	143.93	145.69
Sun City West Wastewater Commercial Single Unit No Water	B2S1N	114.10	143.93	145.69
Sun City West Wastewater Commercial Multi Unit 5/8" x 3/4"	B2S2A	14.25	17.99	18.21
Sun City West Wastewater Commercial Multi Unit 1"	B2S2B	35.65	44.97	45.52
Sun City West Wastewater Commercial Multi Unit 1 1/2"	B2S2C	71.31	89.95	91.06
Sun City West Wastewater Commercial Multi Unit 2"	B2S2D	114.10	143.93	145.69
Sun City West Wastewater Commercial Single Unit > 2"	B2S2E	114.10	143.93	145.69
Sun City West Wastewater Commercial Single Unit LU => 2"	B2S7D	114.10	143.93	145.69
Note: The following rate classes are no longer in effect or have been moved to a different district: A1MS1, B1MS1, B2MS1, B2MS7, and E2MS4.				
Volumetric Charge				
Sun City West Wastewater Commercial Single Unit 5/8-inch First 5,000 gallons Over 5,000 gallons	B2S1A	\$ 2,1024 - -	\$ 2,6521 - -	\$ 2,6846 - -
Sun City West Wastewater Commercial Single Unit 1-inch First 12,500 gallons Over 12,500 gallons	B2S1B	2,1024 - -	2,6521 - -	2,6846 - -
Sun City West Wastewater Commercial Single Unit 1 1/2-inch First 25,000 gallons Over 25,000 gallons	B2S1C	2,1024 - -	2,6521 - -	2,6846 - -
Sun City West Wastewater Commercial Single Unit 2" First 40,000 gallons Over 40,000 gallons	B2S1D	2,1024 - -	2,6521 - -	2,6846 - -
Sun City West Wastewater Commercial Single Unit > 2" All Usage	B2S1E	2,1024	2,6521	2,6846
Sun City West Wastewater Commercial Multi Unit 5/8" x 3/4" First 5,000 gallons Over 5,000 gallons	B2S2A	2,1024 - -	2,6521 - -	2,6846 - -
Sun City West Wastewater Commercial Multi Unit 1" First 12,500 gallons Over 12,500 gallons	B2S2B	2,1024 - -	2,6521 - -	2,6846 - -
Sun City West Wastewater Commercial Multi Unit 1 1/2" First 25,000 gallons Over 25,000 gallons	B2S2C	2,1024 - -	2,6521 - -	2,6846 - -
Sun City West Wastewater Commercial Multi Unit 2" First 40,000 gallons Over 40,000 gallons	B2S2D	2,1024 - -	2,6521 - -	2,6846 - -
Volumetric Charge				
Sun City West Wastewater Commercial Single Unit > 2" All Usage	B2S2E	\$ 2,1024	\$ 2,6521	\$ 2,6846
Sun City West Wastewater Commercial Single Unit LU => 2"	B2S7D	2,1024	2,6521	2,6846
Annual Fee for Industrial Discharge Service - Annual Charge				
<= 50,000 gals water per month	BSAS1	\$ 500.00	\$ 500.00	\$ 500.00
> 50,000 gals water per month	BSAS2	1,000.00	1,000.00	1,000.00
Miscellaneous Service Fees:				
Service Establishment, Reestablishment and/or Reconnection Charges:				
1. During Normal Business Hours		\$ 30.00	\$ 30.00	\$ 30.00
2. During Non-Business Hours		40.00	40.00	40.00
Insufficient Funds (NSF) Charge		10.00	25.00	25.00

Typical Bill Analysis
 General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	-	\$ 25.01	\$ 31.55	\$ 6.54	26.15%
Median Usage	-	25.01	31.55	\$ 6.54	26.15%
Staff Recommended					
Average Usage	-	\$ 25.01	\$ 31.94	\$ 6.93	27.71%
Median Usage	-	25.01	31.94	\$ 6.93	27.71%

Present & Proposed Rates (Without Taxes)
 General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 25.01	\$ 31.55	26.15%	\$ 31.94	27.71%
1,000	25.01	31.55	26.15%	31.94	27.71%
2,000	25.01	31.55	26.15%	31.94	27.71%
3,000	25.01	31.55	26.15%	31.94	27.71%
4,000	25.01	31.55	26.15%	31.94	27.71%
4,783	25.01	31.55	26.15%	31.94	27.71%
5,000	25.01	31.55	26.15%	31.94	27.71%
6,000	25.01	31.55	26.15%	31.94	27.71%
7,000	25.01	31.55	26.15%	31.94	27.71%
8,000	25.01	31.55	26.15%	31.94	27.71%
9,000	25.01	31.55	26.15%	31.94	27.71%
10,000	25.01	31.55	26.15%	31.94	27.71%
11,000	25.01	31.55	26.15%	31.94	27.71%
12,000	25.01	31.55	26.15%	31.94	27.71%
13,000	25.01	31.55	26.15%	31.94	27.71%
14,000	25.01	31.55	26.15%	31.94	27.71%
15,000	25.01	31.55	26.15%	31.94	27.71%
16,000	25.01	31.55	26.15%	31.94	27.71%
17,000	25.01	31.55	26.15%	31.94	27.71%
18,000	25.01	31.55	26.15%	31.94	27.71%
19,000	25.01	31.55	26.15%	31.94	27.71%
20,000	25.01	31.55	26.15%	31.94	27.71%
25,000	25.01	31.55	26.15%	31.94	27.71%
30,000	25.01	31.55	26.15%	31.94	27.71%
35,000	25.01	31.55	26.15%	31.94	27.71%
40,000	25.01	31.55	26.15%	31.94	27.71%
45,000	25.01	31.55	26.15%	31.94	27.71%
50,000	25.01	31.55	26.15%	31.94	27.71%
75,000	25.01	31.55	26.15%	31.94	27.71%
100,000	25.01	31.55	26.15%	31.94	27.71%

**CONSOLIDATED WATER DISTRICTS
SCENARIO ONE
SCHEDULES JMM-3 AND JMM-4**

Monthly Usage Charge	Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
5/8" by 3/4" and 3/4" Inch Metered Water Residential Customers			
Sun City Water Residential 5/8 x 3/4	A1M1A \$ 7.99	\$ 9.00	\$ 14.00
Sun City West Water Residential 5/8 x 3/4	B1M1A 14.80	14.80	14.00
Agua Fria Water Residential 5/8 x 3/4	C1M1A 13.85	13.85	14.00
Anthem Water Residential 5/8 x 3/4	E1M1A 17.53	25.00	14.00
Tubac Water Residential 5/8 x 3/4	F1M1A 24.70	24.70	14.00
Mohave Water Residential 5/8 x 3/4	G1M3A 9.00	9.00	14.00
Mohave Water Residential 5/8 x 3/4	G1M1A 9.00	9.00	14.00
Havasu Water Residential 3/4	H1M1A 23.50	23.50	14.00
Paradise Valley Water Residential 5/8 x 3/4	P1M1A 25.15	25.15	14.00
Paradise Valley Water Residential 5/8 x 3/4	P1M1B 25.15	25.15	14.00
Paradise Valley Water Residential 3/4	P1M1A 26.16	26.16	14.00
5/8" by 3/4" and 3/4" Inch Metered Water Commercial Customers			
Sun City Water Commercial 5/8 x 3/4	A2M1A 7.99	9.00	14.00
Sun City West Water Commercial 5/8 x 3/4	B2M1A 14.80	14.80	14.00
Agua Fria Water Commercial 5/8 x 3/4	C2M1A 13.85	13.85	14.00
Anthem Water Commercial 5/8 x 3/4	E2M1A 17.53	25.00	14.00
Anthem Water Commercial 5/8 x 3/4	E1M2A 17.53	25.00	14.00
Tubac Water Commercial 5/8 x 3/4	F2M1A 24.70	24.70	14.00
Mohave Water Commercial 5/8 x 3/4 (OPA)	G4M1 9.00	9.00	14.00
Mohave Water Commercial 5/8 x 3/4	G2M1A 9.00	9.00	14.00
Mohave Water Commercial 5/8 x 3/4	G2M1V -	-	14.00
Havasu Water Commercial 3/4	H2M1A 23.50	23.50	14.00
Paradise Valley Water Commercial 5/8 x 3/4	P2M1A 25.15	25.15	14.00
Paradise Valley Water Commercial 5/8 x 3/4 (OPA)	P5M1A 32.15	32.15	14.00
Paradise Valley Water Commercial 3/4	P2M1A 26.16	26.16	14.00
Commodity Charge			
Residential Customers			
Sun City Water Residential 5/8 x 3/4	A1M1A		
First 3,000 gallons	\$ 0.7190	\$ 0.7000	\$ 1.0000
3,001 to 10,000 gallons	1.3290	N/A	2.2500
Over 10,000 gallons	1.6920	N/A	3.4821
3,001 to 9,000 gallons	N/A	1.4000	N/A
Over 9,000 gallons	N/A	2.4518	N/A
Sun City West Water Residential 5/8 x 3/4	B1M1A		
First 4,000 gallons	2.4100	2.4100	N/A
4,001 to 15,000 gallons	2.9500	2.9500	N/A
Over 15,000 gallons	3.5600	3.5600	N/A
First 3,000 gallons	N/A	N/A	1.0000
First 3,001 to 10,000 gallons	N/A	N/A	2.2500
Over 10,000 gallons	N/A	N/A	3.4821
Agua Fria Water Residential 5/8 x 3/4	C1M1A		
First 4,000 gallons	1.8240	1.8240	N/A
4,001 to 13,000 gallons	2.7280	2.7280	N/A
Over 13,000 gallons	3.2750	3.2750	N/A
First 3,000 gallons	N/A	N/A	1.0000
First 3,001 to 10,000 gallons	N/A	N/A	2.2500
Over 10,000 gallons	N/A	N/A	3.4821
Anthem Water Residential 5/8 x 3/4	E1M1A		
First 4,000 gallons	1.5400	2.0000	N/A
4,001 to 10,000 gallons	2.4100	5.0000	N/A
Over 10,000 gallons	3.0800	7.8670	N/A
First 3,000 gallons	N/A	N/A	1.0000
First 3,001 to 10,000 gallons	N/A	N/A	2.2500
Over 10,000 gallons	N/A	N/A	3.4821
Tubac Water Residential 5/8 x 3/4	F1M1A		
First 3,000 gallons	1.9000	1.9000	1.0000
3,001 to 10,000 gallons	3.0000	3.0000	2.2500
10,001 to 20,000 gallons	4.0000	4.0000	N/A
Over 20,000 gallons	6.0000	6.0000	N/A
Over 10,000 gallons	N/A	N/A	3.4821

Mohave Water Residential 5/8 x 3/4	G1M3A			
First 4,000 gallons		0.8850	0.8850	N/A
4,001 to 10,000 gallons		1.3430	1.3430	N/A
Over 10,000 gallons		1.6070	1.6070	N/A
First 3,000 gallons		N/A	N/A	1.0000
First 3,001 to 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.4821
Mohave Water Residential 5/8 x 3/4	G1M1A			
First 4,000 gallons		0.8850	0.8850	N/A
4,001 to 10,000 gallons		1.3430	1.3430	N/A
Over 10,000 gallons		1.6070	1.6070	N/A
First 3,000 gallons		N/A	N/A	1.0000
First 3,001 to 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.4821
Havasu Water Residential 3/4	H1M1A			
First 4,000 gallons		2.3400	2.3400	N/A
4,001 to 13,000 gallons		3.0200	3.0200	N/A
Over 13,000 gallons		3.5500	3.5500	N/A
First 3,000 gallons		N/A	N/A	1.0000
First 3,001 to 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Residential 5/8 x 3/4	P1M1A			
First 5,000 gallons		1.0500	1.0500	N/A
5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A
Over 80,000 gallons		3.2259	3.2259	N/A
First 3,000 gallons		N/A	N/A	1.0000
First 3,001 to 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Residential 5/8 x 3/4	P1M1B			
First 5,000 gallons		1.0500	1.0500	N/A
5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A
Over 80,000 gallons		3.2259	3.2259	N/A
First 3,000 gallons		N/A	N/A	1.0000
First 3,001 to 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Residential 3/4	P1M1A			
First 5,000 gallons		1.0500	1.0500	N/A
5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A
Over 80,000 gallons		3.2259	3.2259	N/A
First 3,000 gallons		N/A	N/A	1.0000
First 3,001 to 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.4821
Commercial Customers				
Sun City Water Commercial 5/8 x 3/4	A2M1A			
First 10,000 gallons		1.3290	N/A	2.2500
Over 10,000 gallons		1.6920	N/A	3.4821
First 9,000 gallons		N/A	1.4000	N/A
Over 9,000 gallons		N/A	2.4518	N/A
Sun City West Water Commercial 5/8 x 3/4	B2M1A			
First 15,000 gallons		2.9500	2.9500	N/A
Over 15,000 gallons		3.5600	3.5600	N/A
First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.4821
Agua Fria Water Commercial 5/8 x 3/4	C2M1A			
First 13,000 gallons		2.7280	2.7280	N/A
Over 13,000 gallons		3.2750	3.2750	N/A

First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.4821
Anthem Water Commercial 5/8 x 3/4	E2M1A			
First 10,000 gallons		2.4100	5.0000	2.2500
Over 10,000 gallons		3.0800	7.8670	3.4821
Anthem Water Commercial 5/8 x 3/4	E1M2A			
First 10,000 gallons		2.4100	5.0000	2.2500
Over 10,000 gallons		3.0800	7.8670	3.4821
Tubac Water Commercial 5/8 x 3/4	F2M1A			
First 20,000 gallons		4.0000	4.0000	N/A
Over 20,000 gallons		6.0000	6.0000	N/A
First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.4821
Mohave Water Commercial 5/8 x 3/4 (OPA)	G4M1			
All Usage		1.3430	1.3430	N/A
First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.4821
Mohave Water Commercial 5/8 x 3/4	G2M1A			
First 10,000 gallons		1.3430	1.3430	2.2500
Over 10,000 gallons		1.6070	1.6070	3.4821
Mohave Water Commercial 5/8 x 3/4	G2M1V			
First 10,000 gallons		1.3430	1.3430	2.2500
Over 10,000 gallons		1.6070	1.6070	3.4821
Havasu Water Commercial 3/4	H2M1A			
First 13,000 gallons		3.0200	3.0200	N/A
Over 13,000 gallons		3.5500	3.5500	N/A
First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Commercial 5/8 x 3/4	P2M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Commercial 3/4	P5M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Commercial 5/8 x 3/4 (OPA)	P2M1A			
All Usage		1.9500	1.9500	N/A
First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.4821

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
1" Inch Metered Water Residential Customers				
Sun City Water Residential 1"	A1M1B	\$ 20.49	\$ 22.50	\$ 35.00
Sun City West Water Residential 1"	B1M1B	37.50	62.50	35.00
Agua Fria Water Residential 1"	C1M1B	34.66	34.66	35.00
Anthem Water Residential 1"	E1M1B	42.88	42.88	35.00
Tubac Water Residential 1"	F1M1B	74.10	74.10	35.00
Mohave Water Residential 1"	G1M1B	22.50	22.50	35.00
Mohave Water Residential 1"	G1M3B	22.50	22.50	35.00
Havasu Water Residential 1"	H1M1B	50.75	50.75	35.00
Paradise Valley Water Residential 1"	P1M1B	50.30	50.30	35.00
Paradise Valley Water Residential 1"	PM1MA	50.30	50.30	35.00
1" Inch Metered Water Commercial Customers				
Sun City Water Commercial 1"	A2M1B	20.49	22.50	35.00
Sun City West Water Commercial 1"	B2M1B	37.50	37.50	35.00
Agua Fria Water Commercial 1"	C2M1B	34.66	34.66	35.00
Anthem Water Commercial 1"	E2M1B	42.88	62.50	35.00
Anthem Water Commercial 1"	E1M2B	42.88	62.50	35.00
Tubac Water Commercial 1"	F2M1B	74.10	74.10	35.00
Mohave Water Commercial 1" (OPA)	G4M1	22.50	22.50	35.00
Mohave Water Commercial 1"	G2M1B	22.50	22.50	35.00
Havasu Water Commercial 1"	H2M1B	50.75	50.75	35.00
Paradise Valley Water Commercial 1"	P2M1A	50.30	50.30	35.00
Paradise Valley Water Commercial 1"	P5M1A	53.63	53.63	35.00
Commodity Charge				
Residential Customers				
Sun City Water Residential 1"	A1M1B			
First 43,000 gallons		\$ 1.3290	N/A	N/A
Over 43,000 gallons		1.6920	N/A	N/A
First 20,000 gallons		N/A	\$ 1.4000	N/A
Over 20,000 gallons		N/A	2.4518	N/A
First 40,000 gallons		N/A	N/A	\$ 2.2500
Over 40,000 gallons		N/A	N/A	3.4821
Sun City West Water Residential 1"	B1M1B			
First 40,000 gallons		2.9500	2.9500	N/A
Over 40,000 gallons		3.5600	3.5600	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.4821
Agua Fria Water Residential 1"	C1M1B			
First 45,000 gallons		2.7280	2.7280	N/A
Over 45,000 gallons		3.2750	3.2750	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.4821
Anthem Water Residential 1"	E1M1B			
First 4,000 gallons		1.5400	N/A	N/A
4,001 to 40,000 gallons		2.4100	N/A	N/A
Over 40,000 gallons		3.0800	N/A	N/A
First 3,000 gallons		N/A	2.0000	N/A
3,001 to 21,000 gallons		N/A	5.0000	N/A
Over 21,000 gallons		N/A	7.8670	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.4821
Tubac Water Residential 1"	F1M1B			
First 35,000 gallons		4.0000	4.0000	N/A
Over 35,000 gallons		6.0000	6.0000	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.4821
Mohave Water Residential 1"	G1M1B			
First 25,000 gallons		1.3430	1.3430	N/A

Over 25,000 gallons		1.6070	1.6070	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.4821
Mohave Water Residential 1"	G1M3B			
First 25,000 gallons		1.3430	1.3430	N/A
Over 25,000 gallons		1.6070	1.6070	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.4821
Havasu Water Residential 1"	H1M1B			
First 30,000 gallons		3.0200	3.0200	N/A
Over 30,000 gallons		3.5500	3.5500	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Residential 1"	P1M1B			
First 5,000 gallons		1.0500	1.0500	N/A
5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A
Over 80,000 gallons		3.2259	3.2259	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Residential 1"	PM1MA			
First 5,000 gallons		1.0500	1.0500	N/A
5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A
Over 80,000 gallons		3.2259	3.2259	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.4821
<u>Commercial Customers</u>				
Sun City Water Commercial 1"	A2M1B			
First 43,000 gallons		1.3290	N/A	N/A
Over 43,000 gallons		1.6920	N/A	N/A
First 20,000 gallons		N/A	1.4000	N/A
Over 20,000 gallons		N/A	2.4518	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.4821
Sun City West Water Commercial 1"	B2M1B			
First 40,000 gallons		2.9500	2.9500	2.2500
Over 40,000 gallons		3.5600	3.5800	3.4821
Agua Fria Water Commercial 1"	C2M1B			
First 45,000 gallons		2.7280	2.7280	N/A
Over 45,000 gallons		3.2750	3.2750	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.4821
Anthem Water Commercial 1"	E2M1B			
First 46,000 gallons		2.4100	N/A	N/A
Over 46,000 gallons		3.0800	N/A	N/A
First 20,000 gallons		N/A	5.0000	N/A
Over 20,000 gallons		N/A	7.8670	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.4821
Anthem Water Commercial 1"	E1M2B			
First 46,000 gallons		2.4100	N/A	N/A
Over 46,000 gallons		3.0800	N/A	N/A
First 20,000 gallons		N/A	5.0000	N/A
Over 20,000 gallons		N/A	7.8670	N/A

First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.4821
Tubac Water Commercial 1"	F2M1B			
First 35,000 gallons		4.0000	4.0000	N/A
Over 35,000 gallons		6.0000	6.0000	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.4821
Mohave Water Commercial 1" (OPA)	G4M1			
All Usage		1.3430	1.3430	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.4821
Mohave Water Commercial 1"	G2M1B			
First 25,000 gallons		1.3430	1.3430	N/A
Over 25,000 gallons		1.6070	1.6070	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.4821
Havasu Water Commercial 1"	H2M1B			
First 30,000 gallons		3.0200	3.0200	N/A
Over 30,000 gallons		3.5500	3.5500	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Commercial 1"	P2M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Commercial 1"	P5M1A			
All Usage		1.9500	1.9500	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.4821

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
1.5" Inch Metered Water Residential Customers				
Sun City Water Residential 1.5"	A1M1C	\$ 40.97	\$ 45.00	\$ 70.00
Sun City West Water Residential 1.5"	B1M1C	79.00	79.00	70.00
Agua Fria Water Residential 1.5"	C1M1C	68.77	68.77	70.00
Anthem Water Residential 1.5"	E1M1C	86.41	125.00	70.00
Tubac Water Residential 1.5"	F1M1C	144.38	144.38	70.00
Mohave Water Residential 1.5" - Bullhead	G1M1C	45.00	45.00	70.00
Mohave Water Residential 1.5"	G1M3C	45.00	45.00	70.00
Havasu Water Residential 1.5"	H1M1A	117.50	117.50	70.00
Paradise Valley Water Residential 1.5"	P1M1B	90.54	90.54	70.00
Paradise Valley Water Residential 1.5"	P1M1A	90.54	90.54	70.00
1.5" Inch Metered Water Commercial Customers				
Sun City Water Commercial 1.5"	A2M1C	40.97	45.00	70.00
Sun City West Water Commercial 1.5"	B2M1C	79.00	79.00	70.00
Agua Fria Water Commercial 1.5"	C2M1C	68.77	68.77	70.00
Anthem Water Commercial 1.5"	E2M1C	86.41	125.00	70.00
Anthem Water Commercial 1.5"	E1M2C	86.41	125.00	70.00
Tubac Water Commercial 1.5"	F2M1C	144.38	144.38	70.00
Mohave Water Commercial 1.5" (OPA)	G4M1	45.00	45.00	70.00
Mohave Water Commercial 1.5"	G2M1C	45.00	45.00	70.00
Havasu Water Commercial 1.5"	H2M1C	117.50	117.50	70.00
Paradise Valley Water Commercial 1.5"	P2M1A	90.54	90.54	70.00
Commodity Charge				
Residential Customers				
Sun City Water Residential 1.5"	A1M1C			
First 98,000 gallons		\$ 1.3290	N/A	N/A
Over 98,000 gallons		1.6920	N/A	N/A
First 41,000 gallons		N/A	\$ 1.4000	N/A
Over 41,000 gallons		N/A	2.4518	N/A
First 80,000 gallons		N/A	N/A	\$ 2.2500
Over 80,000 gallons		N/A	N/A	3.4821
Sun City West Water Residential 1.5"	B1M1C			
First 100,000 gallons		2.9500	2.9500	N/A
Over 100,000 gallons		3.5600	3.5600	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.4821
Agua Fria Water Residential 1.5"	C1M1C			
First 100,000 gallons		2.7280	2.7280	N/A
Over 100,000 gallons		3.2750	3.2750	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.4821
Anthem Water Residential 1.5"	E1M1C			
First 109,000 gallons		2.4100	2.7280	N/A
Over 109,000 gallons		3.0800	3.2750	N/A
First 41,000 gallons		2.4100	N/A	N/A
Over 41,000 gallons		3.0800	N/A	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.4821
Tubac Water Residential 1.5"	F1M1C			
First 85,000 gallons		4.0000	4.0000	N/A
Over 85,000 gallons		6.0000	6.0000	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.4821
Mohave Water Residential 1.5"	G1M1C			
First 50,000 gallons		1.3430	1.3430	N/A
Over 50,000 gallons		1.6070	1.6070	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.4821

Mohave Water Residential 1.5"	G1M3C	N/A	N/A	N/A
First 50,000 gallons		1.3430	1.3430	N/A
Over 50,000 gallons		1.6070	1.6070	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.4821
Havasas Water Residential 1.5"	H1M1A	N/A	N/A	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Residential 1.5"	P1M1B			
First 5,000 gallons		1.0500	1.0500	N/A
5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A
Over 80,000 gallons		3.2259	3.2259	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Residential 1.5"	P1M1A			
First 5,000 gallons		1.0500	1.0500	N/A
5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A
Over 80,000 gallons		3.2259	3.2259	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.4821
<u>Commercial Customers</u>				
Sun City Water Commercial 1.5"	A2M1C			
First 98,000 gallons		1.3290	N/A	N/A
Over 98,000 gallons		1.6920	N/A	N/A
First 41,000 gallons		N/A	1.4000	N/A
Over 41,000 gallons		N/A	2.4518	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.4821
Sun City West Water Commercial 1.5"	B2M1C			
First 100,000 gallons		2.9500	2.9500	N/A
Over 100,000 gallons		3.5600	3.5600	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.4821
Agua Fria Water Commercial 1.5"	C2M1C			
First 100,000 gallons		2.7280	2.7280	N/A
Over 100,000 gallons		3.2750	3.2750	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.4821
Anthem Water Commercial 1.5"	E2M1C			
First 109,000 gallons		2.4100	N/A	N/A
Over 109,000 gallons		3.0800	N/A	N/A
First 41,000 gallons		N/A	5.0000	N/A
Over 41,000 gallons		N/A	7.8670	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.4821
Anthem Water Commercial 1.5"	E1M2C			
First 109,000 gallons		2.4100	N/A	N/A
Over 109,000 gallons		3.0800	N/A	N/A
First 41,000 gallons		N/A	5.0000	N/A
Over 41,000 gallons		N/A	7.8670	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.4821

Tubac Water Commercial 1.5"	F2M1C			
First 85,000 gallons		4.0000	4.0000	N/A
Over 85,000 gallons		6.0000	6.0000	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.4821
Mohave Water Commercial 1.5" (OPA) All Usage	G4M1	1.3430	1.3430	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.4821
Mohave Water Commercial 1.5"	G2M1C			
First 50,000 gallons		1.3430	1.3430	N/A
Over 50,000 gallons		1.6070	1.6070	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.4821
Havasu Water Commercial 1.5"	H2M1C	N/A	N/A	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Commercial 1.5"	P2M1A			
First 400,000 gallons		1.9500	1.9500	2.2500
Over 400,000 gallons		2.3000	2.3000	3.4821
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.4821

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
2" Inch Metered Residential Customers				
Sun City Water Residential 2"	A1M1D	\$ 65.56	\$ 72.00	\$ 112.00
Sun City West Water Residential 2"	B1M1D	123.40	123.40	112.00
Agua Fria Water Residential 2"	C1M1D	110.83	110.83	112.00
Anthem Water Residential 2"	E1M1D	138.30	200.00	112.00
Tubac Water Residential 2"	F1M1D	230.53	230.53	112.00
Mohave Water Residential 2" - Bullhead	G1M1D	72.00	72.00	112.00
Mohave Water Residential 2" - Rio	G1M3D	41.52	41.52	112.00
Havasu Water Residential 2"	H1M1D	188.00	188.00	112.00
Paradise Valley Water Residential 2"	P1M1B	140.84	140.84	112.00
Paradise Valley Water Residential 2"	P1M1A	140.84	140.84	112.00
2" Inch Metered Commercial Customers				
Sun City Water Commercial 2"	A2M1D	65.56	72.00	112.00
Sun City West Irrigation 2"	AZM1D	N/A	N/A	112.00
Sun City West Water Commercial 2"	B2M1D	123.40	123.40	112.00
Agua Fria Water Commercial 2"	C2M1D	110.83	110.83	112.00
Anthem Water Commercial 2"	E2M1D	138.30	200.00	112.00
Anthem Water Commercial 2"	E1M2D	138.30	200.00	112.00
Tubac Water Commercial 2"	F2M1D	230.53	230.53	112.00
Mohave Water Commercial 2" (OPA)	G4M1	72.00	72.00	112.00
Mohave Water Commercial 2"	G2M1D	72.00	72.00	112.00
Mohave Water Commercial 2"	H2M1D	188.00	188.00	112.00
Havasu Water Commercial 2"	H2M1D	188.00	188.00	112.00
Paradise Valley Water Commercial 2"	P2M1A	140.84	140.84	112.00
Paradise Valley Water Commercial 2" (OPA)	P5M1A	172.59	172.59	112.00
Commodity Charge				
Residential Customers				
Sun City Water Residential 2"	A1M1D			
First 164,000 gallons		\$ 1.3290	N/A	N/A
Over 164,000 gallons		1.6920	N/A	N/A
First 67,000 gallons		N/A	\$ 1.4000	N/A
Over 67,000 gallons		N/A	2.4518	N/A
First 100,000 gallons		N/A	N/A	\$ 2.2500
Over 100,000 gallons		N/A	N/A	3.4821
Sun City West Water Residential 2"	B1M1D			
First 150,000 gallons		2.9500	2.9500	N/A
Over 150,000 gallons		3.5600	3.5600	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.4821
Agua Fria Water Residential 2"	C1M1D			
First 150,000 gallons		2.7280	2.7280	N/A
Over 150,000 gallons		3.2750	3.2750	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.4821
Anthem Water Residential 2"	E1M1D			
First 185,000 gallons		2.4100	N/A	N/A
Over 185,000 gallons		3.0800	N/A	N/A
First 67,000 gallons		N/A	5.0000	N/A
Over 67,000 gallons		N/A	7.8670	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.4821
Tubac Water Residential 2"	F1M1D			
First 150,000 gallons		4.0000	4.0000	N/A
Over 150,000 gallons		6.0000	6.0000	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.4821
Mohave Water Residential 2"	G1M1D			
First 80,000 gallons		1.3430	1.3430	N/A

Over 80,000 gallons		1.6070	1.6070	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.4821
Mohave Water Residential 2"	G1M3D			
First 80,000 gallons		1.3430	1.3430	N/A
Over 80,000 gallons		1.6070	1.6070	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.4821
Havasu Water Residential 2"	H1M1D			
First 60,000 gallons		3.0200	3.0200	N/A
Over 60,000 gallons		3.5500	3.5500	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Residential 2"	P1M1B			
First 5,000 gallons		1.0500	1.0500	N/A
5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A
Over 80,000 gallons		3.2259	3.2259	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Residential 2"	P1M1A			
First 5,000 gallons		1.0500	1.0500	N/A
5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A
Over 80,000 gallons		3.2259	3.2259	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.4821
<u>Commercial Customers</u>				
Sun City Water Commercial 2"	A2M1D			
First 164,000 gallons		1.3290	N/A	N/A
Over 164,000 gallons		1.6920	N/A	N/A
First 67,000 gallons		N/A	1.4000	N/A
Over 67,000 gallons		N/A	2.4518	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.4821
Sun City West Irrigation 2"	AZM1D			
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.4821
Sun City West Water Commercial 2"	B2M1D			
First 150,000 gallons		2.9500	2.9500	N/A
Over 150,000 gallons		3.5600	3.5600	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.4821
Agua Fria Water Commercial 2"	C2M1D			
First 150,000 gallons		2.7280	2.7280	N/A
Over 150,000 gallons		3.2750	3.2750	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.4821
Anthem Water Commercial 2"	E2M1D			
First 185,000 gallons		2.4100	N/A	N/A
Over 185,000 gallons		3.0800	N/A	N/A
First 67,000 gallons		N/A	5.0000	N/A
Over 67,000 gallons		N/A	7.8670	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.4821

Anthem Water Commercial 2" First 185,000 gallons Over 185,000 gallons	E1M2D	2.4100	N/A	N/A
		3.0800	N/A	N/A
First 67,000 gallons Over 67,000 gallons		N/A	5.0000	N/A
		N/A	7.8670	N/A
First 100,000 gallons Over 100,000 gallons		N/A	N/A	2.2500
		N/A	N/A	3.4821
Tubac Water Commercial 2" First 150,000 gallons Over 150,000 gallons	F2M1D	4.0000	4.0000	N/A
		6.0000	6.0000	N/A
First 100,000 gallons Over 100,000 gallons		N/A	N/A	2.2500
		N/A	N/A	3.4821
Mohave Water Commercial 2" (OPA) All Usage	G4M1	1.3430	1.3430	N/A
First 100,000 gallons Over 100,000 gallons		N/A	N/A	2.2500
		N/A	N/A	3.4821
Mohave Water Commercial 2" First 80,000 gallons Over 80,000 gallons	G2M1D	1.3430	1.3430	N/A
		1.6070	1.6070	N/A
First 100,000 gallons Over 100,000 gallons		N/A	N/A	2.2500
		N/A	N/A	3.4821
Mohave Water Commercial 2" First 60,000 gallons Over 60,000 gallons	H2M1D	3.0200	3.0200	N/A
		3.5500	3.5500	N/A
First 100,000 gallons Over 100,000 gallons		N/A	N/A	2.2500
		N/A	N/A	3.4821
Havasu Water Commercial 2" First 60,000 gallons Over 60,000 gallons	H2M1D	3.0200	3.0200	N/A
		3.5500	3.5500	N/A
First 100,000 gallons Over 100,000 gallons		N/A	N/A	2.2500
		N/A	N/A	3.4821
Paradise Valley Water Commercial 2" First 400,000 gallons Over 400,000 gallons	P2M1A	1.9500	1.9500	N/A
		2.3000	2.3000	N/A
First 100,000 gallons Over 100,000 gallons		N/A	N/A	2.2500
		N/A	N/A	3.4821
Paradise Valley Water Commercial 2" (OPA) All Usage	P5M1A	1.9500	N/A	N/A
First 100,000 gallons Over 100,000 gallons		N/A	N/A	2.2500
		N/A	N/A	3.4821

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
3" Inch Metered Residential Customers				
Sun City Water Residential 3"	A1M1E	\$ 131.12	\$ 144.00	\$ 210.00
Sun City West Water Residential 3"	B1M1E	236.80	236.80	210.00
Agua Fria Water Residential 3"	C1M1E	221.66	221.66	210.00
Anthem Water Residential 3"	E1M1E	276.78	400.00	210.00
Anthem Water Residential 3"	E1M2E	276.78	400.00	210.00
Tubac Water Residential 3"	F1M1E	461.00	461.00	210.00
Mohave Water Residential 3"	G1M1E	144.00	144.00	210.00
Mohave Water Residential 3"	G1M3E	144.00	144.00	210.00
Havasu Water Residential 3"	H1M1E	376.10	376.10	210.00
Paradise Valley Water Residential 3"	P1M1B	276.65	276.65	210.00
Paradise Valley Water Residential 3"	P1M1A	276.65	276.65	210.00
3" Inch Metered Commercial Customers				
Sun City Water Water Commercial 3"	A2M1E	131.12	144.00	210.00
Sun City West Water Water Commercial 3"	B2M1E	236.80	236.80	210.00
Agua Fria Water Water Commercial 3"	C2M1E	221.66	221.66	210.00
Anthem Water Water Commercial 3"	E2M1E	276.78	400.00	210.00
Anthem Water Water Commercial 3"	E1M2E	276.78	400.00	210.00
Tubac Water Water Commercial 3"	F2M1E	461.00	461.00	210.00
Mohave Water Water Commercial 3" (OPA)	G4M1	144.00	144.00	210.00
Mohave Water Water Commercial 3"	G2M1E	144.00	144.00	210.00
Havasu Water Water Commercial 3"	H2M1E	376.10	376.10	210.00
Paradise Valley Water Water Commercial 3"	P2M1A	276.65	276.65	210.00
Paradise Valley Water Water Commercial 3"	P2M1T	276.65	276.65	210.00
Paradise Valley Water Water Commercial 3"	P4M1T	276.65	276.65	210.00
Commodity Charge				
Residential Customers				
Sun City Water Residential 3"	A1M1E			
First 342,000 gallons		\$ 1.3290	N/A	N/A
Over 342,000 gallons		1.6920	N/A	N/A
First 138,000 gallons		N/A	\$ 1.4000	N/A
Over 138,000 gallons		N/A	2.4518	N/A
First 200,000 gallons		N/A	N/A	\$ 2.2500
Over 200,000 gallons		N/A	N/A	3.4821
Sun City West Water Residential 3"	B1M1E			
First 275,000 gallons		2.9500	2.9500	N/A
Over 275,000 gallons		3.5600	3.5600	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.4821
Agua Fria Water Residential 3"	C1M1E			
First 300,000 gallons		2.7280	2.7280	N/A
Over 300,000 gallons		3.2750	3.2750	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.4821
Anthem Water Residential 3"	E1M1E			
First 390,000 gallons		2.4100	N/A	N/A
Over 390,000 gallons		3.0800	N/A	N/A
First 134,000 gallons		N/A	5.0000	N/A
Over 134,000 gallons		N/A	7.8670	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.4821
Tubac Water Residential 3"	F1M1E			
First 175,000 gallons		4.0000	4.0000	N/A
Over 175,000 gallons		6.0000	6.0000	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.4821
Mohave Water Residential 3"	G1M1E			
First 150,000 gallons		1.3430	1.3430	N/A

Over 150,000 gallons		1.6070	1.6070	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.4821
Mohave Water Residential 3"	G1M3E			
First 150,000 gallons		1.3430	1.3430	N/A
Over 150,000 gallons		1.6070	1.6070	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.4821
Havasu Water Residential 3"	H1M1E			
First 90,000 gallons		3.0200	3.0200	N/A
Over 90,000 gallons		3.5500	3.5500	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Residential 3"	P1M1B			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Residential 3"	P1M1A			
First 400,000 gallons		N/A	1.9500	N/A
Over 400,000 gallons		1.9500	2.3000	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.4821
Commercial Customers				
Sun City Water Water Commercial 3"	A2M1E			
First 342,000 gallons		1.3290	N/A	N/A
Over 342,000 gallons		1.6920	N/A	N/A
First 138,000 gallons		N/A	1.4000	N/A
Over 138,000 gallons		N/A	2.4518	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.4821
Sun City West Water Water Commercial 3"	B2M1E			
First 275,000 gallons		2.9500	2.9500	N/A
Over 275,000 gallons		3.5600	3.5600	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.4821
Agua Fria Water Water Commercial 3"	C2M1E			
First 300,000 gallons		2.7280	2.7280	N/A
Over 300,000 gallons		3.2750	3.2750	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.4821
Anthem Water Water Commercial 3"	E2M1E			
First 390,000 gallons		2.4100	N/A	N/A
Over 390,000 gallons		3.0800	N/A	N/A
First 134,000 gallons		N/A	5.0000	N/A
Over 134,000 gallons		N/A	7.8670	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.4821
Anthem Water Water Commercial 3"	E1M2E			
First 390,000 gallons		2.4100	N/A	N/A
Over 390,000 gallons		3.0800	N/A	N/A
First 134,000 gallons		N/A	5.0000	N/A
Over 134,000 gallons		N/A	7.8670	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.4821

Tubac Water Water Commercial 3"	F2M1E			
First 175,000 gallons		4.0000	4.0000	N/A
Over 175,000 gallons		6.0000	6.0000	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.4821
Mohave Water Water Commercial 3" (OPA)	G4M1			
All Usage		1.3430	1.3430	3.4821
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.4821
Mohave Water Water Commercial 3"	G2M1E			
First 150,000 gallons		1.3430	1.3430	N/A
Over 150,000 gallons		1.6070	1.6070	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.4821
Havasu Water Water Commercial 3"	H2M1E			
First 90,000 gallons		3.0200	3.0200	N/A
Over 90,000 gallons		3.5500	3.5500	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Water Commercial 3"	P2M1A			
First 400,000 gallons		1.9500	N/A	N/A
Over 400,000 gallons		2.3000	N/A	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Water Commercial 3"	P2M1T			
All Usage		1.6800	1.6800	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Water Commercial 3"	P4M1T			
All Usage		1.6800	1.6800	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.4821

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
4" Inch Metered Customers				
Sun City Water Residential 4"	A1M1F	\$ 204.87	\$ 225.00	\$ 350.00
Sun City West Water Residential 4"	B1M1F	370.00	370.00	350.00
Agua Fria Water Residential 4"	C1M1F	346.29	346.29	350.00
Anthem Water Residential 4"	E1M1F	432.63	625.00	350.00
Tubac Water Residential 4"	F1M1F	722.00	722.00	350.00
Mohave Water Residential 4" - Bullhead	G1M1F	225.00	225.00	350.00
Mohave Water Residential 4" - Rio	G1M3F	71.45	71.45	350.00
Havasu Water Residential 4"	H1M1F	587.50	587.50	350.00
Paradise Valley Water Residential 4"	P1M1B	462.76	462.76	350.00
Paradise Valley Water Residential 4"	P1M1A	462.76	462.76	350.00
4" Inch Metered Commercial Customers				
Sun City Water Commercial 4"	A2M1F	204.87	225.00	350.00
Sun City West Water Commercial 4"	B2M1F	370.00	370.00	350.00
Agua Fria Water Commercial 4"	C2M1F	346.29	346.29	350.00
Anthem Water Commercial 4"	E2M1F	432.63	625.00	350.00
Anthem Water Commercial 4"	E1M2F	432.63	625.00	350.00
Tubac Water Commercial 4"	F2M1F	722.00	722.00	350.00
Mohave Water Commercial 4" (OPA)	G4M1	225.00	225.00	350.00
Mohave Water Commercial 4"	G2M1F	225.00	225.00	350.00
Havasu Water Commercial 4"	H2M1F	587.50	587.50	350.00
Paradise Valley Water Commercial 4"	P2M1A	462.76	462.76	350.00
Paradise Valley Water Commercial 4"	P2M1T	462.76	462.76	350.00
Commodity Charge				
Residential Customers				
Sun City Water Residential 4"	A1M1F			
First 543,000 gallons		\$ 2,9500	N/A	N/A
Over 543,000 gallons		3,5600	N/A	N/A
First 218,000 gallons		N/A	\$ 1,4000	N/A
Over 218,000 gallons		N/A	2,4518	N/A
First 300,000 gallons		N/A	N/A	\$ 2,2500
Over 300,000 gallons		N/A	N/A	3,4821
Sun City West Water Residential 4"	B1M1F			
First 400,000 gallons		2,9500	2,9500	N/A
Over 400,000 gallons		3,5600	3,5600	N/A
First 300,000 gallons		N/A	N/A	2,2500
Over 300,000 gallons		N/A	N/A	3,4821
Agua Fria Water Residential 4"	C1M1F			
First 400,000 gallons		2,7280	2,7280	N/A
Over 400,000 gallons		3,2750	3,2750	N/A
First 300,000 gallons		N/A	N/A	2,2500
Over 300,000 gallons		N/A	N/A	3,4821
Anthem Water Residential 4"	E1M1F			
First 621,000 gallons		2,4100	N/A	N/A
Over 621,000 gallons		3,0800	N/A	N/A
First 211,000 gallons		N/A	5,0000	N/A
Over 211,000 gallons		N/A	7,8670	N/A
First 300,000 gallons		N/A	N/A	2,2500
Over 300,000 gallons		N/A	N/A	3,4821
Tubac Water Residential 4"	F1M1F			
First 250,000 gallons		4,0000	4,0000	N/A
Over 250,000 gallons		6,0000	6,0000	N/A
First 300,000 gallons		N/A	N/A	2,2500
Over 300,000 gallons		N/A	N/A	3,4821
Mohave Water Residential 4" - Bullhead	G1M1F			
First 250,000 gallons		1,3430	1,3430	N/A
Over 250,000 gallons		1,6070	1,6070	N/A

First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.4821
Mohave Water Residential 4" - RIO	G1M3F			
First 110,000 gallons		1.3430	1.3430	N/A
Over 110,000 gallons		1.6070	1.6070	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.4821
Havasu Water Residential 4"	H1M1F			
First 110,000 gallons		3.0200	3.0200	N/A
Over 100,000 gallons		3.5500	3.5500	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Residential 4"	P1M1B			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Residential 4"	P1M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.4821
<u>Commercial Customers</u>				
Sun City Water Commercial 4"	A2M1F			
First 543,000 gallons		1.3290	N/A	N/A
Over 543,000 gallons		1.6920	N/A	N/A
First 218,000 gallons		N/A	1.4000	N/A
Over 218,000 gallons		N/A	2.4518	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.4821
Sun City West Water Commercial 4"	B2M1F			
First 400,000 gallons		2.9500	N/A	N/A
Over 400,000 gallons		3.5600	N/A	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.4821
Agua Fria Water Commercial 4"	C2M1F			
First 400,000 gallons		2.7280	2.7280	N/A
Over 400,000 gallons		3.2750	3.2750	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.4821
Anthem Water Commercial 4"	E2M1F			
First 621,000 gallons		2.4100	N/A	N/A
Over 621,000 gallons		3.0800	N/A	N/A
First 211,000 gallons		N/A	5.0000	N/A
Over 211,000 gallons		N/A	7.8670	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.4821
Tubac Water Commercial 4"	F2M1F			
First 250,000 gallons		4.0000	4.0000	N/A
Over 250,000 gallons		6.0000	6.0000	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.4821
Mohave Water Commercial 4" (OPA)	G4M1			
All Usage		1.3430	1.3430	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.4821

Mohave Water Commercial 4"	G2M1F			
First 250,000 gallons		1.3430	1.3430	N/A
Over 250,000 gallons		1.6070	1.6070	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.4821
Havasu Water Commercial 4"	H2M1F			
First 110,000 gallons		3.0200	3.0200	N/A
Over 110,000 gallons		3.5500	3.5500	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Commercial 4"	P2M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Commercial 4" All Usage	P2M1T			
		1.6800	1.6800	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.4821

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
6" Inch Metered Residential Customers				
Sun City Water Residential 6"	A1M1G	\$ 409.73	\$ 450.00	\$ 700.00
Sun City West Water Residential 6"	B1M1G	740.00	740.00	700.00
Agua Fria Water Residential 6"	C1M1G	692.52	692.52	700.00
Anthem Water Residential 6"	E1M1G	865.27	1,250.00	700.00
Tubac Water Residential 6"	F1M1G	1,440.00	1,440.00	700.00
Mohave Water Residential 6" - Bull Head	G1M1G	450.00	450.00	700.00
Havasu Water Residential 6"	H1M1G	1,174.95	1,174.95	700.00
Paradise Valley Water Residential 6"	P1M1B	930.00	930.00	700.00
Paradise Valley Water Residential 6"	P1M1A	930.00	930.00	700.00
6" Inch Metered Commercial Customers				
Sun City Water Commercial 6"	A2M1G	409.73	450.00	700.00
Sun City West Water Commercial 6"	B2M1G	740.00	740.00	700.00
Agua Fria Water Commercial 6"	C2M1G	692.52	692.52	700.00
Anthem Water Commercial 6"	E2M1G	865.27	1,250.00	700.00
Tubac Water Commercial 6"	F2M1G	1,440.00	1,440.00	700.00
Mohave Water Commercial 6" (OPA)	G4M1	450.00	450.00	700.00
Mohave Water Commercial 6"	G2M1G	450.00	450.00	700.00
Havasu Water Commercial 6"	H2M1G	1,174.95	1,174.95	700.00
Paradise Valley Water Commercial 6"	P2M1A	930.00	930.00	700.00
Commodity Charge				
Residential Customers				
Sun City Water Residential 6"	A1M1G			
First 700,000 gallons		\$ 1.3290	N/A	N/A
Over 700,000 gallons		1.6920	N/A	N/A
First 442,000 gallons		N/A	\$ 1.4000	N/A
Over 442,000 gallons		N/A	2.4518	N/A
First 500,000 gallons		N/A	N/A	\$ 2.2500
Over 500,000 gallons		N/A	N/A	3.4821
Sun City West Water Residential 6"	B1M1G			
First 550,000 gallons		2.9500	2.9500	N/A
Over 550,000 gallons		3.5600	3.5600	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	3.4821
Agua Fria Water Residential 6"	C1M1G			
First 800,000 gallons		2.7280	2.7280	N/A
Over 800,000 gallons		3.2750	3.2750	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	3.4821
Anthem Water Residential 6"	E1M1G			
First 1,265,000 gallons		2.4100	N/A	N/A
Over 1,265,000 gallons		3.0800	N/A	N/A
First 446,000 gallons		N/A	1.4000	N/A
Over 446,000 gallons		N/A	2.3157	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	3.4821
Tubac Water Residential 6"	F1M1G			
First 350,000 gallons		4.0000	4.0000	N/A
Over 350,000 gallons		6.0000	6.0000	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	3.4821
Mohave Water Residential 6"	G1M1G			
First 500,000 gallons		1.3430	1.3430	N/A
Over 500,000 gallons		1.6070	1.6070	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	3.4821

Havasu Water Residential 6"	H1M1G				
First 500,000 gallons		3.0200	3.0200		N/A
Over 500,000 gallons		3.5500	3.5500		N/A
First 500,000 gallons		N/A	N/A		2.2500
Over 500,000 gallons		N/A	N/A		3.4821
Paradise Valley Water Residential 6"	P1M1B				
First 400,000 gallons		1.9500	1.9500		N/A
Over 400,000 gallons		2.3000	2.3000		N/A
First 500,000 gallons		N/A	N/A		2.2500
Over 500,000 gallons		N/A	N/A		3.4821
Paradise Valley Water Residential 6"	P1M1A				
First 400,000 gallons		1.9500	1.9500		N/A
Over 400,000 gallons		2.3000	2.3000		N/A
First 500,000 gallons		N/A	N/A		2.2500
Over 500,000 gallons		N/A	N/A		3.4821
Commercial Customers					
Sun City Water Commercial 6"	A2M1G				
First 700,000 gallons		1.3290	N/A		N/A
Over 700,000 gallons		1.6920	N/A		N/A
First 442,000 gallons		N/A	1.4000		N/A
Over 442,000 gallons		N/A	2.4518		N/A
First 500,000 gallons		N/A	N/A		2.2500
Over 500,000 gallons		N/A	N/A		3.4821
Sun City West Water Commercial 6"	B2M1G				
First 550,000 gallons		2.9500	2.9500		N/A
Over 550,000 gallons		3.5600	3.5600		N/A
First 500,000 gallons		N/A	N/A		2.2500
Over 500,000 gallons		N/A	N/A		3.4821
Agua Fria Water Commercial 6"	C2M1G				
First 800,000 gallons		2.7280	2.7280		N/A
Over 800,000 gallons		3.2750	3.2750		N/A
First 500,000 gallons		N/A	N/A		2.2500
Over 500,000 gallons		N/A	N/A		3.4821
Anthem Water Commercial 6"	E2M1G				
First 1,265,000 gallons		2.4100	N/A		N/A
Over 1,265,000 gallons		3.0800	N/A		N/A
First 446,000 gallons		N/A	1.4000		N/A
Over 446,000 gallons		N/A	2.3157		N/A
First 500,000 gallons		N/A	N/A		2.2500
Over 500,000 gallons		N/A	N/A		3.4821
Tubac Water Commercial 6"	F2M1G				
First 350,000 gallons		4.0000	4.0000		N/A
Over 350,000 gallons		6.0000	6.0000		N/A
First 500,000 gallons		N/A	N/A		2.2500
Over 500,000 gallons		N/A	N/A		3.4821
Mohave Water Commercial 6" (OPA)	G4M1				
All Usage		1.3430	1.3430		N/A
First 500,000 gallons		N/A	N/A		2.2500
Over 500,000 gallons		N/A	N/A		3.4821
Mohave Water Commercial 6"	G2M1G				
First 500,000 gallons		1.3430	1.3430		N/A
Over 500,000 gallons		1.6070	1.6070		N/A
First 500,000 gallons		N/A	N/A		2.2500
Over 500,000 gallons		N/A	N/A		3.4821
Havasu Water Commercial 6"	H2M1G				
First 500,000 gallons		3.0200	3.0200		N/A

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Over 500,000 gallons		3.5500	3.5500	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	3.4821
Paradise Valley Water Commercial 6"	P2M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	3.4821

Commodity Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>Non Potable</u>				
Sun City Non Potable	A7M2	\$ 0.8480	\$ 1.0316	\$ 2.6233
Sun City Non Potable	B7M2	1.0831	1.0831	2.6233
Agua Fria Non Potable	C7M2	2.7280	2.7280	2.6233
Agua Fria Non Potable	C8M2	2.7280	2.7280	2.6233
Anthem Non Potable	D7M1	1.4300	2.5648	2.6233
Anthem Non Potable	D7M2	1.4300	2.5648	2.6233

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>Private Fire 2"</u>				
Sun City Private Fire 2"	A6M02	N/A	N/A	\$ 10.00
Sun City West Private Fire 2"	B6M02	N/A	N/A	10.00
Agua Fria Private Fire 2"	B6M02	N/A	N/A	10.00
Anthem Private Fire 2"	E6M02	N/A	N/A	10.00
Mohave Private Fire 2"	G6M02	\$ 3.36	\$ 3.36	10.00
Paradise Valley Private Fire 2"	P6M1A	10.00	10.00	10.00
<u>Private Fire 3"</u>				
Sun City Private Fire 3"	A6M03	11.14	10.00	10.00
Sun City West Private Fire 3"	B6M03	N/A	N/A	10.00
Agua Fria Private Fire 3"	B6M03	N/A	N/A	10.00
Anthem Private Fire 3"	E6M03	49.67	49.67	10.00
Mohave Private Fire 3"	G6M03	N/A	N/A	10.00
Paradise Valley Private Fire 3"	P6M1A	10.00	10.00	10.00
<u>Private Fire 4"</u>				
Sun City Private Fire 4"	A6M04	17.23	10.00	10.00
Sun City West Private Fire 4"	B6M04	56.26	56.26	10.00
Anthem/Sun City West Private Fire 4"	B6M04	56.26	56.26	10.00
Agua Fria Private Fire 4"	C6M04	32.40	32.40	10.00
Anthem Private Fire 4"	E6M04	84.40	12.50	10.00
Mohave Private Fire 4"	G6M04	6.71	6.71	10.00
Paradise Valley Private Fire 4"	P6M1A	10.00	10.00	10.00
<u>Private Fire 6"</u>				
Sun City Private Fire 6"	AA6M06	36.21	10.00	14.00
Sun City West Private Fire 6"	B6M06	84.40	84.40	14.00
Agua Fria Private Fire 6"	E6M06	147.00	147.00	14.00
Agua Fria Private Fire 6"	C6M06	47.00	47.00	14.00
Anthem Private Fire 6"	E6M06	126.60	25.00	14.00
Mohave Private Fire 6"	G6M06	10.08	10.08	14.00
Paradise Valley Private Fire 6"	P6M1A	10.00	10.00	14.00
<u>Private Fire 8"</u>				
Sun City Private Fire 8"	A6M08	47.28	14.40	22.40
Sun City West Private Fire 8"	B6M08	112.53	112.53	22.40
Agua Fria Private Fire 8"	C6M08	64.00	64.00	22.40
Anthem Private Fire 8"	E6M08	127.72	40.00	22.40
Mohave Private Fire 8"	G6M08	13.44	13.44	22.40
Paradise Valley Private Fire 8"	P6M1A	10.00	10.00	22.40
<u>Private Fire 10"</u>				
Sun City Private Fire 10"	A6M10	68.34	20.70	32.20
Sun City West Private Fire 10"	B6M10	N/A	N/A	32.20
Agua Fria Private Fire 10"	C6M10	126.39	126.39	32.20
Anthem Private Fire 10"	E6M10	255.45	57.50	32.20
Mohave Private Fire 10"	G6M10	16.79	16.79	32.20
Paradise Valley Private Fire 10"	P6M1A	10.00	10.00	32.20
<u>Private Fire 12"</u>				
Sun City Private Fire 12"	A6M12	N/A	N/A	60.20
Sun City West Private Fire 12"	B6M12	N/A	N/A	60.20
Agua Fria Private Fire 12"	C6M12	190.00	190.00	60.20
Anthem Private Fire 12"	E6M12	N/A	N/A	60.20
Mohave Private Fire 12"	G6M12	N/A	N/A	60.20
Paradise Valley Private Fire 12"	P6M1A	10.00	10.00	60.20
<u>Hydrant</u>				
Sun City Hydrant	A8M1	6.95	8.45	10.00
Sun City West Hydrant		N/A	N/A	10.00
Agua Fria Hydrant		N/A	N/A	10.00
Anthem Hydrant		N/A	N/A	10.00
Mohave Hydrant	G8M1	8.22	8.22	10.00
Paradise Valley Hydrant		N/A	N/A	10.00
<u>Commodity Charge</u>				
<u>Private Fire</u>				
Sun City				
All gallonage		0.9828	-	-
Agua Fria				

All gallonage		1.3800	-	-
<u>Private Hydrant</u>				
Private Hydrant - Peoria	A8M1	0.9828	1.1956	-

Typical Bill Analysis - Paradise Valley Consolidated
General Service 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	24,954	\$ 65.81	\$ -	\$ (65.81)	-100.00%
Median Usage	10,000	37.66	-	\$ (37.66)	-100.00%
Staff Recommended					
Average Usage	24,954	\$ 65.81	\$ 84.82	\$ 19.01	28.89%
Median Usage	10,000	37.66	32.75	\$ (4.91)	-13.04%

Present & Proposed Rates (Without Taxes)
General Service 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 26.16	\$ -	-100.00%	\$ 14.00	-46.48%
1,000	27.21	-	-100.00%	15.00	-44.87%
2,000	28.26	-	-100.00%	16.00	-43.38%
3,000	29.31	-	-100.00%	17.00	-42.00%
4,000	30.36	-	-100.00%	19.25	-36.59%
5,000	31.41	-	-100.00%	21.50	-31.55%
6,000	32.66	-	-100.00%	23.75	-27.28%
7,000	33.91	-	-100.00%	26.00	-23.33%
8,000	35.16	-	-100.00%	28.25	-19.65%
9,000	36.41	-	-100.00%	30.50	-16.23%
10,000	37.66	-	-100.00%	32.75	-13.04%
11,000	38.91	-	-100.00%	36.23	-8.88%
12,000	40.16	-	-100.00%	39.71	-1.11%
13,000	41.41	-	-100.00%	43.20	4.31%
14,000	42.66	-	-100.00%	46.68	9.42%
15,000	43.91	-	-100.00%	50.16	14.23%
16,000	46.11	-	-100.00%	53.64	16.34%
17,000	48.31	-	-100.00%	57.12	18.25%
18,000	50.51	-	-100.00%	60.61	19.99%
19,000	52.71	-	-100.00%	64.09	21.59%
20,000	54.91	-	-100.00%	67.57	23.06%
25,000	65.91	-	-100.00%	84.98	28.94%
30,000	76.91	-	-100.00%	102.39	33.13%
35,000	87.91	-	-100.00%	119.80	36.28%
40,000	98.91	-	-100.00%	137.21	38.73%
45,000	109.91	-	-100.00%	154.62	40.68%
50,000	120.91	-	-100.00%	172.03	42.28%
75,000	175.91	-	-100.00%	259.09	47.28%
100,000	230.91	-	-100.00%	346.14	49.90%

Typical Bill Analysis - Paradise Valley Consolidated (P1M1A)
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	20,406	\$ 54.79	\$ -	\$ (54.79)	-100.00%
Median Usage	11,000	37.90	-	\$ (37.90)	-100.00%
Staff Recommended					
Average Usage	20,406	\$ 54.79	\$ 68.98	\$ 14.19	25.90%
Median Usage	11,000	37.90	36.23	\$ (1.67)	-4.40%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 25.15	\$ -	-100.00%	\$ 14.00	-44.33%
1,000	26.20	-	-100.00%	15.00	-42.75%
2,000	27.25	-	-100.00%	16.00	-41.28%
3,000	28.30	-	-100.00%	17.00	-39.93%
4,000	29.35	-	-100.00%	19.25	-34.41%
5,000	30.40	-	-100.00%	21.50	-29.28%
6,000	31.65	-	-100.00%	23.75	-24.96%
7,000	32.90	-	-100.00%	26.00	-20.97%
8,000	34.15	-	-100.00%	28.25	-17.28%
9,000	35.40	-	-100.00%	30.50	-13.84%
10,000	36.65	-	-100.00%	32.75	-10.64%
11,000	37.90	-	-100.00%	36.23	-4.40%
12,000	39.15	-	-100.00%	39.71	1.44%
13,000	40.40	-	-100.00%	43.20	6.92%
14,000	41.65	-	-100.00%	46.68	12.07%
15,000	42.90	-	-100.00%	50.16	16.92%
16,000	45.10	-	-100.00%	53.64	18.94%
17,000	47.30	-	-100.00%	57.12	20.77%
18,000	49.50	-	-100.00%	60.61	22.44%
19,000	51.70	-	-100.00%	64.09	23.96%
20,000	53.90	-	-100.00%	67.57	25.36%
25,000	64.90	-	-100.00%	84.98	30.94%
30,000	75.90	-	-100.00%	102.39	34.90%
35,000	86.90	-	-100.00%	119.80	37.86%
40,000	97.90	-	-100.00%	137.21	40.16%
45,000	108.90	-	-100.00%	154.62	41.99%
50,000	119.90	-	-100.00%	172.03	43.48%
75,000	174.90	-	-100.00%	259.09	48.13%
100,000	229.90	-	-100.00%	346.14	50.56%

Typical Bill Analysis - Paradise Valley Consolidated MMWC (P1M1B)
 General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	8,545	\$ 34.83	\$ -	\$ (34.83)	-100.00%
Median Usage	8,000	34.15	-	\$ (34.15)	-100.00%
Staff Recommended					
Average Usage	8,545	\$ 34.83	\$ 29.48	\$ (5.36)	-15.37%
Median Usage	8,000	34.15	28.25	\$ (5.90)	-17.28%

Present & Proposed Rates (Without Taxes)
 General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 25.15	\$ -	-100.00%	\$ 14.00	-44.33%
1,000	26.20	-	-100.00%	15.00	-42.75%
2,000	27.25	-	-100.00%	16.00	-41.28%
3,000	28.30	-	-100.00%	17.00	-39.93%
4,000	29.35	-	-100.00%	19.25	-34.41%
5,000	30.40	-	-100.00%	21.50	-29.28%
6,000	31.65	-	-100.00%	23.75	-24.96%
7,000	32.90	-	-100.00%	26.00	-20.97%
8,000	34.15	-	-100.00%	28.25	-17.28%
9,000	35.40	-	-100.00%	30.50	-13.84%
10,000	36.65	-	-100.00%	32.75	-10.64%
11,000	37.90	-	-100.00%	36.23	-4.40%
12,000	39.15	-	-100.00%	39.71	1.44%
13,000	40.40	-	-100.00%	43.20	6.92%
14,000	41.65	-	-100.00%	46.68	12.07%
15,000	42.90	-	-100.00%	50.16	16.92%
16,000	45.10	-	-100.00%	53.64	18.94%
17,000	47.30	-	-100.00%	57.12	20.77%
18,000	49.50	-	-100.00%	60.61	22.44%
19,000	51.70	-	-100.00%	64.09	23.96%
20,000	53.90	-	-100.00%	67.57	25.36%
25,000	64.90	-	-100.00%	84.98	30.94%
30,000	75.90	-	-100.00%	102.39	34.90%
35,000	86.90	-	-100.00%	119.80	37.86%
40,000	97.90	-	-100.00%	137.21	40.18%
45,000	108.90	-	-100.00%	154.62	41.99%
50,000	119.90	-	-100.00%	172.03	43.48%
75,000	174.90	-	-100.00%	259.09	48.13%
100,000	229.90	-	-100.00%	346.14	50.56%

Typical Bill Analysis - Havasu Consolidated
General Service 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	9,796	\$ 50.36	\$ -	\$ (50.36)	-100.00%
Median Usage	5,000	35.88	-	\$ (35.88)	-100.00%
Staff Recommended					
Average Usage	9,796	\$ 50.36	\$ 32.29	\$ (18.07)	-35.88%
Median Usage	5,000	35.88	21.50	\$ (14.38)	-40.08%

Present & Proposed Rates (Without Taxes)
General Service 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 23.50	\$ -	-100.00%	\$ 14.00	-40.43%
1,000	25.84	-	-100.00%	15.00	-41.95%
2,000	28.18	-	-100.00%	16.00	-43.22%
3,000	30.52	-	-100.00%	17.00	-44.30%
4,000	32.86	-	-100.00%	19.25	-41.42%
5,000	35.88	-	-100.00%	21.50	-40.08%
6,000	38.90	-	-100.00%	23.75	-38.95%
7,000	41.92	-	-100.00%	26.00	-37.98%
8,000	44.94	-	-100.00%	28.25	-37.14%
9,000	47.96	-	-100.00%	30.50	-36.41%
10,000	50.98	-	-100.00%	32.75	-35.76%
11,000	54.00	-	-100.00%	36.23	-32.90%
12,000	57.02	-	-100.00%	39.71	-30.35%
13,000	60.04	-	-100.00%	43.20	-28.05%
14,000	63.59	-	-100.00%	46.68	-26.59%
15,000	67.14	-	-100.00%	50.16	-25.29%
16,000	70.69	-	-100.00%	53.64	-24.12%
17,000	74.24	-	-100.00%	57.12	-23.05%
18,000	77.79	-	-100.00%	60.61	-22.09%
19,000	81.34	-	-100.00%	64.09	-21.21%
20,000	84.89	-	-100.00%	67.57	-20.40%
25,000	102.64	-	-100.00%	84.98	-17.20%
30,000	120.39	-	-100.00%	102.39	-14.95%
35,000	138.14	-	-100.00%	119.80	-13.27%
40,000	155.89	-	-100.00%	137.21	-11.98%
45,000	173.64	-	-100.00%	154.62	-10.95%
50,000	191.39	-	-100.00%	172.03	-10.11%
75,000	280.14	-	-100.00%	259.09	-7.52%
100,000	368.89	-	-100.00%	346.14	-6.17%

Typical Bill Analysis - Mohave Consolidated Bullhead (G1MIA)
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	8,070	\$ 18.01	\$ -	\$ (18.01)	-100.00%
Median Usage	5,000	13.88	-	\$ (13.88)	-100.00%
Staff Recommended					
Average Usage	8,070	\$ 18.01	\$ 28.41	\$ 10.40	57.77%
Median Usage	5,000	13.88	21.50	\$ 7.62	54.87%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 9.00	\$ -	-100.00%	\$ 14.00	55.56%
1,000	9.89	-	-100.00%	15.00	51.75%
2,000	10.77	-	-100.00%	16.00	48.56%
3,000	11.66	-	-100.00%	17.00	45.86%
4,000	12.54	-	-100.00%	19.25	53.51%
5,000	13.88	-	-100.00%	21.50	54.87%
6,000	15.23	-	-100.00%	23.75	55.98%
7,000	16.57	-	-100.00%	28.00	58.92%
8,000	17.91	-	-100.00%	28.25	57.72%
9,000	19.26	-	-100.00%	30.50	58.40%
10,000	20.60	-	-100.00%	32.75	59.00%
11,000	22.21	-	-100.00%	36.23	63.17%
12,000	23.81	-	-100.00%	39.71	66.78%
13,000	25.42	-	-100.00%	43.20	69.94%
14,000	27.03	-	-100.00%	46.68	72.72%
15,000	28.63	-	-100.00%	50.16	75.18%
16,000	30.24	-	-100.00%	53.64	77.39%
17,000	31.85	-	-100.00%	57.12	79.37%
18,000	33.45	-	-100.00%	60.61	81.16%
19,000	35.06	-	-100.00%	64.09	82.78%
20,000	36.67	-	-100.00%	67.57	84.28%
25,000	44.70	-	-100.00%	84.98	90.10%
30,000	52.74	-	-100.00%	102.39	94.15%
35,000	60.77	-	-100.00%	119.80	97.13%
40,000	68.81	-	-100.00%	137.21	99.41%
45,000	76.84	-	-100.00%	154.62	101.22%
50,000	84.88	-	-100.00%	172.03	102.68%
75,000	125.05	-	-100.00%	259.09	107.18%
100,000	165.23	-	-100.00%	346.14	109.49%

Typical Bill Analysis - Mohave Consolidated RIO (G1M3A)
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	10,239	\$ 20.98	\$ -	\$ (20.98)	-100.00%
Median Usage	7,000	16.57	-	\$ (16.57)	-100.00%
Staff Recommended					
Average Usage	10,239	\$ 20.98	\$ 33.58	\$ 12.60	60.05%
Median Usage	7,000	16.57	26.00	\$ 9.43	56.92%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 9.00	\$ -	-100.00%	\$ 14.00	55.56%
1,000	9.89	-	-100.00%	15.00	51.75%
2,000	10.77	-	-100.00%	16.00	48.56%
3,000	11.68	-	-100.00%	17.00	45.86%
4,000	12.54	-	-100.00%	19.25	53.51%
5,000	13.88	-	-100.00%	21.50	54.87%
6,000	15.23	-	-100.00%	23.75	55.98%
7,000	16.57	-	-100.00%	26.00	56.92%
8,000	17.91	-	-100.00%	28.25	57.72%
9,000	19.26	-	-100.00%	30.50	58.40%
10,000	20.60	-	-100.00%	32.75	59.00%
11,000	22.21	-	-100.00%	36.23	63.17%
12,000	23.81	-	-100.00%	39.71	66.78%
13,000	25.42	-	-100.00%	43.20	69.94%
14,000	27.03	-	-100.00%	46.68	72.72%
15,000	28.63	-	-100.00%	50.16	75.18%
16,000	30.24	-	-100.00%	53.64	77.39%
17,000	31.85	-	-100.00%	57.12	79.37%
18,000	33.45	-	-100.00%	60.61	81.16%
19,000	35.06	-	-100.00%	64.09	82.79%
20,000	36.67	-	-100.00%	67.57	84.28%
25,000	44.70	-	-100.00%	84.98	90.10%
30,000	52.74	-	-100.00%	102.39	94.15%
35,000	60.77	-	-100.00%	119.80	97.13%
40,000	68.81	-	-100.00%	137.21	99.41%
45,000	76.84	-	-100.00%	154.62	101.22%
50,000	84.88	-	-100.00%	172.03	102.68%
75,000	125.05	-	-100.00%	259.09	107.18%
100,000	165.23	-	-100.00%	346.14	109.49%

Typical Bill Analysis - Tubac Consolidated
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	11,740	\$ 58.36	\$ -	\$ (58.36)	-100.00%
Median Usage	7,000	42.40	-	\$ (42.40)	-100.00%
Staff Recommended					
Average Usage	11,740	\$ 58.36	\$ 38.81	\$ (19.55)	-33.50%
Median Usage	7,000	42.40	26.00	\$ (16.40)	-38.68%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 24.70	\$ -	-100.00%	\$ 14.00	-43.32%
1,000	26.60	-	-100.00%	15.00	-43.81%
2,000	28.50	-	-100.00%	16.00	-43.86%
3,000	30.40	-	-100.00%	17.00	-44.08%
4,000	33.40	-	-100.00%	19.25	-42.37%
5,000	36.40	-	-100.00%	21.50	-40.93%
6,000	39.40	-	-100.00%	23.75	-39.72%
7,000	42.40	-	-100.00%	26.00	-38.68%
8,000	45.40	-	-100.00%	28.25	-37.78%
9,000	48.40	-	-100.00%	30.50	-36.98%
10,000	51.40	-	-100.00%	32.75	-36.28%
11,000	55.40	-	-100.00%	36.23	-34.60%
12,000	59.40	-	-100.00%	39.71	-33.14%
13,000	63.40	-	-100.00%	43.20	-31.87%
14,000	67.40	-	-100.00%	46.68	-30.74%
15,000	71.40	-	-100.00%	50.16	-29.75%
16,000	75.40	-	-100.00%	53.64	-28.86%
17,000	79.40	-	-100.00%	57.12	-28.05%
18,000	83.40	-	-100.00%	60.61	-27.33%
19,000	87.40	-	-100.00%	64.09	-26.67%
20,000	91.40	-	-100.00%	67.57	-26.07%
25,000	111.40	-	-100.00%	84.98	-23.71%
30,000	131.40	-	-100.00%	102.39	-22.08%
35,000	151.40	-	-100.00%	119.80	-20.87%
40,000	171.40	-	-100.00%	137.21	-19.95%
45,000	191.40	-	-100.00%	154.62	-19.21%
50,000	211.40	-	-100.00%	172.03	-18.62%
75,000	311.40	-	-100.00%	259.09	-18.80%
100,000	411.40	-	-100.00%	346.14	-15.86%

Typical Bill Analysis - Anthem Consolidated
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	9,616	\$ 37.22	\$ -	\$ (37.22)	-100.00%
Median Usage	8,000	33.33	-	\$ (33.33)	-100.00%
Staff Recommended					
Average Usage	9,616	\$ 37.22	\$ 31.89	\$ (5.34)	-14.34%
Median Usage	8,000	33.33	28.25	\$ (5.08)	-15.24%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 17.53	\$ -	-100.00%	\$ 14.00	-20.14%
1,000	19.07	-	-100.00%	15.00	-21.34%
2,000	20.61	-	-100.00%	16.00	-22.37%
3,000	22.15	-	-100.00%	17.00	-23.25%
4,000	23.69	-	-100.00%	18.25	-18.74%
5,000	26.10	-	-100.00%	21.50	-17.62%
6,000	28.51	-	-100.00%	23.75	-16.70%
7,000	30.92	-	-100.00%	26.00	-15.91%
8,000	33.33	-	-100.00%	28.25	-15.24%
9,000	35.74	-	-100.00%	30.50	-14.66%
10,000	38.15	-	-100.00%	32.75	-14.15%
11,000	41.23	-	-100.00%	36.23	-12.12%
12,000	44.31	-	-100.00%	39.71	-10.37%
13,000	47.39	-	-100.00%	43.20	-8.85%
14,000	50.47	-	-100.00%	46.68	-7.51%
15,000	53.55	-	-100.00%	50.16	-6.33%
16,000	56.63	-	-100.00%	53.64	-5.28%
17,000	59.71	-	-100.00%	57.12	-4.33%
18,000	62.79	-	-100.00%	60.61	-3.48%
19,000	65.87	-	-100.00%	64.09	-2.70%
20,000	68.95	-	-100.00%	67.57	-2.00%
25,000	84.35	-	-100.00%	84.98	0.75%
30,000	99.75	-	-100.00%	102.39	2.65%
35,000	115.15	-	-100.00%	119.80	4.04%
40,000	130.55	-	-100.00%	137.21	5.10%
45,000	145.95	-	-100.00%	154.62	5.94%
50,000	161.35	-	-100.00%	172.03	6.62%
75,000	238.35	-	-100.00%	259.09	8.70%
100,000	315.35	-	-100.00%	346.14	9.76%

Typical Bill Analysis - Agua Fria Consolidated
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	7,679	\$ 31.18	\$ -	\$ (31.18)	-100.00%
Median Usage	6,000	28.60	-	\$ (26.60)	-100.00%
Staff Recommended					
Average Usage	7,679	\$ 31.18	\$ 27.53	\$ (3.65)	-11.72%
Median Usage	6,000	28.60	23.75	\$ (2.85)	-10.72%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 13.85	\$ -	-100.00%	\$ 14.00	1.08%
1,000	15.87	-	-100.00%	15.00	-4.30%
2,000	17.50	-	-100.00%	16.00	-8.56%
3,000	19.32	-	-100.00%	17.00	-12.02%
4,000	21.15	-	-100.00%	19.25	-8.97%
5,000	23.87	-	-100.00%	21.50	-9.94%
6,000	26.60	-	-100.00%	23.75	-10.72%
7,000	29.33	-	-100.00%	26.00	-11.35%
8,000	32.06	-	-100.00%	28.25	-11.88%
9,000	34.79	-	-100.00%	30.50	-12.32%
10,000	37.51	-	-100.00%	32.75	-12.70%
11,000	40.24	-	-100.00%	36.23	-9.96%
12,000	42.97	-	-100.00%	39.71	-7.58%
13,000	45.70	-	-100.00%	43.20	-5.47%
14,000	48.97	-	-100.00%	46.88	-4.69%
15,000	52.25	-	-100.00%	50.16	-4.00%
16,000	55.52	-	-100.00%	53.64	-3.39%
17,000	58.80	-	-100.00%	57.12	-2.85%
18,000	62.07	-	-100.00%	60.61	-2.36%
19,000	65.35	-	-100.00%	64.09	-1.93%
20,000	68.62	-	-100.00%	67.57	-1.53%
25,000	85.00	-	-100.00%	84.98	-0.02%
30,000	101.37	-	-100.00%	102.39	1.01%
35,000	117.75	-	-100.00%	119.80	1.74%
40,000	134.12	-	-100.00%	137.21	2.30%
45,000	150.50	-	-100.00%	154.62	2.74%
50,000	166.87	-	-100.00%	172.03	3.09%
75,000	248.75	-	-100.00%	259.09	4.16%
100,000	330.62	-	-100.00%	346.14	4.69%

Typical Bill Analysis - Sun City Consolidated
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	7,954	\$ 16.73	\$ -	\$ (16.73)	-100.00%
Median Usage	7,000	15.46	-	\$ (15.46)	-100.00%
Staff Recommended					
Average Usage	7,954	\$ 16.73	\$ 28.15	\$ 11.42	68.23%
Median Usage	7,000	15.46	26.00	\$ 10.54	68.14%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 7.99	\$ -	-100.00%	\$ 14.00	75.22%
1,000	8.71	-	-100.00%	15.00	72.24%
2,000	9.43	-	-100.00%	16.00	69.71%
3,000	10.15	-	-100.00%	17.00	67.54%
4,000	11.48	-	-100.00%	19.25	67.74%
5,000	12.81	-	-100.00%	21.50	67.90%
6,000	14.13	-	-100.00%	23.75	68.03%
7,000	15.46	-	-100.00%	26.00	68.14%
8,000	16.79	-	-100.00%	28.25	68.23%
9,000	18.12	-	-100.00%	30.50	68.31%
10,000	19.45	-	-100.00%	32.75	68.38%
11,000	21.14	-	-100.00%	36.23	71.37%
12,000	22.83	-	-100.00%	39.71	73.93%
13,000	24.53	-	-100.00%	43.20	76.12%
14,000	26.22	-	-100.00%	46.68	78.04%
15,000	27.91	-	-100.00%	50.16	79.72%
16,000	29.60	-	-100.00%	53.64	81.21%
17,000	31.29	-	-100.00%	57.12	82.54%
18,000	32.99	-	-100.00%	60.61	83.73%
19,000	34.68	-	-100.00%	64.09	84.81%
20,000	36.37	-	-100.00%	67.57	85.79%
25,000	44.83	-	-100.00%	84.98	89.56%
30,000	53.29	-	-100.00%	102.39	92.14%
35,000	61.75	-	-100.00%	119.80	94.01%
40,000	70.21	-	-100.00%	137.21	95.43%
45,000	78.67	-	-100.00%	154.62	96.55%
50,000	87.13	-	-100.00%	172.03	97.45%
75,000	129.43	-	-100.00%	259.09	100.17%
100,000	171.73	-	-100.00%	346.14	101.56%

Typical Bill Analysis - Sun City West Consolidated
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	6,702	\$ 32.41	\$ -	\$ (32.41)	-100.00%
Median Usage	6,000	30.34	-	\$ (30.34)	-100.00%
Staff Recommended					
Average Usage	6,702	\$ 32.41	\$ 25.33	\$ (7.08)	-21.85%
Median Usage	6,000	30.34	23.75	\$ (6.59)	-21.72%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 14.80	\$ -	-100.00%	\$ 14.00	-5.41%
1,000	17.21	-	-100.00%	15.00	-12.84%
2,000	19.62	-	-100.00%	16.00	-18.45%
3,000	22.03	-	-100.00%	17.00	-22.83%
4,000	24.44	-	-100.00%	19.25	-21.24%
5,000	27.39	-	-100.00%	21.50	-21.50%
6,000	30.34	-	-100.00%	23.75	-21.72%
7,000	33.29	-	-100.00%	26.00	-21.90%
8,000	36.24	-	-100.00%	28.25	-22.05%
9,000	39.19	-	-100.00%	30.50	-22.17%
10,000	42.14	-	-100.00%	32.75	-22.28%
11,000	45.09	-	-100.00%	36.23	-19.64%
12,000	48.04	-	-100.00%	39.71	-17.33%
13,000	50.99	-	-100.00%	43.20	-15.28%
14,000	53.94	-	-100.00%	46.68	-13.46%
15,000	56.89	-	-100.00%	50.16	-11.83%
16,000	60.45	-	-100.00%	53.64	-11.26%
17,000	64.01	-	-100.00%	57.12	-10.76%
18,000	67.57	-	-100.00%	60.61	-10.31%
19,000	71.13	-	-100.00%	64.09	-9.90%
20,000	74.69	-	-100.00%	67.57	-9.53%
25,000	92.49	-	-100.00%	84.98	-8.12%
30,000	110.29	-	-100.00%	102.39	-7.16%
35,000	128.09	-	-100.00%	119.80	-6.47%
40,000	145.89	-	-100.00%	137.21	-5.95%
45,000	163.69	-	-100.00%	154.62	-5.54%
50,000	181.49	-	-100.00%	172.03	-5.21%
75,000	270.49	-	-100.00%	259.09	-4.22%
100,000	359.49	-	-100.00%	346.14	-3.71%

**CONSOLIDATED WASTEWATER DISTRICTS
SCENARIO ONE
SCHEDULES JMM-3 AND JMM-4**

Monthly Usage Charge	Rate Schedule	Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>5/8" by 3/4" and 3/4" Inch Metered Residential Customers</u>				
Sun City Wastewater Residential 5/8 & 3/4"	A1S1A	\$ 13.69	\$ 18.05	\$ 32.97
Sun City Wastewater Residential 5/8 & 3/4"	A1S1N	13.69	18.05	32.97
Sun City Wastewater Residential 5/8 & 3/4"	A1S2A	13.69	18.05	32.97
Sun City Wastewater Residential 5/8 & 3/4"	A1S2N	13.69	18.05	32.97
Sun City West Wastewater Residential 5/8 & 3/4"	B1S1A	25.01	31.94	32.97
Sun City West Wastewater Residential 5/8 & 3/4"	B1S2A	25.01	31.94	32.97
Sun City West Wastewater Residential 5/8 & 3/4"	B1S1N	25.01	31.94	32.97
Anthem/Agua Fria Wastewater Residential 5/8 & 3/4"	E1MS1	27.76	0.00	32.97
Mohave Wastewater Residential 5/8 & 3/4"	P1MS1	56.55	56.55	32.97
<u>5/8" by 3/4" and 3/4" Inch Metered Commercial Customers</u>				
Sun City Wastewater Commercial 5/8 & 3/4"	A2S2A	6.72	8.86	32.97
Sun City Wastewater Commercial 5/8 & 3/4"	A2S1A	6.72	8.86	32.97
Sun City West Wastewater Commercial 5/8 & 3/4"	B2S1A	14.28	18.21	32.97
Agua Fria Wastewater Commercial 3/4"	E2MS2	41.64	66.61	32.97
Anthem Wastewater Commercial 5/8 & 3/4"	E2MS1	41.64	44.40	32.97
<u>Volumetric Charge</u>				
<u>Residential Customers</u>				
Anthem/Agua Fria Wastewater Residential	E1MS1			
First 7,000 gallons		\$ 3.4800	N/A	N/A
Over 7,000 gallons		-	N/A	N/A
All Usage		N/A	\$ 13.6660	N/A
<u>Commercial Customers</u>				
Sun City Wastewater Commercial and Industrial S Unit 5/8" x 3/4"	A2S1A			
First 5,000 gallons		0.9727	1.2875	N/A
Over 5,000 gallons		-	-	N/A
First 5,000 gallons		N/A	N/A	\$ 1.8950
Over 5,000 gallons		N/A	N/A	-
Sun City Wastewater Commercial and Industrial M Unit 5/8" x 3/4"	A2S2A			
First 5,000 gallons		0.9727	1.2875	N/A
Over 5,000 gallons		-	-	N/A
First 5,000 gallons		N/A	N/A	1.8950
Over 5,000 gallons		N/A	N/A	-
Sun City West Wastewater Commercial and Industrial Single Unit 5/8"	B2S1A			
First 5,000 gallons		2.1024	2.6846	N/A
Over 5,000 gallons		-	-	N/A
First 5,000 gallons		N/A	N/A	1.8950
Over 5,000 gallons		N/A	N/A	-
Anthem/Agua Fria Wastewater Commercial 5/8"	E2MS1			
First 10,000 gallons		3.4800	5.5666	N/A
Over 10,000 gallons		-	-	N/A
First 5,000 gallons		N/A	N/A	1.8950
Over 5,000 gallons		N/A	N/A	-
Anthem/Agua Fria Wastewater Commercial 3/4"	E2MS2			
First 15,000 gallons		3.4800	5.5666	N/A
Over 15,000 gallons		-	-	N/A
First 5,000 gallons		N/A	N/A	1.8950
Over 5,000 gallons		N/A	N/A	-

Monthly Usage Charge	Rate Schedule	Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
1" Inch Metered Residential Customers				
Sun City Wastewater Residential 1"	A1S1A	\$ 34.23	\$ 45.14	\$ 82.43
Sun City West Wastewater Residential 1"	B1S1B	62.53	79.84	82.43
Anthem/Agua Fria Wastewater Residential 1"	B1S1B	62.53	79.84	82.43
1" Inch Metered Commercial and Industrial Customers				
Sun City Wastewater Commercial 1"	A2S1B	16.81	22.17	82.43
Sun City Wastewater Commercial 1"	A2S2B	16.81	22.17	82.43
Sun City West Wastewater Commercial 1"	B2S2B	35.65	45.52	82.43
Sun City West Wastewater Commercial 1"	B2S1B	35.65	45.52	82.43
Anthem/Agua Fria Wastewater Commercial 1"	E2MS3	55.58	101.05	82.43
Volumetric Charge				
Commercial Customers				
Sun City Wastewater Commercial S Unit 1"	A2S1B			
First 12,500 gallons		\$ 0.9727	\$ 1.2875	N/A
Over 12,500 gallons		-	-	N/A
First 13,000 gallons		N/A	N/A	\$ 1.8950
Over 13,000 gallons		N/A	N/A	-
Sun City Wastewater Commercial M Unit 1"	A2S2B			
First 12,000 gallons		0.9727	1.2875	N/A
Over 12,000 gallons		-	-	N/A
First 13,000 gallons		N/A	N/A	1.8950
Over 13,000 gallons		N/A	N/A	-
Sun City West Wastewater Commercial Single Unit 1"	B2S1B			
First 12,500 gallons		2.1024	2.6846	N/A
Over 12,500 gallons		-	-	N/A
First 13,000 gallons		N/A	N/A	1.8950
Over 13,000 gallons		N/A	N/A	-
Sun City West Wastewater Commercial Multi Unit 1"	B2S2B			
First 12,500 gallons		2.1024	2.6846	N/A
Over 12,500 gallons		-	-	N/A
First 13,000 gallons		N/A	N/A	1.8950
Over 13,000 gallons		N/A	N/A	-
Anthem/Agua Fria Wastewater Commercial 1"	E2MS3			
First 20,000 gallons		3.4800	5.5666	N/A
Over 20,000 gallons		-	-	N/A
First 13,000 gallons		N/A	N/A	1.8950
Over 13,000 gallons		N/A	N/A	-

Monthly Usage Charge	Rate Schedule	Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
1 1/2" Inch Metered Residential Customers				
Sun City Wastewater Residential 1 1/2"	A1S1C	\$ 68.45	\$ 90.27	\$ 164.85
1 1/2" Inch Metered Commercial Customers				
Sun City Wastewater Commercial 1 1/2"	A2S1C	33.61	44.33	164.85
Sun City Wastewater Commercial 1 1/2"	A2S2C	33.61	44.33	164.85
Sun City West Wastewater Commercial 1 1/2"	B2S2C	71.31	89.95	164.85
Sun City West Wastewater Commercial 1 1/2"	B2S1C	71.31	89.95	164.85
Volumetric Charge				
Commercial Customers				
Sun City Wastewater Commercial S Unit 1 1/2"	A2S1C			
First 25,500 gallons		\$ 0.9727	\$ 1.2875	N/A
Over 25,000 gallons		-	-	N/A
First 25,000 gallons		N/A	N/A	\$ 1.8950
Over 25,000 gallons		N/A	N/A	-
Sun City Wastewater Commercial M Unit 1 1/2"	A2S2C			
First 25,500 gallons		0.9727	1.2875	N/A
Over 25,000 gallons		-	-	N/A
First 25,000 gallons		N/A	N/A	1.8950
Over 25,000 gallons		N/A	N/A	-
Sun City West Wastewater Commercial Single Unit 1 1/2"	B2S1C			
First 25,000 gallons		2.1024	2.6521	N/A
Over 25,000 gallons		-	-	N/A
First 25,000 gallons		N/A	N/A	1.8950
Over 25,000 gallons		N/A	N/A	-
Sun City West Wastewater Commercial Multi Unit 1 1/2"	B2S2C			
First 25,000 gallons		2.1024	2.6521	N/A
Over 25,000 gallons		-	-	N/A
First 25,000 gallons		N/A	N/A	1.8950
Over 25,000 gallons		N/A	N/A	-

Monthly Usage Charge	Rate Schedule	Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>2" Inch Metered Residential Customers</u>				
Sun City Wastewater Residential 2"	A1S1D	\$ 109.52	\$ 144.44	\$ 263.76
Sun City West Wastewater Residential 2"	B1S1D	200.08	255.48	263.76
<u>2" Inch Metered Commercial Customers</u>				
Sun City Wastewater Commercial 2"	A2S2D	53.78	70.39	263.76
Sun City West Wastewater Commercial 2"	B2S2D	114.10	145.69	263.76
Sun City West Wastewater Commercial 2"	B2S1D	114.10	145.69	263.76
<u>Volumetric Charge</u>				
<u>Commercial Customers</u>				
Sun City Wastewater Commercial M Unit 2"	A2S2D			
First 40,000 gallons		\$ 0.9727	\$ 1.2875	N/A
Over 40,000 gallons		-	-	N/A
First 40,000 gallons		N/A	N/A	\$ 1.8950
Over 40,000 gallons		N/A	N/A	-
Sun City West Wastewater Commercial Single Unit 2"	B2S1D			
First 40,000 gallons		2.1024	2.6521	N/A
Over 40,000 gallons		-	-	N/A
First 40,000 gallons		N/A	N/A	1.8950
Over 40,000 gallons		N/A	N/A	-
Sun City West Wastewater Commercial Multi Unit 2"	B2S2D			
First 40,000 gallons		2.1024	2.6521	N/A
Over 40,000 gallons		-	-	N/A

Monthly Usage Charge	Rate Schedule	Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>> 2" Inch Metered Commercial Customers</u>				
Sun City Wastewater Commercial > 2"	A2S1E	\$ 53.78	\$ 70.93	\$ 527.52
Sun City Wastewater Commercial > 2"	A2S2E	53.78	70.93	527.52
Sun City Wastewater Commercial > 2"	A2S7D	53.78	70.93	527.52
Sun City West Wastewater Commercial > 2"	B2S1E	114.10	145.69	527.52
Sun City West Wastewater Commercial > 2"	B2S2E	114.10	145.69	527.52
Sun City West Wastewater Commercial > 2"	B2S7D	114.10	145.69	527.52
Anthem/Agua Fria Wastewater Commercial > 2"	E2MS4	111.12	177.75	527.52
Mohave Wastewater Commercial > 2"	P2MS4	72.89	72.89	527.52
<u>Volumetric Charge</u>				
<u>Commercial Customers</u>				
Sun City Wastewater Commercial S Unit > 2" All Usage	A2S1E	\$ 0.9727	\$ 1.2875	\$ 1.8950
Sun City Wastewater Commercial M Unit > 2" All Usage	A2S2E	0.9727	1.2875	1.8950
Sun City Wastewater Commercial Large User => 2" All Usage	A2S7D	0.9727	1.2875	1.8950
Sun City West Wastewater Commercial Single Unit > 2" All Usage	B2S1E	2.1024	2.6846	1.8950
Sun City West Wastewater Commercial Single Unit > 2" All Usage	B2S2E	2.1024	2.6846	1.8950
Sun City West Wastewater Commercial Single Unit LU => 2"	B2S7D	2.1024	2.6846	1.8950
Anthem/Agua Fria Wastewater Commercial LG All Usage	E2MS4	3.4800	5.5666	1.8950
Mohave Wastewater Commercial > 2" All Usage	P2MS4	2.2800	2.2800	1.8950

Monthly Usage Charge	Rate Schedule	Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
Fixed Rate Commercial Customers				
Sun City Wastewater Commercial	A2S1N	\$ 53.78	\$ 70.65	\$ 75.00
Sun City West Wastewater Commercial	B2S1N	114.10	145.69	75.00
Mohave Wastewater Commercial	P2MS1	56.55	56.55	75.00
Mohave Wastewater Commercial	P4MS1	72.89	72.89	75.00

Monthly Usage Charge	Rate Schedule	Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>Miscellaneous Customers</u>				
Sun City Wastewater Commercial	A2MS2	\$ 4.12	\$ 5.41	\$ 12.00
Sun City Wastewater Commercial	A2MS4	7.65	10.05	22.00
Sun City West Wastewater Commercial	B2MS2	9.41	12.02	12.00
Sun City West Wastewater Commercial	B2MS3	75.47	96.37	95.00
Sun City West Wastewater Commercial	B2MS4	17.61	22.49	22.00
Sun City West Wastewater Commercial	B2MS5	36.89	47.10	45.00

Typical Bill Analysis - Sun City Consolidated
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	-	\$ 13.69	\$ -	\$ (13.69)	-100.00%
Median Usage	-	13.69	-	\$ (13.69)	-100.00%
Staff Recommended					
Average Usage	-	\$ 13.69	\$ 32.97	\$ 19.28	140.83%
Median Usage	-	13.69	32.97	\$ 19.28	140.83%

Present & Proposed Rates (Without Taxes)
General Service 5/8 X 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 13.69	\$ -	-100.00%	\$ 32.97	140.83%
1,000	13.69	-	-100.00%	32.97	140.83%
2,000	13.69	-	-100.00%	32.97	140.83%
3,000	13.69	-	-100.00%	32.97	140.83%
4,000	13.69	-	-100.00%	32.97	140.83%
5,000	13.69	-	-100.00%	32.97	140.83%
6,000	13.69	-	-100.00%	32.97	140.83%
7,000	13.69	-	-100.00%	32.97	140.83%
8,000	13.69	-	-100.00%	32.97	140.83%
9,000	13.69	-	-100.00%	32.97	140.83%
10,000	13.69	-	-100.00%	32.97	140.83%
11,000	13.69	-	-100.00%	32.97	140.83%
12,000	13.69	-	-100.00%	32.97	140.83%
13,000	13.69	-	-100.00%	32.97	140.83%
14,000	13.69	-	-100.00%	32.97	140.83%
15,000	13.69	-	-100.00%	32.97	140.83%
16,000	13.69	-	-100.00%	32.97	140.83%
17,000	13.69	-	-100.00%	32.97	140.83%
18,000	13.69	-	-100.00%	32.97	140.83%
19,000	13.69	-	-100.00%	32.97	140.83%
20,000	13.69	-	-100.00%	32.97	140.83%
25,000	13.69	-	-100.00%	32.97	140.83%
30,000	13.69	-	-100.00%	32.97	140.83%
35,000	13.69	-	-100.00%	32.97	140.83%
40,000	13.69	-	-100.00%	32.97	140.83%
45,000	13.69	-	-100.00%	32.97	140.83%
50,000	13.69	-	-100.00%	32.97	140.83%
75,000	13.69	-	-100.00%	32.97	140.83%
100,000	13.69	-	-100.00%	32.97	140.83%

Typical Bill Analysis - Sun City West Consolidated
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	-	\$ 25.01	\$ -	\$ (25.01)	-100.00%
Median Usage	-	25.01	-	\$ (25.01)	-100.00%
Staff Recommended					
Average Usage	-	\$ 25.01	\$ 32.97	\$ 7.96	31.83%
Median Usage	-	25.01	32.97	\$ 7.96	31.83%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 25.01	\$ -	-100.00%	\$ 32.97	31.83%
1,000	25.01	-	-100.00%	32.97	31.83%
2,000	25.01	-	-100.00%	32.97	31.83%
3,000	25.01	-	-100.00%	32.97	31.83%
4,000	25.01	-	-100.00%	32.97	31.83%
5,000	25.01	-	-100.00%	32.97	31.83%
6,000	25.01	-	-100.00%	32.97	31.83%
7,000	25.01	-	-100.00%	32.97	31.83%
8,000	25.01	-	-100.00%	32.97	31.83%
9,000	25.01	-	-100.00%	32.97	31.83%
10,000	25.01	-	-100.00%	32.97	31.83%
11,000	25.01	-	-100.00%	32.97	31.83%
12,000	25.01	-	-100.00%	32.97	31.83%
13,000	25.01	-	-100.00%	32.97	31.83%
14,000	25.01	-	-100.00%	32.97	31.83%
15,000	25.01	-	-100.00%	32.97	31.83%
16,000	25.01	-	-100.00%	32.97	31.83%
17,000	25.01	-	-100.00%	32.97	31.83%
18,000	25.01	-	-100.00%	32.97	31.83%
19,000	25.01	-	-100.00%	32.97	31.83%
20,000	25.01	-	-100.00%	32.97	31.83%
25,000	25.01	-	-100.00%	32.97	31.83%
30,000	25.01	-	-100.00%	32.97	31.83%
35,000	25.01	-	-100.00%	32.97	31.83%
40,000	25.01	-	-100.00%	32.97	31.83%
45,000	25.01	-	-100.00%	32.97	31.83%
50,000	25.01	-	-100.00%	32.97	31.83%
75,000	25.01	-	-100.00%	32.97	31.83%
100,000	25.01	-	-100.00%	32.97	31.83%

Typical Bill Analysis - Anthem/Agua Fria Consolidated
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	-	\$ 27.76	\$ -	\$ (27.76)	-100.00%
Median Usage	-	27.76	-	\$ (27.76)	-100.00%
Staff Recommended					
Average Usage	-	\$ 27.76	\$ 32.97	\$ 5.21	18.77%
Median Usage	-	27.76	32.97	\$ 5.21	18.77%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 27.76	\$ -	-100.00%	\$ 32.97	18.77%
1,000	27.76	-	-100.00%	32.97	18.77%
2,000	27.76	-	-100.00%	32.97	18.77%
3,000	27.76	-	-100.00%	32.97	18.77%
4,000	27.76	-	-100.00%	32.97	18.77%
5,000	27.76	-	-100.00%	32.97	18.77%
6,000	27.76	-	-100.00%	32.97	18.77%
7,000	27.76	-	-100.00%	32.97	18.77%
8,000	27.76	-	-100.00%	32.97	18.77%
9,000	27.76	-	-100.00%	32.97	18.77%
10,000	27.76	-	-100.00%	32.97	18.77%
11,000	27.76	-	-100.00%	32.97	18.77%
12,000	27.76	-	-100.00%	32.97	18.77%
13,000	27.76	-	-100.00%	32.97	18.77%
14,000	27.76	-	-100.00%	32.97	18.77%
15,000	27.76	-	-100.00%	32.97	18.77%
16,000	27.76	-	-100.00%	32.97	18.77%
17,000	27.76	-	-100.00%	32.97	18.77%
18,000	27.76	-	-100.00%	32.97	18.77%
19,000	27.76	-	-100.00%	32.97	18.77%
20,000	27.76	-	-100.00%	32.97	18.77%
25,000	27.76	-	-100.00%	32.97	18.77%
30,000	27.76	-	-100.00%	32.97	18.77%
35,000	27.76	-	-100.00%	32.97	18.77%
40,000	27.76	-	-100.00%	32.97	18.77%
45,000	27.76	-	-100.00%	32.97	18.77%
50,000	27.76	-	-100.00%	32.97	18.77%
75,000	27.76	-	-100.00%	32.97	18.77%
100,000	27.76	-	-100.00%	32.97	18.77%

Typical Bill Analysis - Mohave Consolidated
 General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	-	\$ 56.55	\$ -	\$ (56.55)	-100.00%
Median Usage	-	56.55	-	(56.55)	-100.00%
Staff Recommended					
Average Usage	-	\$ 56.55	\$ 32.97	\$ (23.58)	-41.70%
Median Usage	-	56.55	32.97	(23.58)	-41.70%

Present & Proposed Rates (Without Taxes)
 General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 56.55	\$ -	-100.00%	\$ 32.97	-41.70%
1,000	56.55	-	-100.00%	32.97	-41.70%
2,000	56.55	-	-100.00%	32.97	-41.70%
3,000	56.55	-	-100.00%	32.97	-41.70%
4,000	56.55	-	-100.00%	32.97	-41.70%
5,000	56.55	-	-100.00%	32.97	-41.70%
6,000	56.55	-	-100.00%	32.97	-41.70%
7,000	56.55	-	-100.00%	32.97	-41.70%
8,000	56.55	-	-100.00%	32.97	-41.70%
9,000	56.55	-	-100.00%	32.97	-41.70%
10,000	56.55	-	-100.00%	32.97	-41.70%
11,000	56.55	-	-100.00%	32.97	-41.70%
12,000	56.55	-	-100.00%	32.97	-41.70%
13,000	56.55	-	-100.00%	32.97	-41.70%
14,000	56.55	-	-100.00%	32.97	-41.70%
15,000	56.55	-	-100.00%	32.97	-41.70%
16,000	56.55	-	-100.00%	32.97	-41.70%
17,000	56.55	-	-100.00%	32.97	-41.70%
18,000	56.55	-	-100.00%	32.97	-41.70%
19,000	56.55	-	-100.00%	32.97	-41.70%
20,000	56.55	-	-100.00%	32.97	-41.70%
25,000	56.55	-	-100.00%	32.97	-41.70%
30,000	56.55	-	-100.00%	32.97	-41.70%
35,000	56.55	-	-100.00%	32.97	-41.70%
40,000	56.55	-	-100.00%	32.97	-41.70%
45,000	56.55	-	-100.00%	32.97	-41.70%
50,000	56.55	-	-100.00%	32.97	-41.70%
75,000	56.55	-	-100.00%	32.97	-41.70%
100,000	56.55	-	-100.00%	32.97	-41.70%

**CONSOLIDATED WATER DISTRICTS
SCENARIO TWO
SUN CITY AND SUN CITY WEST
SCHEDULES JMM-5 AND JMM-6**

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>5/8" by 3/4" and 3/4" Inch Metered Water Residential Customers</u>				
Sun City Water Residential 5/8 x 3/4	A1M1A	\$ 7.99	\$ 9.00	\$ 11.00
Sun City West Water Residential 5/8 x 3/4	B1M1A	14.80	14.80	11.00
<u>5/8" by 3/4" and 3/4" Inch Metered Water Commercial Customers</u>				
Sun City Water Commercial 5/8 x 3/4	A2M1A	7.99	9.00	11.00
Sun City West Water Commercial 5/8 x 3/4	B2M1A	14.80	14.80	11.00
<u>Commodity Charge</u>				
<u>Residential Customers</u>				
Sun City Water Residential 5/8 x 3/4	A1M1A			
First 3,000 gallons		\$ 0.7190	\$ 0.7000	\$ 1.0000
3,001 to 10,000 gallons		1.3290	N/A	2.2500
Over 10,000 gallons		1.6920	N/A	2.6738
3,001 to 9,000 gallons		N/A	1.4000	N/A
Over 9,000 gallons		N/A	2.4518	N/A
Sun City West Water Residential 5/8 x 3/4	B1M1A			
First 4,000 gallons		2.4100	2.4100	N/A
4,001 to 15,000 gallons		2.9500	2.9500	N/A
Over 15,000 gallons		3.5600	3.5600	N/A
First 3,000 gallons		N/A	N/A	1.0000
First 3,001 to 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	2.6738
<u>Commercial Customers</u>				
Sun City Water Commercial 5/8 x 3/4	A2M1A			
First 10,000 gallons		1.3290	N/A	2.2500
Over 10,000 gallons		1.6920	N/A	2.6738
First 9,000 gallons		N/A	1.4000	N/A
Over 9,000 gallons		N/A	2.4518	N/A
Sun City West Water Commercial 5/8 x 3/4	B2M1A			
First 15,000 gallons		2.9500	2.9500	N/A
Over 15,000 gallons		3.5600	3.5600	N/A
First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	2.6738

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
1" Inch Metered Water Residential Customers				
Sun City Water Residential 1"	A1M1B	\$ 20.49	\$ 22.50	\$ 27.50
Sun City West Water Residential 1"	B1M1B	37.50	62.50	27.50
1" Inch Metered Water Commercial Customers				
Sun City Water Commercial 1"	A2M1B	20.49	22.50	27.50
Sun City West Water Commercial 1"	B2M1B	37.50	37.50	27.50
Commodity Charge				
Residential Customers				
Sun City Water Residential 1"	A1M1B			
First 43,000 gallons		\$ 1.3290	N/A	N/A
Over 43,000 gallons		1.6920	N/A	N/A
First 20,000 gallons			\$ 1.4000	N/A
Over 20,000 gallons			2.4518	N/A
First 40,000 gallons		N/A	N/A	\$ 2.2500
Over 40,000 gallons		N/A	N/A	2.6738
Sun City West Water Residential 1"	B1M1B			
First 40,000 gallons		2.9500	2.9500	2.2500
Over 40,000 gallons		3.5600	3.5600	2.6738
Commercial Customers				
Sun City Water Commercial 1"	A2M1B			
First 43,000 gallons		1.3290	N/A	N/A
Over 43,000 gallons		1.6920	N/A	N/A
First 20,000 gallons		N/A	1.4000	N/A
Over 20,000 gallons		N/A	2.4518	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	2.6738
Sun City West Water Commercial 1"	B2M1B			
First 40,000 gallons		2.9500	2.9500	2.2500
Over 40,000 gallons		3.5600	3.5600	2.6738

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
1.5" Inch Metered Water Residential Customers				
Sun City Water Residential 1.5"	A1M1C	\$ 40.97	\$ 45.00	\$ 55.00
Sun City West Water Residential 1.5"	B1M1C	79.00	79.00	55.00
1.5" Inch Metered Water Commercial Customers				
Sun City Water Commercial 1.5"	A2M1C	40.97	45.00	55.00
Sun City West Water Commercial 1.5"	B2M1C	79.00	79.00	55.00
Commodity Charge				
Residential Customers				
Sun City Water Residential 1.5"	A1M1C			
First 98,000 gallons		\$ 1.3290	N/A	N/A
Over 98,000 gallons		1.6920	N/A	N/A
First 41,000 gallons		N/A	\$ 1.4000	N/A
Over 41,000 gallons		N/A	2.4518	N/A
First 80,000 gallons		N/A	N/A	\$ 2.2500
Over 80,000 gallons		N/A	N/A	2.6738
Sun City West Water Residential 1.5"	B1M1C			
First 100,000 gallons		2.9500	2.9500	N/A
Over 100,000 gallons		3.5600	3.5600	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	2.6738
Commercial Customers				
Sun City Water Commercial 1.5"	A2M1C			
First 98,000 gallons		1.3290	N/A	N/A
Over 98,000 gallons		1.6920	N/A	N/A
First 41,000 gallons		N/A	1.4000	N/A
Over 41,000 gallons		N/A	2.4158	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	2.6738
Sun City West Water Commercial 1.5"	B2M1C			
First 100,000 gallons		2.9500	2.9500	N/A
Over 100,000 gallons		3.5600	3.5600	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	2.6738

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
2" Inch Metered Residential Customers				
Sun City Water Residential 2"	A1M1D	\$ 65.56	\$ 72.00	\$ 88.00
Sun City West Water Residential 2"	B1M1D	123.40	123.40	88.00
2" Inch Metered Commercial Customers				
Sun City Water Commercial 2"	A2M1D	65.56	72.00	88.00
Sun City West Irrigation 2"	AZMID	N/A	N/A	88.00
Sun City West Water Commercial 2"	B2M1D	123.40	123.40	88.00
Commodity Charge				
Residential Customers				
Sun City Water Residential 2"	A1M1D			
First 164,000 gallons		\$ 1.3290	N/A	N/A
Over 164,000 gallons		1.6920	N/A	N/A
First 67,000 gallons		N/A	\$ 1.4000	N/A
Over 67,000 gallons		N/A	2.4518	N/A
First 100,000 gallons		N/A	N/A	\$ 2.2500
Over 100,000 gallons		N/A	N/A	2.6738
Sun City West Water Residential 2"	B1M1D			
First 150,000 gallons		2.9500	2.9500	N/A
Over 150,000 gallons		3.5600	3.5600	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	2.6738
Commercial Customers				
Sun City Water Commercial 2"	A2M1D			
First 164,000 gallons		1.3290	N/A	N/A
Over 164,000 gallons		1.6920	N/A	N/A
First 67,000 gallons		N/A	1.4000	N/A
Over 67,000 gallons		N/A	2.4518	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	2.6738
Sun City West Irrigation 2"	AZMID			
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	2.6738
Sun City West Water Commercial 2"	B2M1D			
First 150,000 gallons		2.9500	2.9500	N/A
Over 150,000 gallons		3.5600	3.5600	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	2.6738

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
3" Inch Metered Residential Customers				
Sun City Water Residential 3"	A1M1E	\$ 131.12	\$ 144.00	\$ 165.00
Sun City West Water Residential 3"	B1M1E	236.80	236.80	165.00
3" Inch Metered Commercial Customers				
Sun City Water Water Commercial 3"	A2M1E	131.12	144.00	165.00
Sun City West Water Water Commercial 3"	B2M1E	236.80	236.80	165.00
Commodity Charge				
Residential Customers				
Sun City Water Residential 3"	A1M1E			
First 342,000 gallons		\$ 1.3290	N/A	N/A
Over 342,000 gallons		1.6920	N/A	N/A
First 138,000 gallons		N/A	\$ 1.4000	N/A
Over 138,000 gallons		N/A	2.4518	N/A
First 200,000 gallons		N/A	N/A	\$ 2.2500
Over 200,000 gallons		N/A	N/A	2.6738
Sun City West Water Residential 3"	B1M1E			
First 275,000 gallons		2.9500	2.9500	N/A
Over 275,000 gallons		3.5600	3.5600	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	2.6738
Commercial Customers				
Sun City Water Water Commercial 3"	A2M1E			
First 342,000 gallons		1.3290	N/A	N/A
Over 342,000 gallons		1.6920	N/A	N/A
First 138,000 gallons		N/A	1.4000	N/A
Over 138,000 gallons		N/A	2.4518	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	2.6738
Sun City West Water Water Commercial 3"	B2M1E			
First 275,000 gallons		2.9500	2.9500	N/A
Over 275,000 gallons		3.5600	3.5600	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	2.6738

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
4" Inch Metered Customers				
Sun City Water Residential 4"	A1M1F	\$ 204.87	\$ 225.00	\$ 275.00
Sun City West Water Residential 4"	B1M1F	370.00	370.00	275.00
4" Inch Metered Commercial Customers				
Sun City Water Commercial 4"	A2M1F	204.87	225.00	275.00
Sun City West Water Commercial 4"	B2M1F	370.00	370.00	275.00
Commodity Charge				
Residential Customers				
Sun City Water Residential 4"	A1M1F			
First 543,000 gallons		\$ 2.9500	N/A	N/A
Over 543,000 gallons		3.5600	N/A	N/A
First 218,000 gallons		N/A	\$ 1.4000	N/A
Over 218,000 gallons		N/A	2.4518	N/A
First 300,000 gallons		N/A	N/A	\$ 2.2500
Over 300,000 gallons		N/A	N/A	2.6738
Sun City West Water Residential 4"	B1M1F			
First 400,000 gallons		2.9500	2.9500	N/A
Over 400,000 gallons		3.5600	3.5600	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	2.6738
Commercial Customers				
Sun City Water Commercial 4"	A2M1F			
First 543,000 gallons		1.3290	N/A	N/A
Over 543,000 gallons		1.6920	N/A	N/A
First 218,000 gallons		N/A	1.4000	N/A
Over 218,000 gallons		N/A	2.4518	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	2.6738
Sun City West Water Commercial 4"	B2M1F			
First 400,000 gallons		2.9500	2.9500	N/A
Over 400,000 gallons		3.5600	3.5600	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	2.6738

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
6" Inch Metered Residential Customers				
Sun City Water Residential 6"	A1M1G	\$ 409.73	\$ 450.00	\$ 550.00
Sun City West Water Residential 6"	B1M1G	740.00	740.00	550.00
6" Inch Metered Commercial Customers				
Sun City Water Commercial 6"	A2M1G	409.73	450.00	550.00
Sun City West Water Commercial 6"	B2M1G	740.00	740.00	550.00
Commodity Charge				
Residential Customers				
Sun City Water Residential 6"	A1M1G			
First 700,000 gallons		\$ 1.3290	N/A	N/A
Over 700,000 gallons		1.6920	N/A	N/A
First 442,000 gallons		N/A	\$ 1.4000	N/A
Over 442,000 gallons		N/A	2.4518	N/A
First 500,000 gallons		N/A	N/A	\$ 2.2500
Over 500,000 gallons		N/A	N/A	2.6738
Sun City West Water Residential 6"	B1M1G			
First 550,000 gallons		2.9500	2.9500	N/A
Over 550,000 gallons		3.5600	3.5600	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	2.6738
Commercial Customers				
Sun City Water Commercial 6"	A2M1G			
First 700,000 gallons		1.3290	N/A	N/A
Over 700,000 gallons		1.6920	N/A	N/A
First 442,000 gallons		N/A	1.4000	N/A
Over 442,000 gallons		N/A	2.4518	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	2.6738
Sun City West Water Commercial 6"	B2M1G			
First 550,000 gallons		2.9500	2.9500	N/A
Over 550,000 gallons		3.5600	3.5600	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	2.6738

Commodity Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>Non Potable</u>				
Sun City Non Potable	A7M2	\$ 0.8480	\$ 1.0316	\$ 1.1948
Sun City Non Potable	B7M2	1.0831	1.0831	1.1948

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>Private Fire 2"</u>				
Sun City Private Fire 2"	A6M02	N/A	N/A	\$ 10.00
Sun City West Private Fire 2"	B6M02	N/A	N/A	10.00
<u>Private Fire 3"</u>				
Sun City Private Fire 3"	A6M03	11.14	10.00	10.00
Sun City West Private Fire 3"	B6M03	N/A	N/A	10.00
<u>Private Fire 4"</u>				
Sun City Private Fire 4"	A6M04	17.23	10.00	10.00
Sun City West Private Fire 4"	B6M04	56.26	56.26	10.00
<u>Private Fire 6"</u>				
Sun City Private Fire 6"	AA6M06	36.21	10.00	11.00
Sun City West Private Fire 6"	B6M06	84.40	84.40	11.00
<u>Private Fire 8"</u>				
Sun City Private Fire 8"	A6M08	47.28	14.40	22.40
Sun City West Private Fire 8"	B6M08	112.53	112.53	22.40
<u>Private Fire 10"</u>				
Sun City Private Fire 10"	A6M10	68.34	20.70	32.20
Sun City West Private Fire 10"	B6M10	N/A	N/A	32.20
<u>Private Fire 12"</u>				
Sun City Private Fire 12"	A6M12	N/A	N/A	60.20
Sun City West Private Fire 12"	B6M12	N/A	N/A	60.20
<u>Hydrant</u>				
Sun City Hydrant	A8M1	6.95	8.45	10.00
Sun City West Hydrant		N/A	N/A	10.00
<u>Commodity Charge</u>				
<u>Private Fire</u>				
Sun City All gallonage		0.9828	-	-
<u>Private Hydrant</u>				
Private Hydrant - Peoria	A8M1	0.9828	1.1956	-

Typical Bill Analysis - Sun City Consolidated
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	7,954	\$ 16.73	\$ -	\$ (16.73)	-100.00%
Median Usage	7,000	15.46	-	(15.46)	-100.00%
Staff Recommended					
Average Usage	7,954	\$ 16.73	\$ 25.15	\$ 8.42	50.30%
Median Usage	7,000	15.46	23.00	7.54	48.74%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 7.99	\$ -	-100.00%	\$ 11.00	37.67%
1,000	8.71	-	-100.00%	12.00	37.79%
2,000	9.43	-	-100.00%	13.00	37.89%
3,000	10.15	-	-100.00%	14.00	37.97%
4,000	11.48	-	-100.00%	16.25	41.60%
5,000	12.81	-	-100.00%	18.50	44.47%
6,000	14.13	-	-100.00%	20.75	46.81%
7,000	15.46	-	-100.00%	23.00	48.74%
8,000	16.79	-	-100.00%	25.25	50.37%
9,000	18.12	-	-100.00%	27.50	51.76%
10,000	19.45	-	-100.00%	29.75	52.96%
11,000	21.14	-	-100.00%	32.42	53.36%
12,000	22.83	-	-100.00%	35.10	53.71%
13,000	24.53	-	-100.00%	37.77	54.01%
14,000	26.22	-	-100.00%	40.45	54.27%
15,000	27.91	-	-100.00%	43.12	54.49%
16,000	29.60	-	-100.00%	45.79	54.69%
17,000	31.29	-	-100.00%	48.47	54.88%
18,000	32.99	-	-100.00%	51.14	55.04%
19,000	34.68	-	-100.00%	53.81	55.18%
20,000	36.37	-	-100.00%	56.49	55.31%
25,000	44.83	-	-100.00%	69.86	55.83%
30,000	53.29	-	-100.00%	83.23	56.18%
35,000	61.75	-	-100.00%	96.60	56.43%
40,000	70.21	-	-100.00%	109.96	56.62%
45,000	78.67	-	-100.00%	123.33	56.77%
50,000	87.13	-	-100.00%	136.70	56.89%
75,000	129.43	-	-100.00%	203.55	57.26%
100,000	171.73	-	-100.00%	270.39	57.45%

Typical Bill Analysis - Sun City West Consolidated
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	6,702	\$ 32.41	\$ -	\$ (32.41)	-100.00%
Median Usage	6,000	30.34	-	\$ (30.34)	-100.00%
Staff Recommended					
Average Usage	6,702	\$ 32.41	\$ 22.33	\$ (10.08)	-31.10%
Median Usage	6,000	30.34	20.75	\$ (9.59)	-31.61%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 14.80	\$ -	-100.00%	\$ 11.00	-25.68%
1,000	17.21	-	-100.00%	12.00	-30.27%
2,000	19.62	-	-100.00%	13.00	-33.74%
3,000	22.03	-	-100.00%	14.00	-36.45%
4,000	24.44	-	-100.00%	18.25	-33.51%
5,000	27.39	-	-100.00%	18.50	-32.46%
6,000	30.34	-	-100.00%	20.75	-31.61%
7,000	33.29	-	-100.00%	23.00	-30.91%
8,000	36.24	-	-100.00%	25.25	-30.33%
9,000	39.19	-	-100.00%	27.50	-29.83%
10,000	42.14	-	-100.00%	29.75	-29.40%
11,000	45.09	-	-100.00%	32.42	-28.09%
12,000	48.04	-	-100.00%	35.10	-26.94%
13,000	50.99	-	-100.00%	37.77	-25.92%
14,000	53.94	-	-100.00%	40.45	-25.02%
15,000	56.89	-	-100.00%	43.12	-24.21%
16,000	60.45	-	-100.00%	45.79	-24.25%
17,000	64.01	-	-100.00%	48.47	-24.28%
18,000	67.57	-	-100.00%	51.14	-24.31%
19,000	71.13	-	-100.00%	53.81	-24.34%
20,000	74.69	-	-100.00%	58.49	-24.37%
25,000	92.49	-	-100.00%	69.88	-24.47%
30,000	110.29	-	-100.00%	83.23	-24.54%
35,000	128.09	-	-100.00%	96.60	-24.59%
40,000	145.89	-	-100.00%	109.96	-24.63%
45,000	163.69	-	-100.00%	123.33	-24.65%
50,000	181.49	-	-100.00%	136.70	-24.68%
75,000	270.49	-	-100.00%	203.55	-24.75%
100,000	359.49	-	-100.00%	270.39	-24.78%

**CONSOLIDATED WATER DISTRICTS
SCENARIO TWO
ALL OTHER DISTRICTS
SCHEDULES JMM-5 AND JMM-6**

Monthly Usage Charge	Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
5/8" by 3/4" and 3/4" Inch Metered Water Residential Customers			
Agua Fria Water Residential 5/8 x 3/4	C1M1A \$ 13.85	\$ 13.85	\$ 16.00
Anthem Water Residential 5/8 x 3/4	E1M1A 17.53	25.00	16.00
Tubac Water Residential 5/8 x 3/4	F1M1A 24.70	24.70	16.00
Mohave Water Residential 5/8 x 3/4	G1M3A 9.00	9.00	16.00
Mohave Water Residential 5/8 x 3/4	G1M1A 9.00	9.00	16.00
Havasu Water Residential 3/4	H1M1A 23.50	23.50	16.00
Paradise Valley Water Residential 5/8 x 3/4	P1M1A 25.15	25.15	16.00
Paradise Valley Water Residential 5/8 x 3/4	P1M1B 25.15	25.15	16.00
Paradise Valley Water Residential 3/4	P1M1A 26.16	26.16	16.00
5/8" by 3/4" and 3/4" Inch Metered Water Commercial Customers			
Agua Fria Water Commercial 5/8 x 3/4	C2M1A 13.85	13.85	16.00
Anthem Water Commercial 5/8 x 3/4	E2M1A 17.53	25.00	16.00
Anthem Water Commercial 5/8 x 3/4	E1M2A 17.53	25.00	16.00
Tubac Water Commercial 5/8 x 3/4	F2M1A 24.70	24.70	16.00
Mohave Water Commercial 5/8 x 3/4 (OPA)	G4M1 9.00	9.00	16.00
Mohave Water Commercial 5/8 x 3/4	G2M1A 9.00	9.00	16.00
Mohave Water Commercial 5/8 x 3/4	G2M1V -	-	16.00
Havasu Water Commercial 3/4	H2M1A 23.50	23.50	16.00
Paradise Valley Water Commercial 5/8 x 3/4	P2M1A 25.15	25.15	16.00
Paradise Valley Water Commercial 5/8 x 3/4 (OPA)	P5M1A 32.15	32.15	16.00
Paradise Valley Water Commercial 3/4	P2M1A 26.16	26.16	16.00
Commodity Charge			
Residential Customers			
Agua Fria Water Residential 5/8 x 3/4	C1M1A		
First 4,000 gallons	\$ 1.8240	\$ 1.8240	N/A
4,001 to 13,000 gallons	2.7280	2.7280	N/A
Over 13,000 gallons	3.2750	3.2750	N/A
First 3,000 gallons	N/A	N/A	\$ 1.0000
First 3,001 to 10,000 gallons	N/A	N/A	2.2500
Over 10,000 gallons	N/A	N/A	3.6779
Anthem Water Residential 5/8 x 3/4	E1M1A		
First 4,000 gallons	1.5400	2.0000	N/A
4,001 to 10,000 gallons	2.4100	5.0000	N/A
Over 10,000 gallons	3.0800	7.8670	N/A
First 3,000 gallons	N/A	N/A	1.0000
First 3,001 to 10,000 gallons	N/A	N/A	2.2500
Over 10,000 gallons	N/A	N/A	3.6779
Tubac Water Residential 5/8 x 3/4	F1M1A		
First 3,000 gallons	1.9000	1.9000	1.0000
3,001 to 10,000 gallons	3.0000	3.0000	2.2500
10,001 to 20,000 gallons	4.0000	4.0000	N/A
Over 20,000 gallons	6.0000	6.0000	N/A
Over 10,000 gallons	N/A	N/A	3.6779
Mohave Water Residential 5/8 x 3/4	G1M3A		
First 4,000 gallons	0.8850	0.8850	N/A
4,001 to 10,000 gallons	1.3430	1.3430	N/A
Over 10,000 gallons	1.6070	1.6070	N/A
First 3,000 gallons	N/A	N/A	1.0000
First 3,001 to 10,000 gallons	N/A	N/A	2.2500
Over 10,000 gallons	N/A	N/A	3.6779
Mohave Water Residential 5/8 x 3/4	G1M1A		
First 4,000 gallons	0.8850	0.8850	N/A
4,001 to 10,000 gallons	1.3430	1.3430	N/A
Over 10,000 gallons	1.6070	1.6070	N/A
First 3,000 gallons	N/A	N/A	1.0000
First 3,001 to 10,000 gallons	N/A	N/A	2.2500
Over 10,000 gallons	N/A	N/A	3.6779
Havasu Water Residential 3/4	H1M1A		
First 4,000 gallons	2.3400	2.3400	N/A
4,001 to 13,000 gallons	3.0200	3.0200	N/A
Over 13,000 gallons	3.5500	3.5500	N/A

First 3,000 gallons		N/A	N/A	1.0000
First 3,001 to 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Residential 5/8 x 3/4	P1M1A			
First 5,000 gallons		1.0500	1.0500	N/A
5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A
Over 80,000 gallons		3.2259	3.2259	N/A
First 3,000 gallons		N/A	N/A	1.0000
First 3,001 to 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Residential 5/8 x 3/4	P1M1B			
First 5,000 gallons		1.0500	1.0500	N/A
5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A
Over 80,000 gallons		3.2259	3.2259	N/A
First 3,000 gallons		N/A	N/A	1.0000
First 3,001 to 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Residential 3/4	P1M1A			
First 5,000 gallons		1.0500	1.0500	N/A
5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A
Over 80,000 gallons		3.2259	3.2259	N/A
First 3,000 gallons		N/A	N/A	1.0000
First 3,001 to 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.6779
<u>Commercial Customers</u>				
Agua Fria Water Commercial 5/8 x 3/4	C2M1A			
First 13,000 gallons		2.7280	2.7280	N/A
Over 13,000 gallons		3.2750	3.2750	N/A
First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.6779
Anthem Water Commercial 5/8 x 3/4	E2M1A			
First 10,000 gallons		2.4100	5.0000	2.2500
Over 10,000 gallons		3.0800	7.8670	3.6779
Anthem Water Commercial 5/8 x 3/4	E1M2A			
First 10,000 gallons		2.4100	5.0000	2.2500
Over 10,000 gallons		3.0800	7.8670	3.6779
Tubac Water Commercial 5/8 x 3/4	F2M1A			
First 20,000 gallons		4.0000	4.0000	N/A
Over 20,000 gallons		6.0000	6.0000	N/A
First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.6779
Mohave Water Commercial 5/8 x 3/4 (OPA)	G4M1			
All Usage		1.3430	1.3430	N/A
First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.6779
Mohave Water Commercial 5/8 x 3/4	G2M1A			
First 10,000 gallons		1.3430	1.3430	2.2500
Over 10,000 gallons		1.6070	1.6070	3.6779
Mohave Water Commercial 5/8 x 3/4	G2M1V			
First 10,000 gallons		1.3430	1.3430	2.2500
Over 10,000 gallons		1.6070	1.6070	3.6779
Havasu Water Commercial 3/4	H2M1A			
First 13,000 gallons		3.0200	3.0200	N/A
Over 13,000 gallons		3.5500	3.5500	N/A

First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Commercial 5/8 x 3/4	P2M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Commercial 3/4	P5M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Commercial 5/8 x 3/4 (OPA)	P2M1A			
All Usage		1.9500	1.9500	N/A
First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	3.6779

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
1" Inch Metered Water Residential Customers				
Agua Fria Water Residential 1"	C1M1B	\$ 34.66	\$ 34.66	\$ 40.00
Anthem Water Residential 1"	E1M1B	42.88	42.88	40.00
Tubac Water Residential 1"	F1M1B	74.10	74.10	40.00
Mohave Water Residential 1"	G1M1B	22.50	22.50	40.00
Mohave Water Residential 1"	G1M3B	22.50	22.50	40.00
Havasu Water Residential 1"	H1M1B	50.75	50.75	40.00
Paradise Valley Water Residential 1"	P1M1B	50.30	50.30	40.00
Paradise Valley Water Residential 1"	PM1MA	50.30	50.30	40.00
1" Inch Metered Water Commercial Customers				
Agua Fria Water Commercial 1"	C2M1B	34.66	34.66	40.00
Anthem Water Commercial 1"	E2M1B	42.88	62.50	40.00
Anthem Water Commercial 1"	E1M2B	42.88	62.50	40.00
Tubac Water Commercial 1"	F2M1B	74.10	74.10	40.00
Mohave Water Commercial 1" (OPA)	G4M1	22.50	22.50	40.00
Mohave Water Commercial 1"	G2M1B	22.50	22.50	40.00
Havasu Water Commercial 1"	H2M1B	50.75	50.75	40.00
Paradise Valley Water Commercial 1"	P2M1A	50.30	50.30	40.00
Paradise Valley Water Commercial 1"	P5M1A	53.63	53.63	40.00
Commodity Charge				
Residential Customers				
Agua Fria Water Residential 1"	C1M1B			
First 45,000 gallons		\$ 2.7280	\$ 2.7280	N/A
Over 45,000 gallons		3.2750	3.2750	N/A
First 40,000 gallons		N/A	N/A	\$ 2.2500
Over 40,000 gallons		N/A	N/A	3.6779
Anthem Water Residential 1"	E1M1B			
First 4,000 gallons		1.5400	N/A	N/A
4,001 to 40,000 gallons		2.4100	N/A	N/A
Over 40,000 gallons		3.0800	N/A	N/A
First 3,000 gallons		N/A	2.0000	N/A
3,001 to 21,000 gallons		N/A	5.0000	N/A
Over 21,000 gallons		N/A	7.8670	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.6779
Tubac Water Residential 1"	F1M1B			
First 35,000 gallons		4.0000	4.0000	N/A
Over 35,000 gallons		6.0000	6.0000	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.6779
Mohave Water Residential 1"	G1M1B			
First 25,000 gallons		1.3430	1.3430	N/A
Over 25,000 gallons		1.6070	1.6070	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.6779
Mohave Water Residential 1"	G1M3B			
First 25,000 gallons		1.3430	1.3430	N/A
Over 25,000 gallons		1.6070	1.6070	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.6779
Havasu Water Residential 1"	H1M1B			
First 30,000 gallons		3.0200	3.0200	N/A
Over 30,000 gallons		3.5500	3.5500	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Residential 1"	P1M1B			
First 5,000 gallons		1.0500	1.0500	N/A

5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A
Over 80,000 gallons		3.2259	3.2259	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Residential 1"	PM1MA			
First 5,000 gallons		1.0500	1.0500	N/A
5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A
Over 80,000 gallons		3.2259	3.2259	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.6779
<u>Commercial Customers</u>				
Agua Fria Water Commercial 1"	C2M1B			
First 45,000 gallons		2.7280	2.7280	N/A
Over 45,000 gallons		3.2750	3.2750	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.6779
Anthem Water Commercial 1"	E2M1B			
First 46,000 gallons		2.4100	N/A	N/A
Over 46,000 gallons		3.0800	N/A	N/A
First 20,000 gallons		N/A	5.0000	N/A
Over 20,000 gallons		N/A	7.8670	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.6779
Anthem Water Commercial 1"	E1M2B			
First 46,000 gallons		2.4100	N/A	N/A
Over 46,000 gallons		3.0800	N/A	N/A
First 20,000 gallons		N/A	5.0000	N/A
Over 20,000 gallons		N/A	7.8670	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.6779
Tubac Water Commercial 1"	F2M1B			
First 35,000 gallons		4.0000	4.0000	N/A
Over 35,000 gallons		6.0000	6.0000	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.6779
Mohave Water Commercial 1" (OPA)	G4M1			
All Usage		1.3430	1.3430	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.6779
Mohave Water Commercial 1"	G2M1B			
First 25,000 gallons		1.3430	1.3430	N/A
Over 25,000 gallons		1.6070	1.6070	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.6779
Havasu Water Commercial 1"	H2M1B			
First 30,000 gallons		3.0200	3.0200	N/A
Over 30,000 gallons		3.5500	3.5500	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Commercial 1"	P2M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 40,000 gallons		N/A	N/A	2.2500

Over 40,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Commercial 1" All Usage	P5M1A	1.9500	1.9500	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	3.6779

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
1.5" Inch Metered Water Residential Customers				
Agua Fria Water Residential 1.5"	C1M1C	\$ 68.77	\$ 68.77	\$ 80.00
Anthem Water Residential 1.5"	E1M1C	86.41	125.00	80.00
Tubac Water Residential 1.5"	F1M1C	144.38	144.38	80.00
Mohave Water Residential 1.5" - Bullhead	G1M1C	45.00	45.00	80.00
Mohave Water Residential 1.5"	G1M3C	45.00	45.00	80.00
Havasu Water Residential 1.5"	H1M1A	117.50	117.50	80.00
Paradise Valley Water Residential 1.5"	P1M1B	90.54	90.54	80.00
Paradise Valley Water Residential 1.5"	P1M1A	90.54	90.54	80.00
1.5" Inch Metered Water Commercial Customers				
Agua Fria Water Commercial 1.5"	C2M1C	68.77	68.77	80.00
Anthem Water Commercial 1.5"	E2M1C	86.41	125.00	80.00
Anthem Water Commercial 1.5"	E1M2C	86.41	125.00	80.00
Tubac Water Commercial 1.5"	F2M1C	144.38	144.38	80.00
Mohave Water Commercial 1.5" (OPA)	G4M1	45.00	45.00	80.00
Mohave Water Commercial 1.5"	G2M1C	45.00	45.00	80.00
Havasu Water Commercial 1.5"	H2M1C	117.50	117.50	80.00
Paradise Valley Water Commercial 1.5"	P2M1A	90.54	90.54	80.00
Commodity Charge				
Residential Customers				
Agua Fria Water Residential 1.5"	C1M1C			
First 100,000 gallons		\$ 2,7280	\$ 2,7280	N/A
Over 100,000 gallons		3,2750	3,2750	N/A
First 80,000 gallons		N/A	N/A	\$ 2,2500
Over 80,000 gallons		N/A	N/A	3,6779
Anthem Water Residential 1.5"	E1M1C			
First 109,000 gallons		2,4100	2,7280	N/A
Over 109,000 gallons		3,0800	3,2750	N/A
First 41,000 gallons		2,4100	N/A	N/A
Over 41,000 gallons		3,0800	N/A	N/A
First 80,000 gallons		N/A	N/A	2,2500
Over 80,000 gallons		N/A	N/A	3,6779
Tubac Water Residential 1.5"	F1M1C			
First 85,000 gallons		4,0000	4,0000	N/A
Over 85,000 gallons		6,0000	6,0000	N/A
First 80,000 gallons		N/A	N/A	2,2500
Over 80,000 gallons		N/A	N/A	3,6779
Mohave Water Residential 1.5"	G1M1C			
First 50,000 gallons		1,3430	1,3430	N/A
Over 50,000 gallons		1,6070	1,6070	N/A
First 80,000 gallons		N/A	N/A	2,2500
Over 80,000 gallons		N/A	N/A	3,6779
Mohave Water Residential 1.5"	G1M3C			
First 50,000 gallons		1,3430	1,3430	N/A
Over 50,000 gallons		1,6070	1,6070	N/A
First 80,000 gallons		N/A	N/A	2,2500
Over 80,000 gallons		N/A	N/A	3,6779
Havasu Water Residential 1.5"	H1M1A			
First 80,000 gallons		N/A	N/A	2,2500
Over 80,000 gallons		N/A	N/A	3,6779
Paradise Valley Water Residential 1.5"	P1M1B			
First 5,000 gallons		1,0500	1,0500	N/A
5,001 to 15,000 gallons		1,2500	1,2500	N/A
15,001 to 40,000 gallons		2,2000	2,2000	N/A
40,001 to 80,000 gallons		2,7500	2,7500	N/A
Over 80,000 gallons		3,2259	3,2259	N/A
First 80,000 gallons		N/A	N/A	2,2500

Over 80,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Residential 1.5"	P1M1A			
First 5,000 gallons		1.0500	1.0500	N/A
5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A
Over 80,000 gallons		3.2259	3.2259	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.6779
<u>Commercial Customers</u>				
Agua Fria Water Commercial 1.5"	C2M1C			
First 100,000 gallons		2.7280	2.7280	N/A
Over 100,000 gallons		3.2750	3.2750	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.6779
Anthem Water Commercial 1.5"	E2M1C			
First 109,000 gallons		2.4100	N/A	N/A
Over 109,000 gallons		3.0800	N/A	N/A
First 41,000 gallons		N/A	5.0000	N/A
Over 41,000 gallons		N/A	7.8670	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.6779
Anthem Water Commercial 1.5"	E1M2C			
First 109,000 gallons		2.4100	N/A	N/A
Over 109,000 gallons		3.0800	N/A	N/A
First 41,000 gallons		N/A	5.0000	N/A
Over 41,000 gallons		N/A	7.8670	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.6779
Tubac Water Commercial 1.5"	F2M1C			
First 85,000 gallons		4.0000	4.0000	N/A
Over 85,000 gallons		6.0000	6.0000	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.6779
Mohave Water Commercial 1.5" (OPA) All Usage	G4M1	1.3430	1.3430	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.6779
Mohave Water Commercial 1.5"	G2M1C			
First 50,000 gallons		1.3430	1.3430	N/A
Over 50,000 gallons		1.6070	1.6070	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.6779
Havasas Water Commercial 1.5"	H2M1C			
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Commercial 1.5"	P2M1A			
First 400,000 gallons		1.9500	1.9500	2.2500
Over 400,000 gallons		2.3000	2.3000	3.6779
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	3.6779

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>2" Inch Metered Residential Customers</u>				
Agua Fria Water Residential 2"	C1M1D	\$ 110.83	\$ 110.83	\$ 128.00
Anthem Water Residential 2"	E1M1D	138.30	200.00	128.00
Tubac Water Residential 2"	F1M1D	230.53	230.53	128.00
Mohave Water Residential 2" - Bullhead	G1M1D	72.00	72.00	128.00
Mohave Water Residential 2" - Rio	G1M3D	41.52	41.52	128.00
Havasu Water Residential 2"	H1M1D	188.00	188.00	128.00
Paradise Valley Water Residential 2"	P1M1B	140.84	140.84	128.00
Paradise Valley Water Residential 2"	P1M1A	140.84	140.84	128.00
<u>2" Inch Metered Commercial Customers</u>				
Agua Fria Water Commercial 2"	C2M1D	110.83	110.83	128.00
Anthem Water Commercial 2"	E2M1D	138.30	200.00	128.00
Anthem Water Commercial 2"	E1M2D	138.30	200.00	128.00
Tubac Water Commercial 2"	F2M1D	230.53	230.53	128.00
Mohave Water Commercial 2" (OPA)	G4M1	72.00	72.00	128.00
Mohave Water Commercial 2"	G2M1D	72.00	72.00	128.00
Mohave Water Commercial 2"	H2M1D	188.00	188.00	128.00
Mohave Water Commercial 2"	H2M1D	188.00	188.00	128.00
Paradise Valley Water Commercial 2"	P2M1A	140.84	140.84	128.00
Paradise Valley Water Commercial 2" (OPA)	P5M1A	172.59	172.59	128.00
<u>Commodity Charge</u>				
<u>Residential Customers</u>				
Agua Fria Water Residential 2"	C1M1D			
First 150,000 gallons		\$ 2.7280	\$ 2.7280	N/A
Over 150,000 gallons		3.2750	3.2750	N/A
First 100,000 gallons		N/A	N/A	\$ 2.2500
Over 100,000 gallons		N/A	N/A	3.6779
Anthem Water Residential 2"	E1M1D			
First 185,000 gallons		2.4100	N/A	N/A
Over 185,000 gallons		3.0800	N/A	N/A
First 67,000 gallons		N/A	5.0000	N/A
Over 67,000 gallons		N/A	7.8670	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.6779
Tubac Water Residential 2"	F1M1D			
First 150,000 gallons		4.0000	4.0000	N/A
Over 150,000 gallons		6.0000	6.0000	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.6779
Mohave Water Residential 2"	G1M1D			
First 80,000 gallons		1.3430	1.3430	N/A
Over 80,000 gallons		1.6070	1.6070	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.6779
Mohave Water Residential 2"	G1M3D			
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.6779
Havasu Water Residential 2"	H1M1D			
First 60,000 gallons		3.0200	3.0200	N/A
Over 60,000 gallons		3.5500	3.5500	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Residential 2"	P1M1B			
First 5,000 gallons		1.0500	1.0500	N/A
5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A

Over 80,000 gallons		3.2259	3.2259	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Residential 2"	P1M1A			
First 5,000 gallons		1.0500	1.0500	N/A
5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A
Over 80,000 gallons		3.2259	3.2259	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.6779
<u>Commercial Customers</u>				
Agua Fria Water Commercial 2"	C2M1D			
First 150,000 gallons		2.7280	2.7280	N/A
Over 150,000 gallons		3.2750	3.2750	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.6779
Anthem Water Commercial 2"	E2M1D			
First 185,000 gallons		2.4100	N/A	N/A
Over 185,000 gallons		3.0800	N/A	N/A
First 67,000 gallons		N/A	5.0000	N/A
Over 67,000 gallons		N/A	7.8670	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.6779
Anthem Water Commercial 2"	E1M2D			
First 185,000 gallons		2.4100	N/A	N/A
Over 185,000 gallons		3.0800	N/A	N/A
First 67,000 gallons		N/A	5.0000	N/A
Over 67,000 gallons		N/A	7.8670	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.6779
Tubac Water Commercial 2"	F2M1D			
First 150,000 gallons		4.0000	4.0000	N/A
Over 150,000 gallons		6.0000	6.0000	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.6779
Mohave Water Commercial 2" (OPA) All Usage	G4M1	1.3430	1.3430	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.6779
Mohave Water Commercial 2"	G2M1D			
First 80,000 gallons		1.3430	1.3430	N/A
Over 80,000 gallons		1.6070	1.6070	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.6779
Mohave Water Commercial 2"	H2M1D			
First 60,000 gallons		3.0200	3.0200	N/A
Over 60,000 gallons		3.5500	3.5500	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.6779
Havasu Water Commercial 2"	H2M1D			
First 60,000 gallons		3.0200	3.0200	N/A
Over 60,000 gallons		3.5500	3.5500	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Commercial 2"	P2M1A			

First 400,000 gallons	1.9500	1.9500	N/A
Over 400,000 gallons	2.3000	2.3000	N/A
First 100,000 gallons	N/A	N/A	2.2500
Over 100,000 gallons	N/A	N/A	3.6779
Paradise Valley Water Commercial 2" (OPA) All Usage	P5M1A 1.9500	N/A	N/A
First 100,000 gallons	N/A	N/A	2.2500
Over 100,000 gallons	N/A	N/A	3.6779

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
3" Inch Metered Residential Customers				
Agua Fria Water Residential 3"	C1M1E	\$ 221.66	\$ 221.66	\$ 240.00
Anthem Water Residential 3"	E1M1E	276.78	400.00	240.00
Anthem Water Residential 3"	E1M2E	276.78	400.00	240.00
Tubac Water Residential 3"	F1M1E	461.00	461.00	240.00
Mohave Water Residential 3"	G1M1E	144.00	144.00	240.00
Mohave Water Residential 3"	G1M3E	144.00	144.00	240.00
Havasu Water Residential 3"	H1M1E	376.10	376.10	240.00
Paradise Valley Water Residential 3"	P1M1B	276.65	276.65	240.00
Paradise Valley Water Residential 3"	P1M1A	276.65	276.65	240.00
3" Inch Metered Commercial Customers				
Agua Fria Water Water Commercial 3"	C2M1E	221.66	221.66	240.00
Anthem Water Water Commercial 3"	E2M1E	276.78	400.00	240.00
Anthem Water Water Commercial 3"	E1M2E	276.78	400.00	240.00
Tubac Water Water Commercial 3"	F2M1E	461.00	461.00	240.00
Mohave Water Water Commercial 3" (OPA)	G4M1	144.00	144.00	240.00
Mohave Water Water Commercial 3"	G2M1E	144.00	144.00	240.00
Havasu Water Water Commercial 3"	H2M1E	376.10	376.10	240.00
Paradise Valley Water Water Commercial 3"	P2M1A	276.65	276.65	240.00
Paradise Valley Water Water Commercial 3"	P2M1T	276.65	276.65	240.00
Paradise Valley Water Water Commercial 3"	P4M1T	276.65	276.65	240.00
Commodity Charge				
Residential Customers				
Agua Fria Water Residential 3"	C1M1E			
First 300,000 gallons		\$ 2.7280	\$ 2.7280	N/A
Over 300,000 gallons		3.2750	3.2750	N/A
First 200,000 gallons		N/A	N/A	\$ 2.2500
Over 200,000 gallons		N/A	N/A	3.6779
Anthem Water Residential 3"	E1M1E			
First 390,000 gallons		2.4100	N/A	N/A
Over 390,000 gallons		3.0800	N/A	N/A
First 134,000 gallons		N/A	5.0000	N/A
Over 134,000 gallons		N/A	7.8670	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.6779
Tubac Water Residential 3"	F1M1E			
First 175,000 gallons		4.0000	4.0000	N/A
Over 175,000 gallons		6.0000	6.0000	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.6779
Mohave Water Residential 3"	G1M1E			
First 150,000 gallons		1.3430	1.3430	N/A
Over 150,000 gallons		1.6070	1.6070	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.6779
Mohave Water Residential 3"	G1M3E			
First 150,000 gallons		1.3430	1.3430	N/A
Over 150,000 gallons		1.6070	1.6070	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.6779
Havasu Water Residential 3"	H1M1E			
First 90,000 gallons		3.0200	3.0200	N/A
Over 90,000 gallons		3.5500	3.5500	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Residential 3"	P1M1B			
First 400,000 gallons		1.9500	1.9500	N/A

Over 400,000 gallons		2.3000	2.3000	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Residential 3"	P1M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.6779
Commercial Customers				
Agua Fria Water Water Commercial 3"	C2M1E			
First 300,000 gallons		2.7280	2.7280	N/A
Over 300,000 gallons		3.2750	3.2750	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.6779
Anthem Water Water Commercial 3"	E2M1E			
First 390,000 gallons		2.4100	N/A	N/A
Over 390,000 gallons		3.0800	N/A	N/A
First 134,000 gallons		N/A	5.0000	N/A
Over 134,000 gallons		N/A	7.8670	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.6779
Anthem Water Water Commercial 3"	E1M2E			
First 390,000 gallons		2.4100	N/A	N/A
Over 390,000 gallons		3.0800	N/A	N/A
First 134,000 gallons		N/A	5.0000	N/A
Over 134,000 gallons		N/A	7.8670	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.6779
Tubac Water Water Commercial 3"	F2M1E			
First 175,000 gallons		4.0000	4.0000	N/A
Over 175,000 gallons		6.0000	6.0000	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.6779
Mohave Water Water Commercial 3" (OPA) All Usage	G4M1			
All Usage		1.3430	1.3430	3.6779
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.6779
Mohave Water Water Commercial 3"	G2M1E			
First 150,000 gallons		1.3430	1.3430	N/A
Over 150,000 gallons		1.6070	1.6070	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.6779
Havasu Water Water Commercial 3"	H2M1E			
First 90,000 gallons		3.0200	3.0200	N/A
Over 90,000 gallons		3.5500	3.5500	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Water Commercial 3"	P2M1A			
First 400,000 gallons		1.9500	N/A	N/A
Over 400,000 gallons		2.3000	N/A	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Water Commercial 3" All Usage	P2M1T			
All Usage		1.6800	1.6800	N/A
First 200,000 gallons		N/A	N/A	2.2500

Over 200,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Water Commercial 3" All Usage	P4M1T	1.6800	1.6800	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	3.6779

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
4" Inch Metered Customers				
Agua Fria Water Residential 4"	C1M1F	\$ 346.29	\$ 346.29	\$ 400.00
Anthem Water Residential 4"	E1M1F	432.63	625.00	400.00
Tubac Water Residential 4"	F1M1F	722.00	722.00	400.00
Mohave Water Residential 4" - Bullhead	G1M1F	225.00	261.67	400.00
Mohave Water Residential 4" - Rio	G1M3F	71.45	523.32	400.00
Havasu Water Residential 4"	H1M1F	587.50	837.32	400.00
Paradise Valley Water Residential 4"	P1M1B	462.76	10.21	400.00
Paradise Valley Water Residential 4"	P1M1A	462.76	28.17	400.00
4" Inch Metered Commercial Customers				
Agua Fria Water Commercial 4"	C2M1F	346.29	346.29	400.00
Anthem Water Commercial 4"	E2M1F	432.63	625.00	400.00
Anthem Water Commercial 4"	E1M2F	432.63	625.00	400.00
Tubac Water Commercial 4"	F2M1F	722.00	722.00	400.00
Mohave Water Commercial 4" (OPA)	G4M1	225.00	225.00	400.00
Mohave Water Commercial 4"	G2M1F	225.00	225.00	400.00
Havasu Water Commercial 4"	H2M1F	587.50	587.50	400.00
Paradise Valley Water Commercial 4"	P2M1A	462.76	462.76	400.00
Paradise Valley Water Commercial 4"	P2M1T	462.76	462.76	400.00
Commodity Charge				
Residential Customers				
Agua Fria Water Residential 4"	C1M1F			
First 400,000 gallons		\$ 2,7280	\$ 2,7280	N/A
Over 400,000 gallons		3,2750	3,2750	N/A
First 300,000 gallons		N/A	N/A	\$ 2,2500
Over 300,000 gallons		N/A	N/A	3,6779
Anthem Water Residential 4"	E1M1F			
First 621,000 gallons		2,4100	N/A	N/A
Over 621,000 gallons		3,0800	N/A	N/A
First 211,000 gallons		N/A	5,0000	N/A
Over 211,000 gallons		N/A	7,8670	N/A
First 300,000 gallons		N/A	N/A	2,2500
Over 300,000 gallons		N/A	N/A	3,6779
Tubac Water Residential 4"	F1M1F			
First 250,000 gallons		4,0000	4,0000	N/A
Over 250,000 gallons		6,0000	6,0000	N/A
First 300,000 gallons		N/A	N/A	2,2500
Over 300,000 gallons		N/A	N/A	3,6779
Mohave Water Residential 4" - Bullhead	G1M1F			
First 250,000 gallons		1,3430	1,3430	N/A
Over 250,000 gallons		1,6070	1,6070	N/A
First 300,000 gallons		N/A	N/A	2,2500
Over 300,000 gallons		N/A	N/A	3,6779
Mohave Water Residential 4" - RIO	G1M3F			
First 110,000 gallons		1,3430	1,3430	N/A
Over 110,000 gallons		1,6070	1,6070	N/A
First 300,000 gallons		N/A	N/A	2,2500
Over 300,000 gallons		N/A	N/A	3,6779
Havasu Water Residential 4"	H1M1F			
First 110,000 gallons		3,0200	3,0200	N/A
Over 100,000 gallons		3,5500	3,5500	N/A
First 300,000 gallons		N/A	N/A	2,2500
Over 300,000 gallons		N/A	N/A	3,6779
Paradise Valley Water Residential 4"	P1M1B			
First 400,000 gallons		1,9500	1,9500	N/A
Over 400,000 gallons		2,3000	2,3000	N/A

First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Residential 4"	P1M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.6779
<u>Commercial Customers</u>				
Agua Fria Water Commercial 4"	C2M1F			
First 400,000 gallons		2.7280	2.7280	N/A
Over 400,000 gallons		3.2750	3.2750	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.6779
Anthem Water Commercial 4"	E2M1F			
First 250,000 gallons		2.4100	N/A	N/A
Over 250,000 gallons		3.0800	N/A	N/A
First 211,000 gallons		N/A	5.0000	N/A
Over 211,000 gallons		N/A	7.8670	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.6779
Tubac Water Commercial 4"	F2M1F			
First 621,000 gallons		4.0000	4.0000	N/A
Over 621,000 gallons		6.0000	6.0000	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.6779
Mohave Water Commercial 4" (OPA)	G4M1			
All Usage		1.3430	1.3430	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.6779
Mohave Water Commercial 4"	G2M1F			
First 250,000 gallons		1.3430	1.3430	N/A
Over 250,000 gallons		1.6070	1.6070	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.6779
Havasu Water Commercial 4"	H2M1F			
First 110,000 gallons		3.0200	3.0200	N/A
Over 110,000 gallons		3.5500	3.5500	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Commercial 4"	P2M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Commercial 4"	P2M1T			
All Usage		1.6800	1.6800	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	3.6779

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
6" Inch Metered Residential Customers				
Agua Fria Water Residential 6"	C1M1G	\$ 692.52	\$ 692.52	\$ 800.00
Anthem Water Residential 6"	E1M1G	865.27	1,250.00	800.00
Tubac Water Residential 6"	F1M1G	1,440.00	1,440.00	800.00
Mohave Water Residential 6" - Bull Head	G1M1G	450.00	450.00	800.00
Havasu Water Residential 6"	H1M1G	1,174.95	1,174.95	800.00
Paradise Valley Water Residential 6"	P1M1B	930.00	930.00	800.00
Paradise Valley Water Residential 6"	P1M1A	930.00	930.00	800.00
6" Inch Metered Commercial Customers				
Agua Fria Water Commercial 6"	C2M1G	692.52	692.52	800.00
Anthem Water Commercial 6"	E2M1G	865.27	1,250.00	800.00
Tubac Water Commercial 6"	F2M1G	1,440.00	1,440.00	800.00
Mohave Water Commercial 6" (OPA)	G4M1	450.00	450.00	800.00
Mohave Water Commercial 6"	G2M1G	450.00	450.00	800.00
Havasu Water Commercial 6"	H2M1G	1,174.95	1,174.95	800.00
Paradise Valley Water Commercial 6"	P2M1A	930.00	930.00	800.00
Commodity Charge				
Residential Customers				
Agua Fria Water Residential 6"	C1M1G			
First 800,000 gallons		\$ 2.7280	\$ 2.7280	N/A
Over 800,000 gallons		3.2750	3.2750	N/A
First 500,000 gallons		N/A	N/A	\$ 2.2500
Over 500,000 gallons		N/A	N/A	3.6779
Anthem Water Residential 6"	E1M1G			
First 1,265,000 gallons		2.4100	N/A	N/A
Over 1,265,000 gallons		3.0800	N/A	N/A
First 446,000 gallons		N/A	1.4000	N/A
Over 446,000 gallons		N/A	2.3157	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	3.6779
Tubac Water Residential 6"	F1M1G			
First 350,000 gallons		4.0000	4.0000	N/A
Over 350,000 gallons		6.0000	6.0000	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	3.6779
Mohave Water Residential 6"	G1M1G			
First 500,000 gallons		1.3430	1.3430	N/A
Over 500,000 gallons		1.6070	1.6070	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	3.6779
Havasu Water Residential 6"	H1M1G			
First 500,000 gallons		3.0200	3.0200	N/A
Over 500,000 gallons		3.5500	3.5500	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Residential 6"	P1M1B			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Residential 6"	P1M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	3.6779

Commercial Customers

Agua Fria Water Commercial 6"	C2M1G			
First 800,000 gallons		2.7280	2.7280	N/A
Over 800,000 gallons		3.2750	3.2750	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	3.6779
Anthem Water Commercial 6"	E2M1G			
First 1,265,000 gallons		2.4100	N/A	N/A
Over 1,265,000 gallons		3.0800	N/A	N/A
First 446,000 gallons		N/A	1.4000	N/A
Over 446,000 gallons		N/A	2.3157	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	3.6779
Tubac Water Commercial 6"	F2M1G			
First 350,000 gallons		4.0000	4.0000	N/A
Over 350,000 gallons		6.0000	6.0000	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	3.6779
Mohave Water Commercial 6" (OPA) All Usage	G4M1			
First 500,000 gallons		1.3430	1.3430	N/A
Over 500,000 gallons		N/A	N/A	2.2500
		N/A	N/A	3.6779
Mohave Water Commercial 6"	G2M1G			
First 500,000 gallons		1.3430	1.3430	N/A
Over 500,000 gallons		1.6070	1.6070	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	3.6779
Havasu Water Commercial 6"	H2M1G			
First 500,000 gallons		3.0200	3.0200	N/A
Over 500,000 gallons		3.5500	3.5500	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	3.6779
Paradise Valley Water Commercial 6"	P2M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	3.6779

Commodity Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>Non Potable</u>				
Agua Fria Non Potable	C7M2	\$ 2.7280	\$ 2.7280	\$ 3.0450
Agua Fria Non Potable	C8M2	2.7280	2.7280	3.0450
Anthem Non Potable	D7M1	1.4300	2.5648	3.0450
Anthem Non Potable	D7M2	1.4300	2.5648	3.0450

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
Private Fire 2"				
Agua Fria Private Fire 2"	B6M02	N/A	N/A	\$ 10.00
Anthem Private Fire 2"	E6M02	N/A	N/A	10.00
Mohave Private Fire 2"	G6M02	\$ 3.36	\$ 3.36	10.00
Paradise Valley Private Fire 2"	P6M1A	10.00	10.00	10.00
Private Fire 3"				
Agua Fria Private Fire 3"	B6M03	N/A	N/A	10.00
Anthem Private Fire 3"	E6M03	49.67	49.67	10.00
Mohave Private Fire 3"	G6M03	N/A	N/A	10.00
Paradise Valley Private Fire 3"	P6M1A	10.00	10.00	10.00
Private Fire 4"				
Anthem/Sun City West Private Fire 4"	B6M04	56.26	56.26	10.00
Agua Fria Private Fire 4"	C6M04	32.40	32.40	10.00
Anthem Private Fire 4"	E6M04	84.40	12.50	10.00
Mohave Private Fire 4"	G6M04	6.71	6.71	10.00
Paradise Valley Private Fire 4"	P6M1A	10.00	10.00	10.00
Private Fire 6"				
Agua Fria Private Fire 6"	E6M06	147.00	147.00	16.00
Agua Fria Private Fire 6"	C6M06	47.00	47.00	16.00
Anthem Private Fire 6"	E6M06	126.60	25.00	16.00
Mohave Private Fire 6"	G6M06	10.08	10.08	16.00
Paradise Valley Private Fire 6"	P6M1A	10.00	10.00	16.00
Private Fire 8"				
Agua Fria Private Fire 8"	C6M08	64.00	64.00	22.40
Anthem Private Fire 8"	E6M08	127.72	40.00	22.40
Mohave Private Fire 8"	G6M08	13.44	13.44	22.40
Paradise Valley Private Fire 8"	P6M1A	10.00	10.00	22.40
Private Fire 10"				
Agua Fria Private Fire 10"	C6M10	126.39	126.39	32.20
Anthem Private Fire 10"	E6M10	255.45	57.50	32.20
Mohave Private Fire 10"	G6M10	16.79	16.79	32.20
Paradise Valley Private Fire 10"	P6M1A	10.00	10.00	32.20
Private Fire 12"				
Agua Fria Private Fire 12"	C6M12	190.00	190.00	60.20
Anthem Private Fire 12"	E6M12	N/A	N/A	60.20
Mohave Private Fire 12"	G6M12	N/A	N/A	60.20
Paradise Valley Private Fire 12"	P6M1A	10.00	10.00	60.20
Hydrant				
Agua Fria Hydrant		N/A	N/A	10.00
Anthem Hydrant		N/A	N/A	10.00
Mohave Hydrant	G8M1	8.22	8.22	10.00
Paradise Valley Hydrant		N/A	N/A	10.00
Commodity Charge				
Private Fire				
Agua Fria				
All gallonage		1.3800	1.3800	-

Typical Bill Analysis - Paradise Valley Consolidated
General Service 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	24,954	\$ 65.81	\$ -	\$ (65.81)	-100.00%
Median Usage	10,000	37.66	-	\$ (37.66)	-100.00%
Staff Recommended					
Average Usage	24,954	\$ 65.81	\$ 89.75	\$ 23.94	36.38%
Median Usage	10,000	37.66	34.75	\$ (2.91)	-7.73%

Present & Proposed Rates (Without Taxes)
General Service 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 26.16	\$ -	-100.00%	\$ 16.00	-38.84%
1,000	27.21	-	-100.00%	17.00	-37.52%
2,000	28.26	-	-100.00%	18.00	-36.31%
3,000	29.31	-	-100.00%	19.00	-35.18%
4,000	30.36	-	-100.00%	21.25	-30.01%
5,000	31.41	-	-100.00%	23.50	-25.18%
6,000	32.66	-	-100.00%	25.75	-21.16%
7,000	33.91	-	-100.00%	28.00	-17.43%
8,000	35.16	-	-100.00%	30.25	-13.96%
9,000	36.41	-	-100.00%	32.50	-10.74%
10,000	37.66	-	-100.00%	34.75	-7.73%
11,000	38.91	-	-100.00%	38.43	-1.24%
12,000	40.16	-	-100.00%	42.11	4.85%
13,000	41.41	-	-100.00%	45.78	10.56%
14,000	42.66	-	-100.00%	49.46	15.94%
15,000	43.91	-	-100.00%	53.14	21.02%
16,000	46.11	-	-100.00%	56.82	23.22%
17,000	48.31	-	-100.00%	60.50	25.22%
18,000	50.51	-	-100.00%	64.17	27.05%
19,000	52.71	-	-100.00%	67.85	28.73%
20,000	54.91	-	-100.00%	71.53	30.27%
25,000	65.91	-	-100.00%	89.92	36.43%
30,000	76.91	-	-100.00%	108.31	40.82%
35,000	87.91	-	-100.00%	126.70	44.12%
40,000	98.91	-	-100.00%	145.09	46.69%
45,000	109.91	-	-100.00%	163.48	48.74%
50,000	120.91	-	-100.00%	181.87	50.41%
75,000	175.91	-	-100.00%	273.81	55.66%
100,000	230.91	-	-100.00%	365.76	58.40%

Typical Bill Analysis - Paradise Valley Consolidated (P1M1A)
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	20,406	\$ 54.79	\$ -	\$ (54.79)	-100.00%
Median Usage	11,000	37.90	-	\$ (37.90)	-100.00%
Staff Recommended					
Average Usage	20,406	\$ 54.79	\$ 73.02	\$ 18.23	33.27%
Median Usage	11,000	37.90	38.43	\$ 0.53	1.39%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 25.15	\$ -	-100.00%	\$ 16.00	-36.38%
1,000	26.20	-	-100.00%	17.00	-35.11%
2,000	27.25	-	-100.00%	18.00	-33.94%
3,000	28.30	-	-100.00%	19.00	-32.86%
4,000	29.35	-	-100.00%	21.25	-27.60%
5,000	30.40	-	-100.00%	23.50	-22.70%
6,000	31.65	-	-100.00%	25.75	-18.64%
7,000	32.90	-	-100.00%	28.00	-14.89%
8,000	34.15	-	-100.00%	30.25	-11.42%
9,000	35.40	-	-100.00%	32.50	-8.19%
10,000	36.65	-	-100.00%	34.75	-5.18%
11,000	37.90	-	-100.00%	38.43	1.39%
12,000	39.15	-	-100.00%	42.11	7.55%
13,000	40.40	-	-100.00%	45.78	13.33%
14,000	41.65	-	-100.00%	49.46	18.78%
15,000	42.90	-	-100.00%	53.14	23.87%
16,000	45.10	-	-100.00%	56.82	25.98%
17,000	47.30	-	-100.00%	60.50	27.90%
18,000	49.50	-	-100.00%	64.17	29.64%
19,000	51.70	-	-100.00%	67.85	31.24%
20,000	53.90	-	-100.00%	71.53	32.71%
25,000	64.90	-	-100.00%	89.92	38.55%
30,000	75.90	-	-100.00%	108.31	42.70%
35,000	86.90	-	-100.00%	126.70	45.80%
40,000	97.90	-	-100.00%	145.09	48.20%
45,000	108.90	-	-100.00%	163.48	50.12%
50,000	119.90	-	-100.00%	181.87	51.68%
75,000	174.90	-	-100.00%	273.81	56.55%
100,000	229.90	-	-100.00%	365.76	59.10%

Typical Bill Analysis - Paradise Valley Consolidated MMWC (P1M1B)
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	8,545	\$ 34.83	\$ -	\$ (34.83)	-100.00%
Median Usage	8,000	34.15	-	\$ (34.15)	-100.00%
Staff Recommended					
Average Usage	8,545	\$ 34.83	\$ 31.48	\$ (3.36)	-9.63%
Median Usage	8,000	34.15	30.25	\$ (3.90)	-11.42%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 25.15	\$ -	-100.00%	\$ 16.00	-36.38%
1,000	26.20	-	-100.00%	17.00	-35.11%
2,000	27.25	-	-100.00%	18.00	-33.94%
3,000	28.30	-	-100.00%	19.00	-32.86%
4,000	29.35	-	-100.00%	21.25	-27.60%
5,000	30.40	-	-100.00%	23.50	-22.70%
6,000	31.65	-	-100.00%	25.75	-18.64%
7,000	32.90	-	-100.00%	28.00	-14.89%
8,000	34.15	-	-100.00%	30.25	-11.42%
9,000	35.40	-	-100.00%	32.50	-8.19%
10,000	36.65	-	-100.00%	34.75	-5.18%
11,000	37.90	-	-100.00%	38.43	1.39%
12,000	39.15	-	-100.00%	42.11	7.55%
13,000	40.40	-	-100.00%	45.78	13.33%
14,000	41.65	-	-100.00%	49.46	18.76%
15,000	42.90	-	-100.00%	53.14	23.87%
16,000	45.10	-	-100.00%	56.82	25.98%
17,000	47.30	-	-100.00%	60.50	27.90%
18,000	49.50	-	-100.00%	64.17	29.64%
19,000	51.70	-	-100.00%	67.85	31.24%
20,000	53.90	-	-100.00%	71.53	32.71%
25,000	64.90	-	-100.00%	89.92	38.55%
30,000	75.90	-	-100.00%	108.31	42.70%
35,000	86.90	-	-100.00%	126.70	45.80%
40,000	97.90	-	-100.00%	145.09	48.20%
45,000	108.90	-	-100.00%	163.48	50.12%
50,000	119.90	-	-100.00%	181.87	51.68%
75,000	174.90	-	-100.00%	273.81	56.55%
100,000	229.90	-	-100.00%	365.76	59.10%

Typical Bill Analysis - Havasu Consolidated
General Service 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	9,796	\$ 50.36	\$ -	\$ (50.36)	-100.00%
Median Usage	5,000	35.88	-	\$ (35.88)	-100.00%
Staff Recommended					
Average Usage	9,796	\$ 50.36	\$ 34.29	\$ (16.07)	-31.91%
Median Usage	5,000	35.88	23.50	\$ (12.38)	-34.50%

Present & Proposed Rates (Without Taxes)
General Service 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 23.50	\$ -	-100.00%	\$ 16.00	-31.91%
1,000	25.84	-	-100.00%	17.00	-34.21%
2,000	28.18	-	-100.00%	18.00	-36.12%
3,000	30.52	-	-100.00%	19.00	-37.75%
4,000	32.86	-	-100.00%	21.25	-35.33%
5,000	35.88	-	-100.00%	23.50	-34.50%
6,000	38.90	-	-100.00%	25.75	-33.80%
7,000	41.92	-	-100.00%	28.00	-33.21%
8,000	44.94	-	-100.00%	30.25	-32.69%
9,000	47.96	-	-100.00%	32.50	-32.24%
10,000	50.98	-	-100.00%	34.75	-31.84%
11,000	54.00	-	-100.00%	38.43	-28.84%
12,000	57.02	-	-100.00%	42.11	-26.16%
13,000	60.04	-	-100.00%	45.78	-23.74%
14,000	63.59	-	-100.00%	49.46	-22.22%
15,000	67.14	-	-100.00%	53.14	-20.85%
16,000	70.69	-	-100.00%	56.82	-19.62%
17,000	74.24	-	-100.00%	60.50	-18.51%
18,000	77.79	-	-100.00%	64.17	-17.50%
19,000	81.34	-	-100.00%	67.85	-16.58%
20,000	84.89	-	-100.00%	71.53	-15.74%
25,000	102.64	-	-100.00%	89.92	-12.39%
30,000	120.39	-	-100.00%	108.31	-10.04%
35,000	138.14	-	-100.00%	126.70	-8.28%
40,000	155.89	-	-100.00%	145.09	-6.93%
45,000	173.64	-	-100.00%	163.48	-5.85%
50,000	191.39	-	-100.00%	181.87	-4.98%
75,000	280.14	-	-100.00%	273.81	-2.26%
100,000	368.89	-	-100.00%	365.76	-0.85%

Typical Bill Analysis - Mohave Consolidated Bullhead (G1MIA)
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	8,070	\$ 18.01	\$ -	\$ (18.01)	-100.00%
Median Usage	5,000	13.88	-	\$ (13.88)	-100.00%
Staff Recommended					
Average Usage	8,070	\$ 18.01	\$ 30.41	\$ 12.40	68.87%
Median Usage	5,000	13.88	23.50	\$ 9.62	69.27%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 9.00	\$ -	-100.00%	\$ 16.00	77.78%
1,000	9.89	-	-100.00%	17.00	71.98%
2,000	10.77	-	-100.00%	18.00	67.13%
3,000	11.66	-	-100.00%	19.00	63.02%
4,000	12.54	-	-100.00%	21.25	69.48%
5,000	13.88	-	-100.00%	23.50	69.27%
6,000	15.23	-	-100.00%	25.75	69.12%
7,000	16.57	-	-100.00%	28.00	68.99%
8,000	17.91	-	-100.00%	30.25	68.88%
9,000	19.26	-	-100.00%	32.50	68.79%
10,000	20.60	-	-100.00%	34.75	68.71%
11,000	22.21	-	-100.00%	38.43	73.06%
12,000	23.81	-	-100.00%	42.11	76.83%
13,000	25.42	-	-100.00%	45.78	80.12%
14,000	27.03	-	-100.00%	49.46	83.01%
15,000	28.63	-	-100.00%	53.14	85.59%
16,000	30.24	-	-100.00%	56.82	87.89%
17,000	31.85	-	-100.00%	60.50	89.96%
18,000	33.45	-	-100.00%	64.17	91.83%
19,000	35.06	-	-100.00%	67.85	93.52%
20,000	38.67	-	-100.00%	71.53	95.07%
25,000	44.70	-	-100.00%	89.92	101.15%
30,000	52.74	-	-100.00%	108.31	105.37%
35,000	60.77	-	-100.00%	126.70	108.48%
40,000	68.81	-	-100.00%	145.09	110.86%
45,000	76.84	-	-100.00%	163.48	112.74%
50,000	84.88	-	-100.00%	181.87	114.27%
75,000	125.05	-	-100.00%	273.81	118.96%
100,000	165.23	-	-100.00%	365.76	121.37%

Typical Bill Analysis - Mohave Consolidated RIO (G1M3A)
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	10,239	\$ 20.98	\$ -	\$ (20.98)	-100.00%
Median Usage	7,000	16.57	-	\$ (16.57)	-100.00%
Staff Recommended					
Average Usage	10,239	\$ 20.98	\$ 35.63	\$ 14.65	69.81%
Median Usage	7,000	16.57	28.00	\$ 11.43	68.99%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 9.00	\$ -	-100.00%	\$ 16.00	77.78%
1,000	9.89	-	-100.00%	17.00	71.98%
2,000	10.77	-	-100.00%	18.00	67.13%
3,000	11.66	-	-100.00%	19.00	63.02%
4,000	12.54	-	-100.00%	21.25	69.46%
5,000	13.88	-	-100.00%	23.50	69.27%
6,000	15.23	-	-100.00%	25.75	69.12%
7,000	16.57	-	-100.00%	28.00	68.99%
8,000	17.91	-	-100.00%	30.25	68.88%
9,000	19.26	-	-100.00%	32.50	68.79%
10,000	20.60	-	-100.00%	34.75	68.71%
11,000	22.21	-	-100.00%	38.43	73.06%
12,000	23.81	-	-100.00%	42.11	76.83%
13,000	25.42	-	-100.00%	45.78	80.12%
14,000	27.03	-	-100.00%	49.46	83.01%
15,000	28.63	-	-100.00%	53.14	85.59%
16,000	30.24	-	-100.00%	56.82	87.89%
17,000	31.85	-	-100.00%	60.50	89.96%
18,000	33.45	-	-100.00%	64.17	91.83%
19,000	35.06	-	-100.00%	67.85	93.52%
20,000	36.67	-	-100.00%	71.53	95.07%
25,000	44.70	-	-100.00%	89.92	101.15%
30,000	52.74	-	-100.00%	108.31	105.37%
35,000	60.77	-	-100.00%	126.70	108.48%
40,000	68.81	-	-100.00%	145.09	110.86%
45,000	76.84	-	-100.00%	163.48	112.74%
50,000	84.88	-	-100.00%	181.87	114.27%
75,000	125.05	-	-100.00%	273.81	118.96%
100,000	165.23	-	-100.00%	365.78	121.37%

Typical Bill Analysis - Tubac Consolidated
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	11,740	\$ 58.36	\$ -	\$ (58.36)	-100.00%
Median Usage	7,000	42.40	-	\$ (42.40)	-100.00%
Staff Recommended					
Average Usage	11,740	\$ 58.36	\$ 41.15	\$ (17.21)	-29.49%
Median Usage	7,000	42.40	28.00	\$ (14.40)	-33.96%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 24.70	\$ -	-100.00%	\$ 16.00	-35.22%
1,000	26.60	-	-100.00%	17.00	-36.09%
2,000	28.50	-	-100.00%	18.00	-36.84%
3,000	30.40	-	-100.00%	19.00	-37.50%
4,000	33.40	-	-100.00%	21.25	-36.38%
5,000	36.40	-	-100.00%	23.50	-35.44%
6,000	39.40	-	-100.00%	25.75	-34.64%
7,000	42.40	-	-100.00%	28.00	-33.96%
8,000	45.40	-	-100.00%	30.25	-33.37%
9,000	48.40	-	-100.00%	32.50	-32.85%
10,000	51.40	-	-100.00%	34.75	-32.39%
11,000	55.40	-	-100.00%	38.43	-30.64%
12,000	59.40	-	-100.00%	42.11	-29.11%
13,000	63.40	-	-100.00%	45.78	-27.79%
14,000	67.40	-	-100.00%	49.46	-26.61%
15,000	71.40	-	-100.00%	53.14	-25.57%
16,000	75.40	-	-100.00%	56.82	-24.65%
17,000	79.40	-	-100.00%	60.50	-23.81%
18,000	83.40	-	-100.00%	64.17	-23.05%
19,000	87.40	-	-100.00%	67.85	-22.37%
20,000	91.40	-	-100.00%	71.53	-21.74%
25,000	111.40	-	-100.00%	89.92	-19.28%
30,000	131.40	-	-100.00%	108.31	-17.57%
35,000	151.40	-	-100.00%	126.70	-16.32%
40,000	171.40	-	-100.00%	145.09	-15.35%
45,000	191.40	-	-100.00%	163.48	-14.59%
50,000	211.40	-	-100.00%	181.87	-13.97%
75,000	311.40	-	-100.00%	273.81	-12.07%
100,000	411.40	-	-100.00%	385.76	-11.09%

Typical Bill Analysis - Anthem Consolidated
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	9,616	\$ 37.22	\$ -	\$ (37.22)	-100.00%
Median Usage	8,000	33.33	-	\$ (33.33)	-100.00%
Staff Recommended					
Average Usage	9,616	\$ 37.22	\$ 33.89	\$ (3.34)	-8.97%
Median Usage	8,000	33.33	30.25	\$ (3.08)	-9.24%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 17.53	\$ -	-100.00%	\$ 16.00	-8.73%
1,000	19.07	-	-100.00%	17.00	-10.85%
2,000	20.61	-	-100.00%	18.00	-12.66%
3,000	22.15	-	-100.00%	19.00	-14.22%
4,000	23.69	-	-100.00%	21.25	-10.30%
5,000	26.10	-	-100.00%	23.50	-9.96%
6,000	28.51	-	-100.00%	25.75	-9.68%
7,000	30.92	-	-100.00%	28.00	-9.44%
8,000	33.33	-	-100.00%	30.25	-9.24%
9,000	35.74	-	-100.00%	32.50	-9.07%
10,000	38.15	-	-100.00%	34.75	-8.91%
11,000	41.23	-	-100.00%	38.43	-6.80%
12,000	44.31	-	-100.00%	42.11	-4.97%
13,000	47.39	-	-100.00%	45.78	-3.39%
14,000	50.47	-	-100.00%	49.46	-2.00%
15,000	53.55	-	-100.00%	53.14	-0.77%
16,000	56.63	-	-100.00%	56.82	0.33%
17,000	59.71	-	-100.00%	60.50	1.32%
18,000	62.79	-	-100.00%	64.17	2.20%
19,000	65.87	-	-100.00%	67.85	3.01%
20,000	68.95	-	-100.00%	71.53	3.74%
25,000	84.35	-	-100.00%	89.92	6.60%
30,000	99.75	-	-100.00%	108.31	8.58%
35,000	115.15	-	-100.00%	126.70	10.03%
40,000	130.55	-	-100.00%	145.09	11.14%
45,000	145.95	-	-100.00%	163.48	12.01%
50,000	161.35	-	-100.00%	181.87	12.72%
75,000	238.35	-	-100.00%	273.81	14.88%
100,000	315.35	-	-100.00%	365.76	15.99%

Typical Bill Analysis - Agua Fria Consolidated
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	7,679	\$ 31.18	\$ -	\$ (31.18)	-100.00%
Median Usage	6,000	26.60	-	\$ (26.60)	-100.00%
Staff Recommended					
Average Usage	7,679	\$ 31.18	\$ 29.53	\$ (1.65)	-5.31%
Median Usage	6,000	26.60	25.75	\$ (0.85)	-3.20%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 13.85	\$ -	-100.00%	\$ 16.00	15.52%
1,000	15.67	-	-100.00%	17.00	8.46%
2,000	17.50	-	-100.00%	18.00	2.87%
3,000	19.32	-	-100.00%	19.00	-1.67%
4,000	21.15	-	-100.00%	21.25	0.49%
5,000	23.87	-	-100.00%	23.50	-1.57%
6,000	26.60	-	-100.00%	25.75	-3.20%
7,000	29.33	-	-100.00%	28.00	-4.53%
8,000	32.06	-	-100.00%	30.25	-5.64%
9,000	34.79	-	-100.00%	32.50	-8.57%
10,000	37.51	-	-100.00%	34.75	-7.37%
11,000	40.24	-	-100.00%	38.43	-4.51%
12,000	42.97	-	-100.00%	42.11	-2.01%
13,000	45.70	-	-100.00%	45.78	0.19%
14,000	48.97	-	-100.00%	49.46	1.00%
15,000	52.25	-	-100.00%	53.14	1.71%
16,000	55.52	-	-100.00%	56.82	2.33%
17,000	58.80	-	-100.00%	60.50	2.89%
18,000	62.07	-	-100.00%	64.17	3.38%
19,000	65.35	-	-100.00%	67.85	3.83%
20,000	68.62	-	-100.00%	71.53	4.23%
25,000	85.00	-	-100.00%	89.92	5.79%
30,000	101.37	-	-100.00%	108.31	6.84%
35,000	117.75	-	-100.00%	126.70	7.60%
40,000	134.12	-	-100.00%	145.09	8.17%
45,000	150.50	-	-100.00%	163.48	8.62%
50,000	166.87	-	-100.00%	181.87	8.98%
75,000	248.75	-	-100.00%	273.81	10.08%
100,000	330.62	-	-100.00%	365.76	10.63%

**CONSOLIDATED WASTEWATER DISTRICTS
SCENARIO TWO
SUN CITY AND SUN CITY WEST
SCHEDULES JMM-5 AND JMM-6**

Monthly Usage Charge	Rate Schedule	Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>5/8" by 3/4" and 3/4" Inch Metered Residential Customers</u>				
Sun City Wastewater Residential 5/8 & 3/4"	A1S1A	\$ 13.69	\$ 18.05	\$ 22.46
Sun City Wastewater Residential 5/8 & 3/4"	A1S1N	13.69	18.05	22.46
Sun City Wastewater Residential 5/8 & 3/4"	A1S2A	13.69	18.05	22.46
Sun City Wastewater Residential 5/8 & 3/4"	A1S2N	13.69	18.05	22.46
Sun City West Wastewater Residential 5/8 & 3/4"	B1S1A	25.01	31.94	22.46
Sun City West Wastewater Residential 5/8 & 3/4"	B1S2A	25.01	31.94	22.46
Sun City West Wastewater Residential 5/8 & 3/4"	B1S1N	25.01	31.94	22.46
<u>5/8" by 3/4" and 3/4" Inch Metered Commercial Customers</u>				
Sun City Wastewater Commercial 5/8 & 3/4"	A2S2A	6.72	8.86	22.46
Sun City Wastewater Commercial 5/8 & 3/4"	A2S1A	6.72	8.86	22.46
Sun City West Wastewater Commercial 5/8 & 3/4"	B2S1A	14.26	18.21	22.46
<u>Volumetric Charge</u>				
<u>Commercial Customers</u>				
Sun City Wastewater Commercial and Industrial S Unit 5/8" x 3/4"	A2S1A			
First 5,000 gallons		0.9727	1.2875	N/A
Over 5,000 gallons		-	-	N/A
First 5,000 gallons		N/A	N/A	1.2610
Over 5,000 gallons		N/A	N/A	-
Sun City Wastewater Commercial and Industrial M Unit 5/8" x 3/4"	A2S2A			
First 5,000 gallons		0.9727	1.2875	N/A
Over 5,000 gallons		-	-	N/A
First 5,000 gallons		N/A	N/A	1.2610
Over 5,000 gallons		N/A	N/A	-
Sun City West Wastewater Commercial and Industrial Single Unit 5/8"	B2S1A			
First 5,000 gallons		2.1024	2.6846	N/A
Over 5,000 gallons		-	-	N/A
First 5,000 gallons		N/A	N/A	1.2610
Over 5,000 gallons		N/A	N/A	-

Monthly Usage Charge	Rate Schedule	Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>1" Inch Metered Residential Customers</u>				
Sun City Wastewater Residential 1"	A1S1A	\$ 34.23	\$ 45.14	\$ 56.15
Sun City West Wastewater Residential 1"	B1S1B	62.53	79.84	56.15
<u>1" Inch Metered Commercial and Industrial Customers</u>				
Sun City Wastewater Commercial 1"	A2S1B	16.81	22.17	56.15
Sun City Wastewater Commercial 1"	A2S2B	16.81	22.17	56.15
Sun City West Wastewater Commercial 1"	B2S2B	35.65	45.52	56.15
Sun City West Wastewater Commercial 1"	B2S1B	35.65	45.52	56.15
<u>Volumetric Charge</u>				
<u>Commercial Customers</u>				
Sun City Wastewater Commercial S Unit 1"	A2S1B			
First 12,500 gallons		\$ 0.9727	\$ 1.2875	N/A
Over 12,500 gallons		-	-	N/A
First 13,000 gallons		N/A	N/A	\$ 1.2610
Over 13,000 gallons		N/A	N/A	-
Sun City Wastewater Commercial M Unit 1"	A2S2B			
First 12,000 gallons		0.9727	1.2875	N/A
Over 12,000 gallons		-	-	N/A
First 13,000 gallons		N/A	N/A	1.2610
Over 13,000 gallons		N/A	N/A	-
Sun City West Wastewater Commercial Single Unit 1"	B2S1B			
First 12,500 gallons		2.1024	2.6846	N/A
Over 12,500 gallons		-	-	N/A
First 13,000 gallons		N/A	N/A	1.2610
Over 13,000 gallons		N/A	N/A	-
Sun City West Wastewater Commercial Multi Unit 1"	B2S2B			
First 12,500 gallons		2.1024	2.6846	N/A
Over 12,500 gallons		-	-	N/A
First 13,000 gallons		N/A	N/A	1.2610
Over 13,000 gallons		N/A	N/A	-

Monthly Usage Charge	Rate Schedule	Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>1 1/2" Inch Metered Residential Customers</u>				
Sun City Wastewater Residential 1 1/2"	A1S1C	\$ 68.45	\$ 90.27	\$ 112.30
<u>1 1/2" Inch Metered Commercial Customers</u>				
Sun City Wastewater Commercial 1 1/2"	A2S1C	33.61	44.33	112.30
Sun City Wastewater Commercial 1 1/2"	A2S2C	33.61	44.33	112.30
Sun City West Wastewater Commercial 1 1/2"	B2S2C	71.31	89.95	112.30
Sun City West Wastewater Commercial 1 1/2"	B2S1C	71.31	89.95	112.30
<u>Volumetric Charge</u>				
<u>Commercial Customers</u>				
Sun City Wastewater Commercial S Unit 1 1/2"	A2S1C			
First 25,500 gallons		\$ 0.9727	\$ 1.2875	\$ 1.2610
Over 25,000 gallons		-	-	-
Sun City Wastewater Commercial M Unit 1 1/2"	A2S2C			
First 25,500 gallons		0.9727	1.2875	\$ 1.2610
Over 25,000 gallons		-	-	-
Sun City West Wastewater Commercial Single Unit 1 1/2"	B2S1C			
First 25,000 gallons		\$ 2.1024	\$ 2.6521	\$ 1.2610
Over 25,000 gallons		-	-	-
Sun City West Wastewater Commercial Multi Unit 1 1/2"	B2S2C			
First 25,000 gallons		2.1024	2.6521	\$ 1.2610
Over 25,000 gallons		-	-	-

Monthly Usage Charge	Rate Schedule	Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>2" Inch Metered Residential Customers</u>				
Sun City Wastewater Residential 2"	A1S1D	\$ 109.52	\$ 144.44	\$ 179.68
Sun City West Wastewater Residential 2"	B1S1D	200.08	255.48	179.68
<u>2" Inch Metered Commercial Customers</u>				
Sun City Wastewater Commercial 2"	A2S2D	53.78	70.39	179.68
Sun City West Wastewater Commercial 2"	B2S2D	114.10	145.69	179.68
Sun City West Wastewater Commercial 2"	B2S1D	114.10	145.69	179.68
<u>Volumetric Charge</u>				
<u>Commercial Customers</u>				
Sun City Wastewater Commercial M Unit 2"	A2S2D			
First 40,000 gallons		\$ 0.9727	\$ 1.2875	\$ 1.2610
Over 40,000 gallons		-	-	-
Sun City West Wastewater Commercial Single Unit 2"	B2S1D			
First 40,000 gallons		2.1024	2.6521	\$ 1.2610
Over 40,000 gallons		-	-	-
Sun City West Wastewater Commercial Multi Unit 2"	B2S2D			
First 40,000 gallons		2.1024	2.6521	\$ 1.2610
Over 40,000 gallons		-	-	-

Monthly Usage Charge	Rate Schedule	Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>> 2" Inch Metered Commercial Customers</u>				
Sun City Wastewater Commercial > 2"	A2S1E	\$ 53.78	\$ 70.93	\$ 359.36
Sun City Wastewater Commercial > 2"	A2S2E	53.78	70.93	359.36
Sun City Wastewater Commercial > 2"	A2S7D	53.78	70.93	359.36
Sun City West Wastewater Commercial > 2"	B2S1E	114.10	145.69	359.36
Sun City West Wastewater Commercial > 2"	B2S2E	114.10	145.69	359.36
Sun City West Wastewater Commercial > 2"	B2S7D	114.10	145.69	359.36
<u>Volumetric Charge</u>				
<u>Commercial Customers</u>				
Sun City Wastewater Commercial S Unit > 2" All Usage	A2S1E	\$ 0.9727	\$ 1.2875	\$ 1.2610
Sun City Wastewater Commercial M Unit > 2" All Usage	A2S2E	0.9727	1.2875	1.2610
Sun City Wastewater Commercial Large User => 2" All Usage	A2S7D	0.9727	1.2875	1.2610
Sun City West Wastewater Commercial Single Unit > 2" All Usage	B2S1E	2.1024	2.6846	1.2610
Sun City West Wastewater Commercial Single Unit > 2" All Usage	B2S2E	2.1024	2.6846	1.2610
Sun City West Wastewater Commercial Single Unit LU => 2"	B2S7D	2.1024	2.6846	1.2610
Anthem/Agua Fria Wastewater Commercial LG All Usage	E2MS4	3.4800	5.5666	1.2610
Mohave Wastewater Commercial > 2" All Usage	P2MS4	2.2800	2.2800	1.2610

Monthly Usage Charge	Rate Schedule	Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>Fixed Rate Commercial Customers</u>				
Sun City Wastewater Commercial	A2S1N	\$ 53.78	\$ 70.65	\$ 75.00
Sun City West Wastewater Commercial	B2S1N	114.10	145.69	75.00

Monthly Usage Charge	Rate Schedule	Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>Miscellaneous Customers</u>				
Sun City Wastewater Commercial	A2MS2	\$ 4.12	\$ 5.41	\$ 12.00
Sun City Wastewater Commercial	A2MS4	7.65	10.05	22.00
Sun City West Wastewater Commercial	B2MS2	9.41	12.02	12.00
Sun City West Wastewater Commercial	B2MS3	75.47	96.37	95.00
Sun City West Wastewater Commercial	B2MS4	17.81	22.49	22.00
Sun City West Wastewater Commercial	B2MS5	36.89	47.10	45.00

Typical Bill Analysis - Sun City Consolidated
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	-	\$ 13.69	\$ -	\$ (13.69)	-100.00%
Median Usage	-	13.69	-	\$ (13.69)	-100.00%
Staff Recommended					
Average Usage	-	\$ 13.69	\$ 22.46	\$ 8.77	64.06%
Median Usage	-	13.69	22.46	\$ 8.77	64.06%

Present & Proposed Rates (Without Taxes)
General Service 5/8 X 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 13.69	\$ -	-100.00%	\$ 22.46	64.06%
1,000	13.69	-	-100.00%	22.46	64.06%
2,000	13.69	-	-100.00%	22.46	64.06%
3,000	13.69	-	-100.00%	22.46	64.06%
4,000	13.69	-	-100.00%	22.46	64.06%
5,000	13.69	-	-100.00%	22.46	64.06%
6,000	13.69	-	-100.00%	22.46	64.06%
7,000	13.69	-	-100.00%	22.46	64.06%
8,000	13.69	-	-100.00%	22.46	64.06%
9,000	13.69	-	-100.00%	22.46	64.06%
10,000	13.69	-	-100.00%	22.46	64.06%
11,000	13.69	-	-100.00%	22.46	64.06%
12,000	13.69	-	-100.00%	22.46	64.06%
13,000	13.69	-	-100.00%	22.46	64.06%
14,000	13.69	-	-100.00%	22.46	64.06%
15,000	13.69	-	-100.00%	22.46	64.06%
16,000	13.69	-	-100.00%	22.46	64.06%
17,000	13.69	-	-100.00%	22.46	64.06%
18,000	13.69	-	-100.00%	22.46	64.06%
19,000	13.69	-	-100.00%	22.46	64.06%
20,000	13.69	-	-100.00%	22.46	64.06%
25,000	13.69	-	-100.00%	22.46	64.06%
30,000	13.69	-	-100.00%	22.46	64.06%
35,000	13.69	-	-100.00%	22.46	64.06%
40,000	13.69	-	-100.00%	22.46	64.06%
45,000	13.69	-	-100.00%	22.46	64.06%
50,000	13.69	-	-100.00%	22.46	64.06%
75,000	13.69	-	-100.00%	22.46	64.06%
100,000	13.69	-	-100.00%	22.46	64.06%

Typical Bill Analysis - Sun City West Consolidated
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	-	\$ 25.01	\$ -	\$ (25.01)	-100.00%
Median Usage	-	25.01	-	\$ (25.01)	-100.00%
Staff Recommended					
Average Usage	-	\$ 25.01	\$ 22.48	\$ (2.55)	-10.20%
Median Usage	-	25.01	22.48	\$ (2.55)	-10.20%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 25.01	\$ -	-100.00%	\$ 22.48	-10.20%
1,000	25.01	-	-100.00%	22.48	-10.20%
2,000	25.01	-	-100.00%	22.48	-10.20%
3,000	25.01	-	-100.00%	22.48	-10.20%
4,000	25.01	-	-100.00%	22.48	-10.20%
5,000	25.01	-	-100.00%	22.48	-10.20%
6,000	25.01	-	-100.00%	22.48	-10.20%
7,000	25.01	-	-100.00%	22.48	-10.20%
8,000	25.01	-	-100.00%	22.48	-10.20%
9,000	25.01	-	-100.00%	22.48	-10.20%
10,000	25.01	-	-100.00%	22.48	-10.20%
11,000	25.01	-	-100.00%	22.48	-10.20%
12,000	25.01	-	-100.00%	22.48	-10.20%
13,000	25.01	-	-100.00%	22.48	-10.20%
14,000	25.01	-	-100.00%	22.48	-10.20%
15,000	25.01	-	-100.00%	22.48	-10.20%
16,000	25.01	-	-100.00%	22.48	-10.20%
17,000	25.01	-	-100.00%	22.48	-10.20%
18,000	25.01	-	-100.00%	22.48	-10.20%
19,000	25.01	-	-100.00%	22.48	-10.20%
20,000	25.01	-	-100.00%	22.48	-10.20%
25,000	25.01	-	-100.00%	22.48	-10.20%
30,000	25.01	-	-100.00%	22.48	-10.20%
35,000	25.01	-	-100.00%	22.48	-10.20%
40,000	25.01	-	-100.00%	22.48	-10.20%
45,000	25.01	-	-100.00%	22.48	-10.20%
50,000	25.01	-	-100.00%	22.48	-10.20%
75,000	25.01	-	-100.00%	22.48	-10.20%
100,000	25.01	-	-100.00%	22.48	-10.20%

**CONSOLIDATED WASTEWATER DISTRICTS
SCENARIO TWO
ALL OTHER DISTRICTS
SCHEDULES JMM-5 AND JMM-6**

Monthly Usage Charge	Rate Schedule	Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>5/8" by 3/4" and 3/4" Inch Metered Residential Customers</u>				
Anthem/Agua Fria Wastewater Residential 5/8 & 3/4"	E1MS1	\$ 27.76	\$ -	\$ 66.77
Mohave Wastewater Residential 5/8 & 3/4"	P1MS1	56.55	56.55	66.77
<u>5/8" by 3/4" and 3/4" Inch Metered Commercial Customers</u>				
Agua Fria Wastewater Commercial 3/4"	E2MS2	41.64	66.61	66.77
Anthem Wastewater Commercial 5/8 & 3/4"	E2MS1	41.64	44.40	66.77
<u>Volumetric Charge</u>				
Anthem/Agua Fria Wastewater Residential	E1MS1			
First 7,000 gallons		\$ 3.4800	N/A	\$ -
Over 7,000 gallons		-	-	-
All Usage		N/A	\$ 13.6600	N/A
<u>Commercial Customers</u>				
Anthem/Agua Fria Wastewater Commercial 5/8"	E2MS1			
First 10,000 gallons		3.4800	5.5666	N/A
Over 10,000 gallons		-	-	N/A
First 5,000 gallons		N/A	N/A	3.7500
Over 5,000 gallons		N/A	N/A	-
Anthem/Agua Fria Wastewater Commercial 3/4"	E2MS2			
First 15,000 gallons		3.4800	5.5666	N/A
Over 15,000 gallons		-	-	N/A
First 5,000 gallons		N/A	N/A	3.7500
Over 5,000 gallons		N/A	N/A	-

Monthly Usage Charge	Rate Schedule	Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>1" Inch Metered Residential Customers</u>				
Anthem/Agua Fria Wastewater Residential 1"	B1S1B	\$ 62.53	\$ 79.84	\$ 166.93
<u>1" Inch Metered Commercial and Industrial Customers</u>				
Anthem/Agua Fria Wastewater Commercial 1"	E2MS3	55.58	101.05	166.93
<u>Volumetric Charge</u>				
<u>Commercial Customers</u>				
Anthem/Agua Fria Wastewater Commercial 1"	E2MS3			
First 20,000 gallons		\$ 3.4800	\$ 5.5666	N/A
Over 20,000 gallons		-	-	N/A
First 13,000 gallons		N/A	N/A	\$ 3.7500
Over 13,000 gallons		N/A	N/A	-

Monthly Usage Charge	Rate Schedule	Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>> 2" Inch Metered Commercial Customers</u>				
Anthem/Agua Fria Wastewater Commercial > 2"	E2MS4	\$ 111.12	\$ 177.75	\$ 1,068.32
Mohave Wastewater Commercial > 2"	P2MS4	72.89	72.89	1,068.32
<u>Volumetric Charge</u>				
<u>Commercial Customers</u>				
Anthem/Agua Fria Wastewater Commercial LG All Usage	E2MS4	\$ 3.4800	\$ 5.5666	\$ 3.7500
Mohave Wastewater Commercial > 2" All Usage	P2MS4	2.2800	2.2800	3.7500

Monthly Usage Charge	Rate Schedule	Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
Fixed Rate Commercial Customers				
Mohave Wastewater Commercial	P2MS1	\$ 56.55	\$ 56.55	\$ 75.00
Mohave Wastewater Commercial	P4MS1	72.89	72.89	75.00

Typical Bill Analysis - Anthem/Agua Fria Consolidated
 General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	-	\$ 27.76	\$ -	\$ (27.76)	-100.00%
Median Usage	-	27.76	-	\$ (27.76)	-100.00%
Staff Recommended					
Average Usage	-	\$ 27.76	\$ 66.77	\$ 39.01	140.53%
Median Usage	-	27.76	66.77	\$ 39.01	140.53%

Present & Proposed Rates (Without Taxes)
 General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 27.76	\$ -	-100.00%	\$ 66.77	140.53%
1,000	27.76	-	-100.00%	66.77	140.53%
2,000	27.76	-	-100.00%	66.77	140.53%
3,000	27.76	-	-100.00%	66.77	140.53%
4,000	27.76	-	-100.00%	66.77	140.53%
5,000	27.76	-	-100.00%	66.77	140.53%
6,000	27.76	-	-100.00%	66.77	140.53%
7,000	27.76	-	-100.00%	66.77	140.53%
8,000	27.76	-	-100.00%	66.77	140.53%
9,000	27.76	-	-100.00%	66.77	140.53%
10,000	27.76	-	-100.00%	66.77	140.53%
11,000	27.76	-	-100.00%	66.77	140.53%
12,000	27.76	-	-100.00%	66.77	140.53%
13,000	27.76	-	-100.00%	66.77	140.53%
14,000	27.76	-	-100.00%	66.77	140.53%
15,000	27.76	-	-100.00%	66.77	140.53%
16,000	27.76	-	-100.00%	66.77	140.53%
17,000	27.76	-	-100.00%	66.77	140.53%
18,000	27.76	-	-100.00%	66.77	140.53%
19,000	27.76	-	-100.00%	66.77	140.53%
20,000	27.76	-	-100.00%	66.77	140.53%
25,000	27.76	-	-100.00%	66.77	140.53%
30,000	27.76	-	-100.00%	66.77	140.53%
35,000	27.76	-	-100.00%	66.77	140.53%
40,000	27.76	-	-100.00%	66.77	140.53%
45,000	27.76	-	-100.00%	66.77	140.53%
50,000	27.76	-	-100.00%	66.77	140.53%
75,000	27.76	-	-100.00%	66.77	140.53%
100,000	27.76	-	-100.00%	66.77	140.53%

Typical Bill Analysis - Mohave Consolidated
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	-	\$ 56.55	\$ -	\$ (56.55)	-100.00%
Median Usage	-	56.55	-	\$ (56.55)	-100.00%
Staff Recommended					
Average Usage	-	\$ 56.55	\$ 66.77	\$ 10.22	18.07%
Median Usage	-	56.55	66.77	\$ 10.22	18.07%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 56.55	\$ -	-100.00%	\$ 66.77	18.07%
1,000	56.55	-	-100.00%	66.77	18.07%
2,000	56.55	-	-100.00%	66.77	18.07%
3,000	56.55	-	-100.00%	66.77	18.07%
4,000	56.55	-	-100.00%	66.77	18.07%
5,000	56.55	-	-100.00%	66.77	18.07%
6,000	56.55	-	-100.00%	66.77	18.07%
7,000	56.55	-	-100.00%	66.77	18.07%
8,000	56.55	-	-100.00%	66.77	18.07%
9,000	56.55	-	-100.00%	66.77	18.07%
10,000	56.55	-	-100.00%	66.77	18.07%
11,000	56.55	-	-100.00%	66.77	18.07%
12,000	56.55	-	-100.00%	66.77	18.07%
13,000	56.55	-	-100.00%	66.77	18.07%
14,000	56.55	-	-100.00%	66.77	18.07%
15,000	56.55	-	-100.00%	66.77	18.07%
16,000	56.55	-	-100.00%	66.77	18.07%
17,000	56.55	-	-100.00%	66.77	18.07%
18,000	56.55	-	-100.00%	66.77	18.07%
19,000	56.55	-	-100.00%	66.77	18.07%
20,000	56.55	-	-100.00%	66.77	18.07%
25,000	56.55	-	-100.00%	66.77	18.07%
30,000	56.55	-	-100.00%	66.77	18.07%
35,000	56.55	-	-100.00%	66.77	18.07%
40,000	56.55	-	-100.00%	66.77	18.07%
45,000	56.55	-	-100.00%	66.77	18.07%
50,000	56.55	-	-100.00%	66.77	18.07%
75,000	56.55	-	-100.00%	66.77	18.07%
100,000	56.55	-	-100.00%	66.77	18.07%

**CONSOLIDATED WATER DISTRICTS
SCENARIO THREE
SUN CITY AND SUN CITY WEST
SCHEDULES JMM-7 AND JMM-8**

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>5/8" by 3/4" and 3/4" Inch Metered Water Residential Customers</u>				
Sun City Water Residential 5/8 x 3/4	A1M1A	\$ 7.99	\$ 9.00	\$ 11.00
Sun City West Water Residential 5/8 x 3/4	B1M1A	14.80	14.80	11.00
<u>5/8" by 3/4" and 3/4" Inch Metered Water Commercial Customers</u>				
Sun City Water Commercial 5/8 x 3/4	A2M1A	7.99	9.00	11.00
Sun City West Water Commercial 5/8 x 3/4	B2M1A	14.80	14.80	11.00
Commodity Charge				
<u>Residential Customers</u>				
Sun City Water Residential 5/8 x 3/4	A1M1A			
First 3,000 gallons		\$ 0.7190	\$ 0.7000	\$ 1.0000
3,001 to 10,000 gallons		1.3290	N/A	2.2500
Over 10,000 gallons		1.6920	N/A	2.6738
3,001 to 9,000 gallons		N/A	1.4000	N/A
Over 9,000 gallons		N/A	2.4518	N/A
Sun City West Water Residential 5/8 x 3/4	B1M1A			
First 4,000 gallons		2.4100	2.4100	N/A
4,001 to 15,000 gallons		2.9500	2.9500	N/A
Over 15,000 gallons		3.5600	3.5600	N/A
First 3,000 gallons		N/A	N/A	1.0000
First 3,001 to 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	2.6738
<u>Commercial Customers</u>				
Sun City Water Commercial 5/8 x 3/4	A2M1A			
First 10,000 gallons		1.3290	N/A	2.2500
Over 10,000 gallons		1.6920	N/A	2.6738
First 9,000 gallons		N/A	1.4000	N/A
Over 9,000 gallons		N/A	2.4518	N/A
Sun City West Water Commercial 5/8 x 3/4	B2M1A			
First 15,000 gallons		2.9500	2.9500	N/A
Over 15,000 gallons		3.5600	3.5600	N/A
First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	2.6738

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>1" Inch Metered Water Residential Customers</u>				
Sun City Water Residential 1"	A1M1B	\$ 20.49	\$ 22.50	\$ 27.50
Sun City West Water Residential 1"	B1M1B	37.50	62.50	27.50
<u>1" Inch Metered Water Commercial Customers</u>				
Sun City Water Commercial 1"	A2M1B	20.49	22.50	27.50
Sun City West Water Commercial 1"	B2M1B	37.50	37.50	27.50
<u>Commodity Charge</u>				
<u>Residential Customers</u>				
Sun City Water Residential 1"	A1M1B			
First 43,000 gallons		\$ 1.3290	N/A	N/A
Over 43,000 gallons		1.6920	N/A	N/A
First 20,000 gallons			\$ 1.4000	N/A
Over 20,000 gallons			2.4518	N/A
First 40,000 gallons		N/A	N/A	\$ 2.2500
Over 40,000 gallons		N/A	N/A	2.6738
Sun City West Water Residential 1"	B1M1B			
First 40,000 gallons		2.9500	2.9500	2.2500
Over 40,000 gallons		3.5600	3.5600	2.6738
<u>Commercial Customers</u>				
Sun City Water Commercial 1"	A2M1B			
First 43,000 gallons		1.3290	N/A	N/A
Over 43,000 gallons		1.6920	N/A	N/A
First 20,000 gallons		N/A	1.4000	N/A
Over 20,000 gallons		N/A	2.4518	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	2.6738
Sun City West Water Commercial 1"	B2M1B			
First 40,000 gallons		2.9500	2.9500	2.2500
Over 40,000 gallons		3.5600	3.5600	2.6738

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
1.5" Inch Metered Water Residential Customers				
Sun City Water Residential 1.5"	A1M1C	\$ 40.97	\$ 45.00	\$ 55.00
Sun City West Water Residential 1.5"	B1M1C	79.00	79.00	55.00
1.5" Inch Metered Water Commercial Customers				
Sun City Water Commercial 1.5"	A2M1C	40.97	45.00	55.00
Sun City West Water Commercial 1.5"	B2M1C	79.00	79.00	55.00
Commodity Charge				
Residential Customers				
Sun City Water Residential 1.5"	A1M1C			
First 98,000 gallons		\$ 1.3290	N/A	N/A
Over 98,000 gallons		1.6920	N/A	N/A
First 41,000 gallons		N/A	\$ 1.4000	N/A
Over 41,000 gallons		N/A	2.4518	N/A
First 80,000 gallons		N/A	N/A	\$ 2.2500
Over 80,000 gallons		N/A	N/A	2.6738
Sun City West Water Residential 1.5"	B1M1C			
First 100,000 gallons		2.9500	2.9500	N/A
Over 100,000 gallons		3.5600	3.5600	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	2.6738
Commercial Customers				
Sun City Water Commercial 1.5"	A2M1C			
First 98,000 gallons		1.3290	N/A	N/A
Over 98,000 gallons		1.6920	N/A	N/A
First 41,000 gallons		N/A	1.4000	N/A
Over 41,000 gallons		N/A	2.4518	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	2.6738
Sun City West Water Commercial 1.5"	B2M1C			
First 100,000 gallons		2.9500	2.9500	N/A
Over 100,000 gallons		3.5600	3.5600	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	2.6738

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
2" Inch Metered Residential Customers				
Sun City Water Residential 2"	A1M1D	\$ 65.56	\$ 72.00	\$ 88.00
Sun City West Water Residential 2"	B1M1D	123.40	123.40	88.00
2" Inch Metered Commercial Customers				
Sun City Water Commercial 2"	A2M1D	65.56	72.00	88.00
Sun City West Irrigation 2"	AZM1D	N/A	N/A	88.00
Sun City West Water Commercial 2"	B2M1D	123.40	123.40	88.00
Commodity Charge				
Residential Customers				
Sun City Water Residential 2"	A1M1D			
First 164,000 gallons		\$ 1.3290	N/A	N/A
Over 164,000 gallons		1.6920	N/A	N/A
First 67,000 gallons		N/A	\$ 1.4000	N/A
Over 67,000 gallons		N/A	2.4518	N/A
First 100,000 gallons		N/A	N/A	\$ 2.2500
Over 100,000 gallons		N/A	N/A	2.6738
Sun City West Water Residential 2"	B1M1D			
First 150,000 gallons		2.9500	2.9500	N/A
Over 150,000 gallons		3.5600	3.5600	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	2.6738
Commercial Customers				
Sun City Water Commercial 2"	A2M1D			
First 164,000 gallons		1.3290	N/A	N/A
Over 164,000 gallons		1.6920	N/A	N/A
First 67,000 gallons		N/A	1.4000	N/A
Over 67,000 gallons		N/A	2.4518	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	2.6738
Sun City West Irrigation 2"	AZM1D			
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	2.6738
Sun City West Water Commercial 2"	B2M1D			
First 150,000 gallons		2.9500	2.9500	N/A
Over 150,000 gallons		3.5600	3.5600	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	2.6738

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
3" Inch Metered Residential Customers				
Sun City Water Residential 3"	A1M1E	\$ 131.12	\$ 144.00	\$ 165.00
Sun City West Water Residential 3"	B1M1E	236.80	236.80	165.00
3" Inch Metered Commercial Customers				
Sun City Water Water Commercial 3"	A2M1E	131.12	144.00	165.00
Sun City West Water Water Commercial 3"	B2M1E	236.80	236.80	165.00
Commodity Charge				
Residential Customers				
Sun City Water Residential 3"	A1M1E			
First 342,000 gallons		\$ 1.3290	N/A	N/A
Over 342,000 gallons		1.6920	N/A	N/A
First 138,000 gallons		N/A	\$ 1.4000	N/A
Over 138,000 gallons		N/A	2.4518	N/A
First 200,000 gallons		N/A	N/A	\$ 2.2500
Over 200,000 gallons		N/A	N/A	2.6738
Sun City West Water Residential 3"	B1M1E			
First 275,000 gallons		2.9500	2.9500	N/A
Over 275,000 gallons		3.5600	3.5600	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	2.6738
Commercial Customers				
Sun City Water Water Commercial 3"	A2M1E			
First 342,000 gallons		1.3290	N/A	N/A
Over 342,000 gallons		1.6920	N/A	N/A
First 138,000 gallons		N/A	1.4000	N/A
Over 138,000 gallons		N/A	2.4518	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	2.6738
Sun City West Water Water Commercial 3"	B2M1E			
First 275,000 gallons		2.9500	2.9500	N/A
Over 275,000 gallons		3.5600	3.5600	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	2.6738

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
4" Inch Metered Customers				
Sun City Water Residential 4"	A1M1F	\$ 204.87	\$ 225.00	\$ 275.00
Sun City West Water Residential 4"	B1M1F	370.00	370.00	275.00
4" Inch Metered Commercial Customers				
Sun City Water Commercial 4"	A2M1F	204.87	225.00	275.00
Sun City West Water Commercial 4"	B2M1F	370.00	370.00	275.00
Commodity Charge				
Residential Customers				
Sun City Water Residential 4"	A1M1F			
First 543,000 gallons		\$ 2.9500	N/A	N/A
Over 543,000 gallons		3.5600	N/A	N/A
First 218,000 gallons		N/A	\$ 1.4000	N/A
Over 218,000 gallons		N/A	2.4518	N/A
First 300,000 gallons		N/A	N/A	\$ 2.2500
Over 300,000 gallons		N/A	N/A	2.6738
Sun City West Water Residential 4"	B1M1F			
First 400,000 gallons		2.9500	2.9500	N/A
Over 400,000 gallons		3.5600	3.5600	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	2.6738
Commercial Customers				
Sun City Water Commercial 4"	A2M1F			
First 543,000 gallons		1.3290	N/A	N/A
Over 543,000 gallons		1.6920	N/A	N/A
First 218,000 gallons		N/A	1.4000	N/A
Over 218,000 gallons		N/A	2.4518	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	2.6738
Sun City West Water Commercial 4"	B2M1F			
First 400,000 gallons		2.9500	2.9500	N/A
Over 400,000 gallons		3.5600	3.5600	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	2.6738

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
6" Inch Metered Residential Customers				
Sun City Water Residential 6"	A1M1G	\$ 409.73	\$ 450.00	\$ 550.00
Sun City West Water Residential 6"	B1M1G	740.00	740.00	550.00
6" Inch Metered Commercial Customers				
Sun City Water Commercial 6"	A2M1G	409.73	450.00	550.00
Sun City West Water Commercial 6"	B2M1G	740.00	740.00	550.00
Commodity Charge				
Residential Customers				
Sun City Water Residential 6"	A1M1G			
First 700,000 gallons		\$ 1.3290	N/A	N/A
Over 700,000 gallons		1.6920	N/A	N/A
First 442,000 gallons		N/A	\$ 1.4000	N/A
Over 442,000 gallons		N/A	2.4518	N/A
First 500,000 gallons		N/A	N/A	\$ 2.2500
Over 500,000 gallons		N/A	N/A	2.6738
Sun City West Water Residential 6"	B1M1G			
First 550,000 gallons		2.9500	2.9500	N/A
Over 550,000 gallons		3.5600	3.5600	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	2.6738
Commercial Customers				
Sun City Water Commercial 6"	A2M1G			
First 700,000 gallons		1.3290	N/A	N/A
Over 700,000 gallons		1.6920	N/A	N/A
First 442,000 gallons		N/A	1.4000	N/A
Over 442,000 gallons		N/A	2.4518	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	2.6738
Sun City West Water Commercial 6"	B2M1G			
First 550,000 gallons		2.9500	2.9500	N/A
Over 550,000 gallons		3.5600	3.5600	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	2.6738

Commodity Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>Non Potable</u>				
Sun City Non Potable	A7M2	\$ 0.8480	\$ 1.0316	\$ 1.1948
Sun City Non Potable	B7M2	1.0831	1.0831	1.1948

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>Private Fire 2"</u>				
Sun City Private Fire 2"	A6M02	N/A	N/A	\$ 10.00
Sun City West Private Fire 2"	B6M02	N/A	N/A	10.00
<u>Private Fire 3"</u>				
Sun City Private Fire 3"	A6M03	\$ 11.14	\$ 10.00	10.00
Sun City West Private Fire 3"	B6M03	N/A	N/A	10.00
<u>Private Fire 4"</u>				
Sun City Private Fire 4"	A6M04	17.23	10.00	10.00
Sun City West Private Fire 4"	B6M04	56.26	56.26	10.00
<u>Private Fire 6"</u>				
Sun City Private Fire 6"	AA6M06	36.21	10.00	11.00
Sun City West Private Fire 6"	B6M06	84.40	84.40	11.00
<u>Private Fire 8"</u>				
Sun City Private Fire 8"	A6M08	47.28	14.40	22.40
Sun City West Private Fire 8"	B6M08	112.53	112.53	22.40
<u>Private Fire 10"</u>				
Sun City Private Fire 10"	A6M10	68.34	20.70	32.20
Sun City West Private Fire 10"	B6M10	N/A	N/A	32.20
<u>Private Fire 12"</u>				
Sun City Private Fire 12"	A6M12	N/A	N/A	60.20
Sun City West Private Fire 12"	B6M12	N/A	N/A	60.20
<u>Hydrant</u>				
Sun City Hydrant	A8M1	6.95	8.45	10.00
Sun City West Hydrant		N/A	N/A	10.00
<u>Commodity Charge</u>				
<u>Private Fire</u>				
Sun City All gallonage		0.9828	-	-
<u>Private Hydrant</u>				
Private Hydrant - Peoria	A8M1	0.9828	1.1956	-

Typical Bill Analysis - Sun City Consolidated
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	7,954	\$ 16.73	\$ -	\$ (16.73)	-100.00%
Median Usage	7,000	15.46	-	\$ (15.46)	-100.00%
Staff Recommended					
Average Usage	7,954	\$ 16.73	\$ 25.15	\$ 8.42	50.30%
Median Usage	7,000	15.46	23.00	\$ 7.54	48.74%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 7.99	\$ -	-100.00%	\$ 11.00	37.67%
1,000	8.71	-	-100.00%	12.00	37.79%
2,000	9.43	-	-100.00%	13.00	37.89%
3,000	10.15	-	-100.00%	14.00	37.97%
4,000	11.48	-	-100.00%	16.25	41.60%
5,000	12.81	-	-100.00%	18.50	44.47%
6,000	14.13	-	-100.00%	20.75	46.81%
7,000	15.46	-	-100.00%	23.00	48.74%
8,000	16.79	-	-100.00%	25.25	50.37%
9,000	18.12	-	-100.00%	27.50	51.76%
10,000	19.45	-	-100.00%	29.75	52.96%
11,000	21.14	-	-100.00%	32.42	53.36%
12,000	22.83	-	-100.00%	35.10	53.71%
13,000	24.53	-	-100.00%	37.77	54.01%
14,000	26.22	-	-100.00%	40.45	54.27%
15,000	27.91	-	-100.00%	43.12	54.49%
16,000	29.60	-	-100.00%	45.79	54.69%
17,000	31.29	-	-100.00%	48.47	54.88%
18,000	32.99	-	-100.00%	51.14	55.04%
19,000	34.68	-	-100.00%	53.81	55.18%
20,000	36.37	-	-100.00%	56.49	55.31%
25,000	44.83	-	-100.00%	69.86	55.83%
30,000	53.29	-	-100.00%	83.23	56.18%
35,000	61.75	-	-100.00%	96.60	56.43%
40,000	70.21	-	-100.00%	109.96	56.62%
45,000	78.67	-	-100.00%	123.33	56.77%
50,000	87.13	-	-100.00%	136.70	56.89%
75,000	129.43	-	-100.00%	203.55	57.26%
100,000	171.73	-	-100.00%	270.39	57.45%

Typical Bill Analysis - Sun City West Consolidated
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	6,702	\$ 32.41	\$ -	\$ (32.41)	-100.00%
Median Usage	6,000	30.34	-	\$ (30.34)	-100.00%
Staff Recommended					
Average Usage	6,702	\$ 32.41	\$ 22.33	\$ (10.08)	-31.10%
Median Usage	6,000	30.34	20.75	\$ (9.59)	-31.61%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 14.80	\$ -	-100.00%	\$ 11.00	-25.68%
1,000	17.21	-	-100.00%	12.00	-30.27%
2,000	19.62	-	-100.00%	13.00	-33.74%
3,000	22.03	-	-100.00%	14.00	-36.45%
4,000	24.44	-	-100.00%	16.25	-33.51%
5,000	27.39	-	-100.00%	18.50	-32.46%
6,000	30.34	-	-100.00%	20.75	-31.61%
7,000	33.29	-	-100.00%	23.00	-30.91%
8,000	36.24	-	-100.00%	25.25	-30.33%
9,000	39.19	-	-100.00%	27.50	-29.83%
10,000	42.14	-	-100.00%	29.75	-29.40%
11,000	45.09	-	-100.00%	32.42	-28.09%
12,000	48.04	-	-100.00%	35.10	-26.94%
13,000	50.99	-	-100.00%	37.77	-25.92%
14,000	53.94	-	-100.00%	40.45	-25.02%
15,000	56.89	-	-100.00%	43.12	-24.21%
16,000	60.45	-	-100.00%	45.79	-24.25%
17,000	64.01	-	-100.00%	48.47	-24.28%
18,000	67.57	-	-100.00%	51.14	-24.31%
19,000	71.13	-	-100.00%	53.81	-24.34%
20,000	74.69	-	-100.00%	56.49	-24.37%
25,000	92.49	-	-100.00%	69.86	-24.47%
30,000	110.29	-	-100.00%	83.23	-24.54%
35,000	128.09	-	-100.00%	96.60	-24.59%
40,000	145.89	-	-100.00%	109.96	-24.63%
45,000	163.69	-	-100.00%	123.33	-24.65%
50,000	181.49	-	-100.00%	136.70	-24.68%
75,000	270.49	-	-100.00%	203.55	-24.75%
100,000	359.49	-	-100.00%	270.39	-24.78%

**CONSOLIDATED WATER DISTRICTS
SCENARIO THREE
TUBAC, MOHAVE, AND HAVASU
SCHEDULES JMM-7 AND JMM-8**

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>5/8" by 3/4" and 3/4" Inch Metered Water Residential Customers</u>				
Tubac Water Residential 5/8 x 3/4	F1M1A	\$ 24.70	\$ 24.70	\$ 10.50
Mohave Water Residential 5/8 x 3/4	G1M3A	9.00	9.00	10.50
Mohave Water Residential 5/8 x 3/4	G1M1A	9.00	9.00	10.50
Havasu Water Residential 3/4	H1M1A	23.50	23.50	10.50
<u>5/8" by 3/4" and 3/4" Inch Metered Water Commercial Customers</u>				
Tubac Water Commercial 5/8 x 3/4	F2M1A	24.70	24.70	10.50
Mohave Water Commercial 5/8 x 3/4 (OPA)	G4M1	9.00	9.00	10.50
Mohave Water Commercial 5/8 x 3/4	G2M1A	9.00	9.00	10.50
Mohave Water Commercial 5/8 x 3/4	G2M1V	-	-	10.50
Havasu Water Commercial 3/4	H2M1A	23.50	23.50	10.50
<u>Commodity Charge</u>				
<u>Residential Customers</u>				
Tubac Water Residential 5/8 x 3/4	F1M1A			
First 3,000 gallons		\$ 1.9000	\$ 1.9000	\$ 1.0000
3,001 to 10,000 gallons		3.0000	3.0000	1.5000
10,001 to 20,000 gallons		4.0000	4.0000	N/A
Over 20,000 gallons		6.0000	6.0000	N/A
Over 10,000 gallons		N/A	N/A	2.1250
Mohave Water Residential 5/8 x 3/4	G1M3A			
First 4,000 gallons		0.8850	0.8850	N/A
4,001 to 10,000 gallons		1.3430	1.3430	N/A
Over 10,000 gallons		1.6070	1.6070	N/A
First 3,000 gallons		N/A	N/A	1.0000
First 3,001 to 10,000 gallons		N/A	N/A	1.5000
Over 10,000 gallons		N/A	N/A	2.1250
Mohave Water Residential 5/8 x 3/4	G1M1A			
First 4,000 gallons		0.8850	0.8850	N/A
4,001 to 10,000 gallons		1.3430	1.3430	N/A
Over 10,000 gallons		1.6070	1.6070	N/A
First 3,000 gallons		N/A	N/A	1.0000
First 3,001 to 10,000 gallons		N/A	N/A	1.5000
Over 10,000 gallons		N/A	N/A	2.1250
Havasu Water Residential 3/4	H1M1A			
First 4,000 gallons		2.3400	2.3400	N/A
4,001 to 13,000 gallons		3.0200	3.0200	N/A
Over 13,000 gallons		3.5500	3.5500	N/A
First 3,000 gallons		N/A	N/A	1.0000
First 3,001 to 10,000 gallons		N/A	N/A	1.5000
Over 10,000 gallons		N/A	N/A	2.1250
<u>Commercial Customers</u>				
Tubac Water Commercial 5/8 x 3/4	F2M1A			
First 20,000 gallons		4.0000	4.0000	N/A
Over 20,000 gallons		6.0000	6.0000	N/A
First 10,000 gallons		N/A	N/A	1.5000
Over 10,000 gallons		N/A	N/A	2.1250
Mohave Water Commercial 5/8 x 3/4 (OPA)	G4M1			
All Usage		1.3430	1.3430	N/A
First 10,000 gallons		N/A	N/A	1.5000
Over 10,000 gallons		N/A	N/A	2.1250
Mohave Water Commercial 5/8 x 3/4	G2M1A			
First 10,000 gallons		1.3430	1.3430	1.5000
Over 10,000 gallons		1.6070	1.6070	2.1250
Mohave Water Commercial 5/8 x 3/4	G2M1V			
First 10,000 gallons		1.3430	1.3430	1.5000
Over 10,000 gallons		1.6070	1.6070	2.1250
Havasu Water Commercial 3/4	H2M1A			
First 13,000 gallons		3.0200	3.0200	N/A
Over 13,000 gallons		3.5500	3.5500	N/A
First 10,000 gallons		N/A	N/A	1.5000
Over 10,000 gallons		N/A	N/A	2.1250

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
1" Inch Metered Water Residential Customers				
Tubac Water Residential 1"	F1M1B	\$ 74.10	\$ 74.10	\$ 26.25
Mohave Water Residential 1"	G1M1B	22.50	22.50	26.25
Mohave Water Residential 1"	G1M3B	22.50	22.50	26.25
Havasu Water Residential 1"	H1M1B	50.75	50.75	26.25
1" Inch Metered Water Commercial Customers				
Tubac Water Commercial 1"	F2M1B	74.10	74.10	26.25
Mohave Water Commercial 1" (OPA)	G4M1	22.50	22.50	26.25
Mohave Water Commercial 1"	G2M1B	22.50	22.50	26.25
Havasu Water Commercial 1"	H2M1B	50.75	50.75	26.25
Commodity Charge				
Residential Customers				
Tubac Water Commercial 1"	F2M1B			
First 35,000 gallons		\$ 4.0000	\$ 4.0000	N/A
Over 35,000 gallons		6.0000	6.0000	N/A
First 40,000 gallons		N/A	N/A	\$ 1.5000
Over 40,000 gallons		N/A	N/A	2.1250
Mohave Water Commercial 1" (OPA)	G4M1			
All Usage		1.3430	1.3430	N/A
First 40,000 gallons		N/A	N/A	1.5000
Over 40,000 gallons		N/A	N/A	2.1250
Mohave Water Commercial 1"	G2M1B			
First 25,000 gallons		1.3430	1.3430	N/A
Over 25,000 gallons		1.6070	1.6070	N/A
First 40,000 gallons		N/A	N/A	1.5000
Over 40,000 gallons		N/A	N/A	2.1250
Havasu Water Commercial 1"	H2M1B			
First 30,000 gallons		3.0200	3.0200	N/A
Over 30,000 gallons		3.5500	3.5500	N/A
First 40,000 gallons		N/A	N/A	1.5000
Over 40,000 gallons		N/A	N/A	2.1250

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
1.5" Inch Metered Water Residential Customers				
Tubac Water Residential 1.5"	F1M1C	\$ 144.38	\$ 144.38	\$ 52.50
Mohave Water Residential 1.5" - Bullhead	G1M1C	45.00	45.00	52.50
Mohave Water Residential 1.5"	G1M3C	45.00	45.00	52.50
Havasu Water Residential 1.5"	H1M1A	117.50	117.50	52.50
1.5" Inch Metered Water Commercial Customers				
Tubac Water Commercial 1.5"	F2M1C	144.38	144.38	52.50
Mohave Water Commercial 1.5" (OPA)	G4M1	45.00	45.00	52.50
Mohave Water Commercial 1.5"	G2M1C	45.00	45.00	52.50
Havasu Water Commercial 1.5"	H2M1C	117.50	117.50	52.50
Commodity Charge				
Residential Customers				
Tubac Water Residential 1.5"	F1M1C			
First 85,000 gallons		\$ 4.0000	\$ 4.0000	N/A
Over 85,000 gallons		6.0000	6.0000	N/A
First 80,000 gallons		N/A	N/A	\$ 1.5000
Over 80,000 gallons		N/A	N/A	2.1250
Mohave Water Residential 1.5"	G1M1C			
First 50,000 gallons		1.3430	1.3430	N/A
Over 50,000 gallons		1.6070	1.6070	N/A
First 80,000 gallons		N/A	N/A	1.5000
Over 80,000 gallons		N/A	N/A	2.1250
Mohave Water Residential 1.5"	G1M3C			
First 50,000 gallons		N/A	N/A	N/A
Over 50,000 gallons		1.3430	1.3430	N/A
Over 50,000 gallons		1.6070	1.6070	N/A
First 80,000 gallons		N/A	N/A	1.5000
Over 80,000 gallons		N/A	N/A	2.1250
Havasu Water Residential 1.5"	H1M1A			
First 80,000 gallons		N/A	N/A	1.5000
Over 80,000 gallons		N/A	N/A	2.1250
Commercial Customers				
Tubac Water Commercial 1.5"	F2M1C			
First 85,000 gallons		\$ 4.0000	\$ 4.0000	N/A
Over 85,000 gallons		6.0000	6.0000	N/A
First 80,000 gallons		N/A	N/A	1.5000
Over 80,000 gallons		N/A	N/A	2.1250
Mohave Water Commercial 1.5" (OPA)	G4M1			
All Usage		1.3430	1.3430	N/A
First 80,000 gallons		N/A	N/A	1.5000
Over 80,000 gallons		N/A	N/A	2.1250
Mohave Water Commercial 1.5"	G2M1C			
First 50,000 gallons		1.3430	1.3430	N/A
Over 50,000 gallons		1.6070	1.6070	N/A
First 80,000 gallons		N/A	N/A	1.5000
Over 80,000 gallons		N/A	N/A	2.1250
Havasu Water Commercial 1.5"	H2M1C			
First 80,000 gallons		N/A	N/A	1.5000
Over 80,000 gallons		N/A	N/A	2.1250

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
2" Inch Metered Residential Customers				
Tubac Water Residential 2"	F1M1D	\$ 230.53	\$ 230.53	\$ 84.00
Mohave Water Residential 2" - Bullhead	G1M1D	72.00	72.00	84.00
Mohave Water Residential 2" - Rio	G1M3D	41.52	41.52	84.00
Havasu Water Residential 2"	H1M1D	188.00	188.00	84.00
2" Inch Metered Commercial Customers				
Tubac Water Commercial 2"	F2M1D	230.53	230.53	84.00
Mohave Water Commercial 2" (OPA)	G4M1	72.00	72.00	84.00
Mohave Water Commercial 2"	G2M1D	72.00	72.00	84.00
Mohave Water Commercial 2"	H2M1D	188.00	188.00	84.00
Havasu Water Commercial 2"	H2M1D	188.00	188.00	84.00
Commodity Charge				
Residential Customers				
Tubac Water Residential 2"	F1M1D			
First 150,000 gallons		\$ 4.0000	\$ 4.0000	N/A
Over 150,000 gallons		6.0000	6.0000	N/A
First 100,000 gallons		N/A	N/A	\$ 1.5000
Over 100,000 gallons		N/A	N/A	2.1250
Mohave Water Residential 2"	G1M1D			
First 80,000 gallons		1.3430	1.3430	N/A
Over 80,000 gallons		1.6070	1.6070	N/A
First 100,000 gallons		N/A	N/A	1.5000
Over 100,000 gallons		N/A	N/A	2.1250
Mohave Water Residential 2"	G1M3D			
First 100,000 gallons		N/A	N/A	1.5000
Over 100,000 gallons		N/A	N/A	2.1250
Havasu Water Residential 2"	H1M1D			
First 60,000 gallons		3.0200	N/A	N/A
Over 60,000 gallons		3.5500	N/A	N/A
First 100,000 gallons		N/A	N/A	1.5000
Over 100,000 gallons		N/A	N/A	2.1250
Commercial Customers				
Tubac Water Commercial 2"	F2M1D			
First 150,000 gallons		4.0000	4.0000	N/A
Over 150,000 gallons		6.0000	6.0000	N/A
First 100,000 gallons		N/A	N/A	1.5000
Over 100,000 gallons		N/A	N/A	2.1250
Mohave Water Commercial 2" (OPA)	G4M1			
All Usage		1.3430	1.3430	N/A
First 100,000 gallons		N/A	N/A	1.5000
Over 100,000 gallons		N/A	N/A	2.1250
Mohave Water Commercial 2"	G2M1D			
First 80,000 gallons		1.3430	1.3430	N/A
Over 80,000 gallons		1.6070	1.6070	N/A
First 100,000 gallons		N/A	N/A	1.5000
Over 100,000 gallons		N/A	N/A	2.1250
Mohave Water Commercial 2"	H2M1D			
First 60,000 gallons		3.0200	3.0200	N/A
Over 60,000 gallons		3.5500	3.5500	N/A
First 100,000 gallons		N/A	N/A	1.5000
Over 100,000 gallons		N/A	N/A	2.1250
Havasu Water Commercial 2"	H2M1D			
First 60,000 gallons		3.0200	3.0200	N/A
Over 60,000 gallons		3.5500	3.5500	N/A

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Test Year Ended December 31, 2008

Rate Design - Consolidated by 2-Inch Meter Size

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First 100,000 gallons	N/A	N/A	1.5000
Over 100,000 gallons	N/A	N/A	2.1250

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
3" Inch Metered Residential Customers				
Tubac Water Residential 3"	F1M1E	\$ 461.00	\$ 461.00	\$ 157.50
Mohave Water Residential 3"	G1M1E	144.00	144.00	157.50
Mohave Water Residential 3"	G1M3E	144.00	144.00	157.50
Havasu Water Residential 3"	H1M1E	376.10	376.10	157.50
3" Inch Metered Commercial Customers				
Tubac Water Water Commercial 3"	F2M1E	461.00	461.00	157.50
Mohave Water Water Commercial 3" (OPA)	G4M1	144.00	144.00	157.50
Mohave Water Water Commercial 3"	G2M1E	144.00	144.00	157.50
Havasu Water Water Commercial 3"	H2M1E	376.10	376.10	157.50
Commodity Charge				
Residential Customers				
Tubac Water Residential 3"	F1M1E			
First 175,000 gallons		\$ 4.0000	\$ 4.0000	N/A
Over 175,000 gallons		6.0000	6.0000	N/A
First 200,000 gallons		N/A	N/A	\$ 1.5000
Over 200,000 gallons		N/A	N/A	2.1250
Mohave Water Residential 3"	G1M1E			
First 150,000 gallons		1.3430	1.3430	N/A
Over 150,000 gallons		1.6070	1.6070	N/A
First 200,000 gallons		N/A	N/A	1.5000
Over 200,000 gallons		N/A	N/A	2.1250
Mohave Water Residential 3"	G1M3E			
First 150,000 gallons		1.3430	1.3430	N/A
Over 150,000 gallons		1.6070	1.6070	N/A
First 200,000 gallons		N/A	N/A	1.5000
Over 200,000 gallons		N/A	N/A	2.1250
Havasu Water Residential 3"	H1M1E			
First 90,000 gallons		3.0200	3.0200	N/A
Over 90,000 gallons		3.5500	3.5500	N/A
First 200,000 gallons		N/A	N/A	1.5000
Over 200,000 gallons		N/A	N/A	2.1250
Commercial Customers				
Tubac Water Water Commercial 3"	F2M1E			
First 175,000 gallons		4.0000	4.0000	N/A
Over 175,000 gallons		6.0000	6.0000	N/A
First 200,000 gallons		N/A	N/A	1.5000
Over 200,000 gallons		N/A	N/A	2.1250
Mohave Water Water Commercial 3" (OPA)	G4M1			
All Usage		1.3430	1.3430	N/A
First 200,000 gallons		N/A	N/A	1.5000
Over 200,000 gallons		N/A	N/A	2.1250
Mohave Water Water Commercial 3"	G2M1E			
First 150,000 gallons		1.3430	1.3430	N/A
Over 150,000 gallons		1.6070	1.6070	N/A
First 200,000 gallons		N/A	N/A	1.5000
Over 200,000 gallons		N/A	N/A	2.1250
Havasu Water Water Commercial 3"	H2M1E			
First 90,000 gallons		3.0200	3.0200	N/A
Over 90,000 gallons		3.5500	3.5500	N/A
First 200,000 gallons		N/A	N/A	1.5000
Over 200,000 gallons		N/A	N/A	2.1250

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
4" Inch Metered Customers				
Tubac Water Residential 4"	F1M1F	\$ 722.00	\$ 722.00	\$ 262.50
Mohave Water Residential 4" - Bullhead	G1M1F	225.00	261.67	262.50
Mohave Water Residential 4" - Rio	G1M3F	71.45	523.32	262.50
Havasu Water Residential 4"	H1M1F	587.50	837.32	262.50
4" Inch Metered Commercial Customers				
Tubac Water Commercial 4"	F2M1F	722.00	722.00	262.50
Mohave Water Commercial 4" (OPA)	G4M1	225.00	225.00	262.50
Mohave Water Commercial 4"	G2M1F	225.00	225.00	262.50
Havasu Water Commercial 4"	H2M1F	587.50	587.50	262.50
Commodity Charge				
Residential Customers				
Tubac Water Residential 4"	F1M1F			
First 250,000 gallons		\$ 4.0000	\$ 4.0000	N/A
Over 250,000 gallons		6.0000	6.0000	N/A
First 300,000 gallons		N/A	N/A	\$ 1.5000
Over 300,000 gallons		N/A	N/A	2.1250
Mohave Water Residential 4" - Bullhead	G1M1F			
First 250,000 gallons		1.3430	1.3430	N/A
Over 250,000 gallons		1.6070	1.6070	N/A
First 300,000 gallons		N/A	N/A	1.5000
Over 300,000 gallons		N/A	N/A	2.1250
Mohave Water Residential 4" - RIO	G1M3F			
First 110,000 gallons		1.3430	1.3430	N/A
Over 110,000 gallons		1.6070	1.6070	N/A
First 300,000 gallons		N/A	N/A	1.5000
Over 300,000 gallons		N/A	N/A	2.1250
Havasu Water Residential 4"	H1M1F			
First 110,000 gallons		3.0200	3.0200	N/A
Over 100,000 gallons		3.5500	3.5500	N/A
First 300,000 gallons		N/A	N/A	1.5000
Over 300,000 gallons		N/A	N/A	2.1250
Commercial Customers				
Tubac Water Commercial 4"	F2M1F			
First 250,000 gallons		4.0000	4.0000	N/A
Over 250,000 gallons		6.0000	6.0000	N/A
First 300,000 gallons		N/A	N/A	1.5000
Over 300,000 gallons		N/A	N/A	2.1250
Mohave Water Commercial 4" (OPA)	G4M1			
All Usage		1.3430	1.3430	N/A
First 300,000 gallons		N/A	N/A	1.5000
Over 300,000 gallons		N/A	N/A	2.1250
Mohave Water Commercial 4"	G2M1F			
First 250,000 gallons		1.3430	1.3430	N/A
Over 250,000 gallons		1.6070	1.6070	N/A
First 300,000 gallons		N/A	N/A	1.5000
Over 300,000 gallons		N/A	N/A	2.1250
Havasu Water Commercial 4"	H2M1F			
First 110,000 gallons		3.0200	3.0200	N/A
Over 110,000 gallons		3.5500	3.5500	N/A
First 300,000 gallons		N/A	N/A	1.5000
Over 300,000 gallons		N/A	N/A	2.1250

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
6" Inch Metered Residential Customers				
Tubac Water Residential 6"	F1M1G	\$ 1,440.00	\$ 1,440.00	\$ 525.00
Mohave Water Residential 6" - Bull Head	G1M1G	450.00	450.00	525.00
Havasu Water Residential 6"	H1M1G	1,174.95	1,174.95	525.00
6" Inch Metered Commercial Customers				
Tubac Water Commercial 6"	F2M1G	1,440.00	1,440.00	525.00
Mohave Water Commercial 6" (OPA)	G4M1	450.00	450.00	525.00
Mohave Water Commercial 6"	G2M1G	450.00	450.00	525.00
Havasu Water Commercial 6"	H2M1G	1,174.95	1,174.95	525.00
Commodity Charge				
Residential Customers				
Tubac Water Residential 6"	F1M1G			
First 350,000 gallons		\$ 4.0000	\$ 4.0000	N/A
Over 350,000 gallons		6.0000	6.0000	N/A
First 500,000 gallons		N/A	N/A	\$ 1.5000
Over 500,000 gallons		N/A	N/A	2.1250
Mohave Water Residential 6"	G1M1G			
First 500,000 gallons		1.3430	1.3430	N/A
Over 500,000 gallons		1.6070	1.6070	N/A
First 500,000 gallons		N/A	N/A	1.5000
Over 500,000 gallons		N/A	N/A	2.1250
Havasu Water Residential 6"	H1M1G			
First 500,000 gallons		3.0200	3.0200	N/A
Over 500,000 gallons		3.5500	3.5500	N/A
First 500,000 gallons		N/A	N/A	1.5000
Over 500,000 gallons		N/A	N/A	2.1250
Commercial Customers				
Tubac Water Commercial 6"	F2M1G			
First 350,000 gallons		N/A	4.0000	N/A
Over 350,000 gallons		4.0000	6.0000	N/A
First 500,000 gallons		N/A	N/A	1.5000
Over 500,000 gallons		N/A	N/A	2.1250
Mohave Water Commercial 6" (OPA) All Usage	G4M1			
First 500,000 gallons		1.3430	1.3430	N/A
Over 500,000 gallons		N/A	N/A	1.5000
Mohave Water Commercial 6"	G2M1G			
First 500,000 gallons		1.3430	1.3430	N/A
Over 500,000 gallons		1.6070	1.6070	N/A
First 500,000 gallons		N/A	N/A	1.5000
Over 500,000 gallons		N/A	N/A	2.1250
Havasu Water Commercial 6"	H2M1G			
First 500,000 gallons		N/A	3.0200	N/A
Over 500,000 gallons		3.0200	3.5500	N/A
First 500,000 gallons		N/A	N/A	1.5000
Over 500,000 gallons		N/A	N/A	2.1250

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>Private Fire 2"</u>				
Mohave Private Fire 2"	G6M02	\$ 3.36	\$ 3.36	\$ 10.00
<u>Private Fire 3"</u>				
Mohave Private Fire 3"	G6M03	N/A	N/A	10.00
<u>Private Fire 4"</u>				
Mohave Private Fire 4"	G6M04	6.71	6.71	10.00
<u>Private Fire 6"</u>				
Mohave Private Fire 6"	G6M06	10.08	10.08	10.50
<u>Private Fire 8"</u>				
Mohave Private Fire 8"	G6M08	13.44	13.44	22.40
<u>Private Fire 10"</u>				
Mohave Private Fire 10"	G6M10	16.79	16.79	32.20
<u>Private Fire 12"</u>				
Mohave Private Fire 12"	G6M12	N/A	N/A	60.20
<u>Hydrant</u>				
Mohave Hydrant	G8M1	8.22	8.22	10.00

Typical Bill Analysis - Tubac Consolidated
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	11,740	\$ 58.36	\$ -	\$ (58.36)	-100.00%
Median Usage	7,000	42.40	-	\$ (42.40)	-100.00%
Staff Recommended					
Average Usage	11,740	\$ 58.36	\$ 27.70	\$ (30.66)	-52.54%
Median Usage	7,000	42.40	19.50	\$ (22.90)	-54.01%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 24.70	\$ -	-100.00%	\$ 10.50	-57.49%
1,000	26.80	-	-100.00%	11.50	-56.77%
2,000	28.50	-	-100.00%	12.50	-56.14%
3,000	30.40	-	-100.00%	13.50	-55.59%
4,000	33.40	-	-100.00%	15.00	-55.09%
5,000	36.40	-	-100.00%	16.50	-54.67%
6,000	39.40	-	-100.00%	18.00	-54.31%
7,000	42.40	-	-100.00%	19.50	-54.01%
8,000	45.40	-	-100.00%	21.00	-53.74%
9,000	48.40	-	-100.00%	22.50	-53.51%
10,000	51.40	-	-100.00%	24.00	-53.31%
11,000	55.40	-	-100.00%	26.13	-52.84%
12,000	59.40	-	-100.00%	28.25	-52.44%
13,000	63.40	-	-100.00%	30.38	-52.09%
14,000	67.40	-	-100.00%	32.50	-51.78%
15,000	71.40	-	-100.00%	34.63	-51.51%
16,000	75.40	-	-100.00%	36.75	-51.26%
17,000	79.40	-	-100.00%	38.88	-51.04%
18,000	83.40	-	-100.00%	41.00	-50.84%
19,000	87.40	-	-100.00%	43.13	-50.66%
20,000	91.40	-	-100.00%	45.25	-50.49%
25,000	111.40	-	-100.00%	55.88	-49.84%
30,000	131.40	-	-100.00%	66.50	-49.39%
35,000	151.40	-	-100.00%	77.13	-49.06%
40,000	171.40	-	-100.00%	87.75	-48.80%
45,000	191.40	-	-100.00%	98.38	-48.60%
50,000	211.40	-	-100.00%	109.00	-48.44%
75,000	311.40	-	-100.00%	162.13	-47.94%
100,000	411.40	-	-100.00%	215.25	-47.68%

Typical Bill Analysis - Mohave Consolidated Bullhead (G1MIA)
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	8,070	\$ 18.01	\$ -	\$ (18.01)	-100.00%
Median Usage	5,000	13.88	-	\$ (13.88)	-100.00%
Staff Recommended					
Average Usage	8,070	\$ 18.01	\$ 21.11	\$ 3.10	17.21%
Median Usage	5,000	13.88	16.50	\$ 2.62	18.85%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 9.00	\$ -	-100.00%	\$ 10.50	16.67%
1,000	9.89	-	-100.00%	11.50	16.34%
2,000	10.77	-	-100.00%	12.50	16.06%
3,000	11.66	-	-100.00%	13.50	15.83%
4,000	12.54	-	-100.00%	15.00	19.62%
5,000	13.88	-	-100.00%	16.50	18.85%
6,000	15.23	-	-100.00%	18.00	18.22%
7,000	16.57	-	-100.00%	19.50	17.69%
8,000	17.91	-	-100.00%	21.00	17.24%
9,000	19.26	-	-100.00%	22.50	16.85%
10,000	20.60	-	-100.00%	24.00	16.52%
11,000	22.21	-	-100.00%	26.13	17.65%
12,000	23.81	-	-100.00%	28.25	18.64%
13,000	25.42	-	-100.00%	30.38	19.50%
14,000	27.03	-	-100.00%	32.50	20.25%
15,000	28.63	-	-100.00%	34.63	20.93%
16,000	30.24	-	-100.00%	36.75	21.53%
17,000	31.85	-	-100.00%	38.88	22.07%
18,000	33.45	-	-100.00%	41.00	22.56%
19,000	35.06	-	-100.00%	43.13	23.00%
20,000	36.67	-	-100.00%	45.25	23.40%
25,000	44.70	-	-100.00%	55.88	24.99%
30,000	52.74	-	-100.00%	66.50	26.10%
35,000	60.77	-	-100.00%	77.13	26.91%
40,000	68.81	-	-100.00%	87.75	27.53%
45,000	76.84	-	-100.00%	98.38	28.02%
50,000	84.88	-	-100.00%	109.00	28.42%
75,000	125.05	-	-100.00%	162.13	29.65%
100,000	165.23	-	-100.00%	215.25	30.27%

Typical Bill Analysis - Mohave Consolidated RIO (G1M3A)
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	10,239	\$ 20.98	\$ -	\$ (20.98)	-100.00%
Median Usage	7,000	16.57	-	(16.57)	-100.00%
Staff Recommended					
Average Usage	10,239	\$ 20.98	\$ 24.51	\$ 3.53	16.80%
Median Usage	7,000	16.57	19.50	\$ 2.93	17.69%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 9.00	\$ -	-100.00%	\$ 10.50	16.67%
1,000	9.89	-	-100.00%	11.50	16.34%
2,000	10.77	-	-100.00%	12.50	16.06%
3,000	11.66	-	-100.00%	13.50	15.83%
4,000	12.54	-	-100.00%	15.00	19.62%
5,000	13.88	-	-100.00%	16.50	18.85%
6,000	15.23	-	-100.00%	18.00	18.22%
7,000	16.57	-	-100.00%	19.50	17.69%
8,000	17.91	-	-100.00%	21.00	17.24%
9,000	19.26	-	-100.00%	22.50	16.85%
10,000	20.60	-	-100.00%	24.00	16.52%
11,000	22.21	-	-100.00%	26.13	17.65%
12,000	23.81	-	-100.00%	28.25	18.64%
13,000	25.42	-	-100.00%	30.38	19.50%
14,000	27.03	-	-100.00%	32.50	20.25%
15,000	28.63	-	-100.00%	34.63	20.93%
16,000	30.24	-	-100.00%	36.75	21.53%
17,000	31.85	-	-100.00%	38.88	22.07%
18,000	33.45	-	-100.00%	41.00	22.56%
19,000	35.06	-	-100.00%	43.13	23.00%
20,000	36.67	-	-100.00%	45.25	23.40%
25,000	44.70	-	-100.00%	55.88	24.99%
30,000	52.74	-	-100.00%	66.50	26.10%
35,000	60.77	-	-100.00%	77.13	26.91%
40,000	68.81	-	-100.00%	87.75	27.53%
45,000	76.84	-	-100.00%	98.38	28.02%
50,000	84.88	-	-100.00%	109.00	28.42%
75,000	125.05	-	-100.00%	162.13	29.65%
100,000	165.23	-	-100.00%	215.25	30.27%

Typical Bill Analysis - Havasu Consolidated
General Service 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	9,796	\$ 50.36	\$ -	\$ (50.36)	-100.00%
Median Usage	5,000	35.88	-	\$ (35.88)	-100.00%
Staff Recommended					
Average Usage	9,796	\$ 50.36	\$ 23.69	\$ (26.67)	-52.95%
Median Usage	5,000	35.88	16.50	\$ (19.38)	-54.01%

Present & Proposed Rates (Without Taxes)
General Service 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 23.50	\$ -	-100.00%	\$ 10.50	-55.32%
1,000	25.84	-	-100.00%	11.50	-55.50%
2,000	28.18	-	-100.00%	12.50	-55.64%
3,000	30.52	-	-100.00%	13.50	-55.77%
4,000	32.86	-	-100.00%	15.00	-54.35%
5,000	35.88	-	-100.00%	16.50	-54.01%
6,000	38.90	-	-100.00%	18.00	-53.73%
7,000	41.92	-	-100.00%	19.50	-53.48%
8,000	44.94	-	-100.00%	21.00	-53.27%
9,000	47.96	-	-100.00%	22.50	-53.09%
10,000	50.98	-	-100.00%	24.00	-52.92%
11,000	54.00	-	-100.00%	26.13	-51.62%
12,000	57.02	-	-100.00%	28.25	-50.46%
13,000	60.04	-	-100.00%	30.38	-49.41%
14,000	63.59	-	-100.00%	32.50	-48.89%
15,000	67.14	-	-100.00%	34.63	-48.43%
16,000	70.69	-	-100.00%	36.75	-48.01%
17,000	74.24	-	-100.00%	38.88	-47.64%
18,000	77.79	-	-100.00%	41.00	-47.29%
19,000	81.34	-	-100.00%	43.13	-46.98%
20,000	84.89	-	-100.00%	45.25	-46.70%
25,000	102.64	-	-100.00%	55.88	-45.56%
30,000	120.39	-	-100.00%	66.50	-44.76%
35,000	138.14	-	-100.00%	77.13	-44.17%
40,000	155.89	-	-100.00%	87.75	-43.71%
45,000	173.64	-	-100.00%	98.38	-43.35%
50,000	191.39	-	-100.00%	109.00	-43.05%
75,000	280.14	-	-100.00%	162.13	-42.13%
100,000	368.89	-	-100.00%	215.25	-41.65%

**CONSOLIDATED WATER DISTRICTS
SCENARIO THREE
AGUA FRIA, ANTHEM, AND PARADISE VALLEY
SCHEDULES JMM-7 AND JMM-8**

Monthly Usage Charge	Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
5/8" by 3/4" and 3/4" Inch Metered Water Residential Customers			
Agua Fria Water Residential 5/8 x 3/4	C1M1A \$ 13.85	\$ 13.85	\$ 18.00
Anthem Water Residential 5/8 x 3/4	E1M1A 17.53	25.00	18.00
Paradise Valley Water Residential 5/8 x 3/4	P1M1A 25.15	25.15	18.00
Paradise Valley Water Residential 5/8 x 3/4	P1M1B 25.15	25.15	18.00
Paradise Valley Water Residential 3/4	P1M1A 26.16	26.16	18.00
5/8" by 3/4" and 3/4" Inch Metered Water Commercial Customers			
Agua Fria Water Commercial 5/8 x 3/4	C2M1A 13.85	13.85	18.00
Anthem Water Commercial 5/8 x 3/4	E2M1A 17.53	25.00	18.00
Anthem Water Commercial 5/8 x 3/4	E1M2A 17.53	25.00	18.00
Paradise Valley Water Commercial 5/8 x 3/4	P2M1A 25.15	25.15	18.00
Paradise Valley Water Commercial 5/8 x 3/4 (OPA)	P5M1A 32.15	32.15	18.00
Paradise Valley Water Commercial 3/4	P2M1A 26.16	26.16	18.00
Commodity Charge			
Residential Customers			
Agua Fria Water Residential 5/8 x 3/4	C1M1A		
First 4,000 gallons	\$ 1.8240	\$ 1.8240	N/A
4,001 to 13,000 gallons	2.7280	2.7280	N/A
Over 13,000 gallons	3.2750	3.2750	N/A
First 3,000 gallons	N/A	N/A	\$ 1.0000
3,001 to 10,000 gallons	N/A	N/A	2.2500
Over 10,000 gallons	N/A	N/A	4.1795
Anthem Water Residential 5/8 x 3/4	E1M1A		
First 4,000 gallons	1.5400	2.0000	N/A
4,001 to 10,000 gallons	2.4100	5.0000	N/A
Over 10,000 gallons	3.0800	7.8670	N/A
First 3,000 gallons	N/A	N/A	1.0000
3,001 to 10,000 gallons	N/A	N/A	2.2500
Over 10,000 gallons	N/A	N/A	4.1795
Paradise Valley Water Residential 5/8 x 3/4	P1M1A		
First 5,000 gallons	1.0500	1.0500	N/A
5,001 to 15,000 gallons	1.2500	1.2500	N/A
15,001 to 40,000 gallons	2.2000	2.2000	N/A
40,001 to 80,000 gallons	2.7500	2.7500	N/A
Over 80,000 gallons	3.2259	3.2259	N/A
First 3,000 gallons	N/A	N/A	1.0000
3,001 to 10,000 gallons	N/A	N/A	2.2500
Over 10,000 gallons	N/A	N/A	4.1795
Paradise Valley Water Residential 5/8 x 3/4	P1M1B		
First 5,000 gallons	1.0500	1.0500	N/A
5,001 to 15,000 gallons	1.2500	1.2500	N/A
15,001 to 40,000 gallons	2.2000	2.2000	N/A
40,001 to 80,000 gallons	2.7500	2.7500	N/A
Over 80,000 gallons	3.2259	3.2259	N/A
First 3,000 gallons	N/A	N/A	1.0000
3,001 to 10,000 gallons	N/A	N/A	2.2500
Over 10,000 gallons	N/A	N/A	4.1795
Paradise Valley Water Residential 3/4	P1M1A		
First 5,000 gallons	1.0500	1.0500	N/A
5,001 to 15,000 gallons	1.2500	1.2500	N/A
15,001 to 40,000 gallons	2.2000	2.2000	N/A
40,001 to 80,000 gallons	2.7500	2.7500	N/A
Over 80,000 gallons	3.2259	3.2259	N/A
First 3,000 gallons	N/A	N/A	1.0000
First 3,001 to 10,000 gallons	N/A	N/A	2.2500
Over 10,000 gallons	N/A	N/A	4.1795
Commercial Customers			
Agua Fria Water Commercial 5/8 x 3/4	C2M1A		
First 13,000 gallons	2.7280	2.7280	N/A
Over 13,000 gallons	3.2750	3.2750	N/A

First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	4.1795
Anthem Water Commercial 5/8 x 3/4	E2M1A			
First 10,000 gallons		2.4100	5.0000	N/A
Over 10,000 gallons		3.0800	7.8670	N/A
First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	4.1795
Anthem Water Commercial 5/8 x 3/4	E1M2A			
First 10,000 gallons		2.4100	5.0000	N/A
Over 10,000 gallons		3.0800	7.8670	N/A
First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Commercial 5/8 x 3/4	P2M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Commercial 3/4	P5M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Commercial 5/8 x 3/4 (OPA)	P2M1A			
All Usage		1.9500	1.9500	N/A
First 10,000 gallons		N/A	N/A	2.2500
Over 10,000 gallons		N/A	N/A	4.1795

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
1" Inch Metered Water Residential Customers				
Agua Fria Water Residential 1"	C1M1B	\$ 34.66	\$ 34.66	\$ 45.00
Anthem Water Residential 1"	E1M1B	42.88	42.88	45.00
Paradise Valley Water Residential 1"	P1M1B	50.30	50.30	45.00
Paradise Valley Water Residential 1"	PM1MA	50.30	50.30	45.00
1" Inch Metered Water Commercial Customers				
Agua Fria Water Commercial 1"	C2M1B	34.66	34.66	45.00
Anthem Water Commercial 1"	E2M1B	42.88	62.50	45.00
Anthem Water Commercial 1"	E1M2B	42.88	62.50	45.00
Paradise Valley Water Commercial 1"	P2M1A	50.30	50.30	45.00
Paradise Valley Water Commercial 1"	P5M1A	53.63	53.63	45.00
Commodity Charge				
Residential Customers				
Agua Fria Water Residential 1"	C1M1B			
First 45,000 gallons		\$ 2.7280	\$ 2.7280	N/A
Over 45,000 gallons		3.2750	3.2750	N/A
First 40,000 gallons		N/A	N/A	\$ 2.2500
Over 40,000 gallons		N/A	N/A	4.1795
Anthem Water Residential 1"	E1M1B			
First 4,000 gallons		1.5400	N/A	N/A
4,001 to 40,000 gallons		2.4100	N/A	N/A
Over 40,000 gallons		3.0800	N/A	N/A
First 3,000 gallons		N/A	2.0000	N/A
3,001 to 21,000 gallons		N/A	5.0000	N/A
Over 21,000 gallons		N/A	7.8670	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Residential 1"	P1M1B			
First 5,000 gallons		1.0500	1.0500	N/A
5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A
Over 80,000 gallons		3.2259	3.2259	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Residential 1"	PM1MA			
First 5,000 gallons		1.0500	1.0500	N/A
5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A
Over 80,000 gallons		3.2259	3.2259	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	4.1795
Commercial Customers				
Agua Fria Water Commercial 1"	C2M1B			
First 45,000 gallons		2.7280	N/A	N/A
Over 45,000 gallons		3.2750	N/A	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	4.1795
Anthem Water Commercial 1"	E2M1B			
First 46,000 gallons		2.4100	N/A	N/A
Over 46,000 gallons		3.0800	N/A	N/A
First 20,000 gallons		N/A	5.0000	N/A
Over 20,000 gallons		N/A	7.8670	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	4.1795

Anthem Water Commercial 1"	E1M2B			
First 46,000 gallons		2.4100	N/A	N/A
Over 46,000 gallons		3.0800	N/A	N/A
First 20,000 gallons		N/A	5.0000	N/A
Over 20,000 gallons		N/A	7.8670	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Commercial 1"	P2M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Commercial 1" (OPA) All Usage	P5M1A	1.9500	1.9500	N/A
First 40,000 gallons		N/A	N/A	2.2500
Over 40,000 gallons		N/A	N/A	4.1795

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
1.5" Inch Metered Water Residential Customers				
Agua Fria Water Residential 1.5"	C1M1C	\$ 68.77	\$ 68.77	\$ 90.00
Anthem Water Residential 1.5"	E1M1C	86.41	125.00	90.00
Paradise Valley Water Residential 1.5"	P1M1B	90.54	90.54	90.00
Paradise Valley Water Residential 1.5"	P1M1A	90.54	90.54	90.00
1.5" Inch Metered Water Commercial Customers				
Agua Fria Water Commercial 1.5"	C2M1C	68.77	68.77	90.00
Anthem Water Commercial 1.5"	E2M1C	86.41	125.00	90.00
Anthem Water Commercial 1.5"	E1M2C	86.41	125.00	90.00
Paradise Valley Water Commercial 1.5"	P2M1A	90.54	90.54	90.00
Commodity Charge				
Residential Customers				
Agua Fria Water Residential 1.5"	C1M1C			
First 100,000 gallons		\$ 2.7280	\$ 2.7280	N/A
Over 100,000 gallons		3.2750	3.2750	N/A
First 80,000 gallons		N/A	N/A	\$ 2.2500
Over 80,000 gallons		N/A	N/A	4.1795
Anthem Water Residential 1.5"	E1M1C			
First 109,000 gallons		2.7280	N/A	N/A
Over 109,000 gallons		3.2750	N/A	N/A
First 41,000 gallons		2.4100	5.0000	N/A
Over 41,000 gallons		3.0800	7.8670	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Residential 1.5"	P1M1B			
First 5,000 gallons		1.0500	1.0500	N/A
5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A
Over 80,000 gallons		3.2259	3.2259	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Residential 1.5"	P1M1A			
First 5,000 gallons		1.0500	1.0500	N/A
5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A
Over 80,000 gallons		3.2259	3.2259	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	4.1795
Commercial Customers				
Agua Fria Water Commercial 1.5"	C2M1C			
First 100,000 gallons		2.7280	2.7280	N/A
Over 100,000 gallons		3.2750	3.2750	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	4.1795
Anthem Water Commercial 1.5"	E2M1C			
First 109,000 gallons		2.4100	N/A	N/A
Over 109,000 gallons		3.0800	N/A	N/A
First 41,000 gallons		N/A	5.0000	N/A
Over 41,000 gallons		N/A	7.8670	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	4.1795
Anthem Water Commercial 1.5"	E1M2C			
First 109,000 gallons		2.4100	N/A	N/A
Over 109,000 gallons		3.0800	N/A	N/A

First 41,000 gallons		N/A	5.0000	N/A
Over 41,000 gallons		N/A	7.8870	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Commercial 1.5"	P2M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 80,000 gallons		N/A	N/A	2.2500
Over 80,000 gallons		N/A	N/A	4.1795

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
2" Inch Metered Residential Customers				
Agua Fria Water Residential 2"	C1M1D	\$ 110.83	\$ 110.83	\$ 144.00
Anthem Water Residential 2"	E1M1D	138.30	200.00	144.00
Paradise Valley Water Residential 2"	P1M1B	140.84	140.84	144.00
Paradise Valley Water Residential 2"	P1M1A	140.84	140.84	144.00
2" Inch Metered Commercial Customers				
Agua Fria Water Commercial 2"	C2M1D	110.83	110.83	144.00
Anthem Water Commercial 2"	E2M1D	138.30	200.00	144.00
Anthem Water Commercial 2"	E1M2D	138.30	200.00	144.00
Paradise Valley Water Commercial 2"	P2M1A	140.84	140.84	144.00
Paradise Valley Water Commercial 2" (OPA)	P5M1A	172.59	172.59	144.00
Commodity Charge				
Residential Customers				
Agua Fria Water Residential 2"	C1M1D			
First 150,000 gallons		\$ 2.7280	\$ 2.7280	N/A
Over 150,000 gallons		3.2750	3.2750	N/A
First 100,000 gallons		N/A	N/A	\$ 2.2500
Over 100,000 gallons		N/A	N/A	4.1795
Anthem Water Residential 2"	E1M1D			
First 185,000 gallons		2.4100	N/A	N/A
Over 185,000 gallons		3.0800	N/A	N/A
First 67,000 gallons		N/A	5.0000	N/A
Over 67,000 gallons		N/A	7.8670	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Residential 2"	P1M1B			
First 5,000 gallons		1.0500	1.0500	N/A
5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A
Over 80,000 gallons		3.2259	3.2259	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Residential 2"	P1M1A			
First 5,000 gallons		1.0500	1.0500	N/A
5,001 to 15,000 gallons		1.2500	1.2500	N/A
15,001 to 40,000 gallons		2.2000	2.2000	N/A
40,001 to 80,000 gallons		2.7500	2.7500	N/A
Over 80,000 gallons		3.2259	3.2259	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	4.1795
Commercial Customers				
Agua Fria Water Commercial 2"	C2M1D			
First 150,000 gallons		2.7280	2.7280	N/A
Over 150,000 gallons		3.2750	3.2750	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	4.1795
Anthem Water Commercial 2"	E2M1D			
First 185,000 gallons		2.4100	N/A	N/A
Over 185,000 gallons		3.0800	N/A	N/A
First 67,000 gallons		N/A	5.0000	N/A
Over 67,000 gallons		N/A	7.8670	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	4.1795
Anthem Water Commercial 2"	E1M2D			
First 185,000 gallons		2.4100	N/A	N/A

Over 185,000 gallons		3.0800	N/A	N/A
First 67,000 gallons		N/A	5.0000	N/A
Over 67,000 gallons		N/A	7.8670	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Commercial 2"	P2M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Commercial 2" (OPA)	P5M1A			
All Usage		1.9500	N/A	N/A
First 100,000 gallons		N/A	N/A	2.2500
Over 100,000 gallons		N/A	N/A	4.1795

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>3" Inch Metered Residential Customers</u>				
Agua Fria Water Residential 3"	C1M1E	\$ 221.66	\$ 221.66	\$ 270.00
Anthem Water Residential 3"	E1M1E	276.78	400.00	270.00
Anthem Water Residential 3"	E1M2E	276.78	400.00	270.00
Paradise Valley Water Residential 3"	P1M1B	276.65	276.65	270.00
Paradise Valley Water Residential 3"	P1M1A	276.65	276.65	270.00
<u>3" Inch Metered Commercial Customers</u>				
Agua Fria Water Water Commercial 3"	C2M1E	221.66	221.66	270.00
Anthem Water Water Commercial 3"	E2M1E	276.78	400.00	270.00
Anthem Water Water Commercial 3"	E1M2E	276.78	400.00	270.00
Paradise Valley Water Water Commercial 3"	P2M1A	276.65	276.65	270.00
Paradise Valley Water Water Commercial 3"	P2M1T	276.65	276.65	270.00
Paradise Valley Water Water Commercial 3"	P4M1T	276.65	276.65	270.00
<u>Commodity Charge</u>				
<u>Residential Customers</u>				
Agua Fria Water Residential 3"	C1M1E			
First 300,000 gallons		\$ 2.7280	\$ 2.7280	N/A
Over 300,000 gallons		3.2750	3.2750	N/A
First 200,000 gallons		N/A	N/A	\$ 2.2500
Over 200,000 gallons		N/A	N/A	4.1795
Anthem Water Residential 3"	E1M1E			
First 390,000 gallons		2.4100	N/A	N/A
Over 390,000 gallons		3.0800	N/A	N/A
First 134,000 gallons		N/A	5.0000	N/A
Over 134,000 gallons		N/A	7.8670	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Residential 3"	P1M1B			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Residential 3"	P1M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	4.1795
<u>Commercial Customers</u>				
Agua Fria Water Water Commercial 3"	C2M1E			
First 300,000 gallons		2.7280	2.7280	N/A
Over 300,000 gallons		3.2750	3.2750	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	4.1795
Anthem Water Water Commercial 3"	E2M1E			
First 390,000 gallons		2.4100	N/A	N/A
Over 390,000 gallons		3.0800	N/A	N/A
First 134,000 gallons		N/A	5.0000	N/A
Over 134,000 gallons		N/A	7.8670	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	4.1795
Anthem Water Water Commercial 3"	E1M2E			
First 390,000 gallons		2.4100	N/A	N/A
Over 390,000 gallons		3.0800	N/A	N/A
First 134,000 gallons		N/A	5.0000	N/A
Over 134,000 gallons		N/A	7.8670	N/A

First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Water Commercial 3"	P2M1A			
First 400,000 gallons		1.9500	N/A	N/A
Over 400,000 gallons		2.3000	N/A	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Water Commercial 3"	P2M1T			
All Usage		1.6800	1.6800	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Water Commercial 3"	P4M1T			
All Usage		1.6800	1.6800	N/A
First 200,000 gallons		N/A	N/A	2.2500
Over 200,000 gallons		N/A	N/A	4.1795

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
4" Inch Metered Customers				
Agua Fria Water Residential 4"	C1M1F	\$ 346.29	\$ 346.29	\$ 450.00
Anthem Water Residential 4"	E1M1F	432.63	625.00	450.00
Paradise Valley Water Residential 4"	P1M1B	462.76	10.21	450.00
Paradise Valley Water Residential 4"	P1M1A	462.76	26.17	450.00
4" Inch Metered Commercial Customers				
Agua Fria Water Commercial 4"	C2M1F	346.29	346.29	450.00
Anthem Water Commercial 4"	E2M1F	432.63	625.00	450.00
Anthem Water Commercial 4"	E1M2F	432.63	625.00	450.00
Paradise Valley Water Commercial 4"	P2M1A	462.76	462.76	450.00
Paradise Valley Water Commercial 4"	P2M1T	462.76	462.76	450.00
Commodity Charge				
Residential Customers				
Agua Fria Water Residential 4"	C1M1F			
First 400,000 gallons		\$ 2.7280	\$ 2.7280	N/A
Over 400,000 gallons		3.2750	3.2750	N/A
First 300,000 gallons		N/A	N/A	\$ 2.2500
Over 300,000 gallons		N/A	N/A	4.1795
Anthem Water Residential 4"	E1M1F			
First 621,000 gallons		2.4100	N/A	N/A
Over 621,000 gallons		3.0800	N/A	N/A
First 211,000 gallons		N/A	5.0000	N/A
Over 211,000 gallons		N/A	7.8670	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Residential 4"	P1M1B			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Residential 4"	P1M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	4.1795
Commercial Customers				
Agua Fria Water Commercial 4"	C2M1F			
First 400,000 gallons		2.7280	N/A	N/A
Over 400,000 gallons		3.2750	N/A	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	4.1795
Anthem Water Commercial 4"	E2M1F			
First 621,000 gallons		N/A	N/A	N/A
Over 621,000 gallons		2.4100	N/A	N/A
First 211,000 gallons		N/A	5.0000	N/A
Over 211,000 gallons		N/A	7.8670	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Commercial 4"	P2M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 300,000 gallons		N/A	N/A	2.2500
Over 300,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Commercial 4"	P2M1T			

All Usage	1.6800	1.6800	N/A
First 300,000 gallons	N/A	N/A	2.2500
Over 300,000 gallons	N/A	N/A	4.1795

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
6" Inch Metered Residential Customers				
Agua Fria Water Residential 6"	C1M1G	\$ 692.52	\$ 692.52	\$ 900.00
Anthem Water Residential 6"	E1M1G	865.27	1,250.00	900.00
Paradise Valley Water Residential 6"	P1M1B	930.00	930.00	900.00
Paradise Valley Water Residential 6"	P1M1A	930.00	930.00	900.00
6" Inch Metered Commercial Customers				
Agua Fria Water Commercial 6"	C2M1G	692.52	692.52	900.00
Anthem Water Commercial 6"	E2M1G	865.27	1,250.00	900.00
Paradise Valley Water Commercial 6"	P2M1A	930.00	930.00	900.00
Commodity Charge				
Residential Customers				
Agua Fria Water Residential 6"	C1M1G			
First 800,000 gallons		\$ 2.7280	\$ 2.7280	N/A
Over 800,000 gallons		3.2750	3.2750	N/A
First 500,000 gallons		N/A	N/A	\$ 2.2500
Over 500,000 gallons		N/A	N/A	4.1795
Anthem Water Residential 6"	E1M1G			
First 1,265,000 gallons		2.4100	N/A	N/A
Over 1,265,000 gallons		3.0800	N/A	N/A
First 446,000 gallons		N/A	1.4000	N/A
Over 446,000 gallons		N/A	2.3157	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Residential 6"	P1M1B			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Residential 6"	P1M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	4.1795
Commercial Customers				
Agua Fria Water Commercial 6"	C2M1G			
First 800,000 gallons		2.7280	2.7280	N/A
Over 800,000 gallons		3.2750	3.2750	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	4.1795
Anthem Water Commercial 6"	E2M1G			
First 1,265,000 gallons		2.4100	N/A	N/A
Over 1,265,000 gallons		3.0800	N/A	N/A
First 446,000 gallons		N/A	5.0000	N/A
Over 446,000 gallons		N/A	7.8670	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	4.1795
Paradise Valley Water Commercial 6"	P2M1A			
First 400,000 gallons		1.9500	1.9500	N/A
Over 400,000 gallons		2.3000	2.3000	N/A
First 500,000 gallons		N/A	N/A	2.2500
Over 500,000 gallons		N/A	N/A	4.1795

Commodity Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
<u>Non Potable</u>				
Agua Fria Non Potable	C7M2	\$ 2.7280	\$ 2.7280	\$ 3.0450
Agua Fria Non Potable	C8M2	2.7280	2.7280	3.0450
Anthem Non Potable	D7M1	1.4300	2.5648	3.0450
Anthem Non Potable	D7M2	1.4300	2.5648	3.0450

Monthly Usage Charge		Present	Staff Non-Consolidated Recommended Rates	Staff Consolidated Recommended Rates
Private Fire 2"				
Agua Fria Private Fire 2"	B6M02	N/A	N/A	\$ 10.00
Anthem Private Fire 2"	E6M02	N/A	N/A	10.00
Paradise Valley Private Fire 2"	P6M1A	\$ 10.00	\$ 10.00	10.00
Private Fire 3"				
Agua Fria Private Fire 3"	B6M03	N/A	N/A	10.00
Anthem Private Fire 3"	E6M03	49.67	49.67	10.00
Paradise Valley Private Fire 3"	P6M1A	10.00	10.00	10.00
Private Fire 4"				
Anthem/Sun City West Private Fire 4"	B6M04	56.26	56.26	10.00
Agua Fria Private Fire 4"	C6M04	32.40	32.40	10.00
Anthem Private Fire 4"	E6M04	84.40	12.50	10.00
Paradise Valley Private Fire 4"	P6M1A	10.00	10.00	10.00
Private Fire 6"				
Agua Fria Private Fire 6"	E6M06	147.00	147.00	18.00
Agua Fria Private Fire 6"	C6M06	47.00	47.00	18.00
Anthem Private Fire 6"	E6M06	126.60	25.00	18.00
Paradise Valley Private Fire 6"	P6M1A	10.00	10.00	18.00
Private Fire 8"				
Agua Fria Private Fire 8"	C6M08	64.00	64.00	22.40
Anthem Private Fire 8"	E6M08	127.72	40.00	22.40
Paradise Valley Private Fire 8"	P6M1A	10.00	10.00	22.40
Private Fire 10"				
Agua Fria Private Fire 10"	C6M10	126.39	126.39	32.20
Anthem Private Fire 10"	E6M10	255.45	57.50	32.20
Paradise Valley Private Fire 10"	P6M1A	10.00	10.00	32.20
Private Fire 12"				
Agua Fria Private Fire 12"	C6M12	190.00	190.00	60.20
Anthem Private Fire 12"	E6M12	N/A	N/A	60.20
Paradise Valley Private Fire 12"	P6M1A	10.00	10.00	60.20
Hydrant				
Agua Fria Hydrant		N/A	N/A	10.00
Anthem Hydrant		N/A	N/A	10.00
Paradise Valley Hydrant		N/A	N/A	10.00
Commodity Charge				
Private Fire				
Agua Fria All gallonage		1.3800	-	-

Typical Bill Analysis - Paradise Valley Consolidated
General Service 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	24,954	\$ 65.81	\$ -	\$ (65.81)	-100.00%
Median Usage	10,000	37.66	-	\$ (37.66)	-100.00%
Staff Recommended					
Average Usage	24,954	\$ 65.81	\$ 99.25	\$ 33.44	50.82%
Median Usage	10,000	37.66	36.75	\$ (0.91)	-2.42%

Present & Proposed Rates (Without Taxes)
General Service 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 26.16	\$ -	-100.00%	\$ 18.00	-31.19%
1,000	27.21	-	-100.00%	19.00	-30.17%
2,000	28.26	-	-100.00%	20.00	-29.23%
3,000	29.31	-	-100.00%	21.00	-28.35%
4,000	30.36	-	-100.00%	23.25	-23.42%
5,000	31.41	-	-100.00%	25.50	-18.82%
6,000	32.66	-	-100.00%	27.75	-15.03%
7,000	33.91	-	-100.00%	30.00	-11.53%
8,000	35.16	-	-100.00%	32.25	-8.28%
9,000	36.41	-	-100.00%	34.50	-5.25%
10,000	37.66	-	-100.00%	36.75	-2.42%
11,000	38.91	-	-100.00%	40.93	5.19%
12,000	40.16	-	-100.00%	45.11	12.32%
13,000	41.41	-	-100.00%	49.29	19.03%
14,000	42.66	-	-100.00%	53.47	25.34%
15,000	43.91	-	-100.00%	57.65	31.29%
16,000	46.11	-	-100.00%	61.83	34.09%
17,000	48.31	-	-100.00%	66.01	36.63%
18,000	50.51	-	-100.00%	70.19	38.95%
19,000	52.71	-	-100.00%	74.37	41.08%
20,000	54.91	-	-100.00%	78.55	43.04%
25,000	65.91	-	-100.00%	99.44	50.88%
30,000	76.91	-	-100.00%	120.34	56.47%
35,000	87.91	-	-100.00%	141.24	60.86%
40,000	98.91	-	-100.00%	162.14	63.92%
45,000	109.91	-	-100.00%	183.03	66.53%
50,000	120.91	-	-100.00%	203.93	68.66%
75,000	175.91	-	-100.00%	308.42	75.33%
100,000	230.91	-	-100.00%	412.91	78.82%

Typical Bill Analysis - Paradise Valley Consolidated (P1M1A)
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	20,406	\$ 54.79	\$ -	\$ (54.79)	-100.00%
Median Usage	11,000	37.90	-	(37.90)	-100.00%
Staff Recommended					
Average Usage	20,406	\$ 54.79	\$ 80.24	\$ 25.45	46.44%
Median Usage	11,000	37.90	40.93	3.03	7.99%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 25.15	\$ -	-100.00%	\$ 18.00	-28.43%
1,000	26.20	-	-100.00%	19.00	-27.48%
2,000	27.25	-	-100.00%	20.00	-26.61%
3,000	28.30	-	-100.00%	21.00	-25.80%
4,000	29.35	-	-100.00%	23.25	-20.78%
5,000	30.40	-	-100.00%	25.50	-16.12%
6,000	31.65	-	-100.00%	27.75	-12.32%
7,000	32.90	-	-100.00%	30.00	-8.81%
8,000	34.15	-	-100.00%	32.25	-5.56%
9,000	35.40	-	-100.00%	34.50	-2.54%
10,000	36.65	-	-100.00%	36.75	0.27%
11,000	37.90	-	-100.00%	40.93	7.99%
12,000	39.15	-	-100.00%	45.11	15.22%
13,000	40.40	-	-100.00%	49.29	22.00%
14,000	41.65	-	-100.00%	53.47	28.37%
15,000	42.90	-	-100.00%	57.65	34.38%
16,000	45.10	-	-100.00%	61.83	37.09%
17,000	47.30	-	-100.00%	66.01	39.55%
18,000	49.50	-	-100.00%	70.19	41.79%
19,000	51.70	-	-100.00%	74.37	43.84%
20,000	53.90	-	-100.00%	78.55	45.72%
25,000	64.90	-	-100.00%	99.44	53.22%
30,000	75.90	-	-100.00%	120.34	58.55%
35,000	86.90	-	-100.00%	141.24	62.53%
40,000	97.90	-	-100.00%	162.14	65.61%
45,000	108.90	-	-100.00%	183.03	68.07%
50,000	119.90	-	-100.00%	203.93	70.08%
75,000	174.90	-	-100.00%	308.42	76.34%
100,000	229.90	-	-100.00%	412.91	78.60%

Typical Bill Analysis - Paradise Valley Consolidated MMWC (P1M1B)
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	8,545	\$ 34.83	\$ -	\$ (34.83)	-100.00%
Median Usage	8,000	34.15	-	\$ (34.15)	-100.00%
Staff Recommended					
Average Usage	8,545	\$ 34.83	\$ 33.48	\$ (1.36)	-3.89%
Median Usage	8,000	34.15	32.25	\$ (1.90)	-5.56%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 25.15	\$ -	-100.00%	\$ 18.00	-28.43%
1,000	26.20	-	-100.00%	19.00	-27.48%
2,000	27.25	-	-100.00%	20.00	-26.61%
3,000	28.30	-	-100.00%	21.00	-25.80%
4,000	29.35	-	-100.00%	23.25	-20.78%
5,000	30.40	-	-100.00%	25.50	-16.12%
6,000	31.65	-	-100.00%	27.75	-12.32%
7,000	32.90	-	-100.00%	30.00	-8.81%
8,000	34.15	-	-100.00%	32.25	-5.56%
9,000	35.40	-	-100.00%	34.50	-2.54%
10,000	36.65	-	-100.00%	36.75	0.27%
11,000	37.90	-	-100.00%	40.93	7.99%
12,000	39.15	-	-100.00%	45.11	15.22%
13,000	40.40	-	-100.00%	49.29	22.00%
14,000	41.65	-	-100.00%	53.47	28.37%
15,000	42.90	-	-100.00%	57.65	34.38%
16,000	45.10	-	-100.00%	61.83	37.09%
17,000	47.30	-	-100.00%	66.01	39.55%
18,000	49.50	-	-100.00%	70.19	41.79%
19,000	51.70	-	-100.00%	74.37	43.84%
20,000	53.90	-	-100.00%	78.55	45.72%
25,000	64.90	-	-100.00%	99.44	53.22%
30,000	75.90	-	-100.00%	120.34	58.55%
35,000	86.90	-	-100.00%	141.24	62.53%
40,000	97.90	-	-100.00%	162.14	65.61%
45,000	108.90	-	-100.00%	183.03	68.07%
50,000	119.90	-	-100.00%	203.93	70.08%
75,000	174.90	-	-100.00%	308.42	76.34%
100,000	229.90	-	-100.00%	412.91	79.60%

Typical Bill Analysis - Anthem Consolidated
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	9,616	\$ 37.22	\$ -	\$ (37.22)	-100.00%
Median Usage	8,000	33.33	-	\$ (33.33)	-100.00%
Staff Recommended					
Average Usage	9,616	\$ 37.22	\$ 35.89	\$ (1.34)	-3.60%
Median Usage	8,000	33.33	32.25	\$ (1.08)	-3.24%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 17.53	\$ -	-100.00%	\$ 18.00	2.68%
1,000	19.07	-	-100.00%	19.00	-0.37%
2,000	20.61	-	-100.00%	20.00	-2.96%
3,000	22.15	-	-100.00%	21.00	-5.19%
4,000	23.69	-	-100.00%	23.25	-1.86%
5,000	26.10	-	-100.00%	25.50	-2.30%
6,000	28.51	-	-100.00%	27.75	-2.67%
7,000	30.92	-	-100.00%	30.00	-2.98%
8,000	33.33	-	-100.00%	32.25	-3.24%
9,000	35.74	-	-100.00%	34.50	-3.47%
10,000	38.15	-	-100.00%	36.75	-3.67%
11,000	41.23	-	-100.00%	40.93	-0.73%
12,000	44.31	-	-100.00%	45.11	1.80%
13,000	47.39	-	-100.00%	49.29	4.01%
14,000	50.47	-	-100.00%	53.47	5.94%
15,000	53.55	-	-100.00%	57.65	7.65%
16,000	56.63	-	-100.00%	61.83	9.18%
17,000	59.71	-	-100.00%	66.01	10.55%
18,000	62.79	-	-100.00%	70.19	11.78%
19,000	65.87	-	-100.00%	74.37	12.90%
20,000	68.95	-	-100.00%	78.55	13.92%
25,000	84.35	-	-100.00%	99.44	17.89%
30,000	99.75	-	-100.00%	120.34	20.64%
35,000	115.15	-	-100.00%	141.24	22.66%
40,000	130.55	-	-100.00%	162.14	24.19%
45,000	145.95	-	-100.00%	183.03	25.41%
50,000	161.35	-	-100.00%	203.93	26.39%
75,000	238.35	-	-100.00%	308.42	29.40%
100,000	315.35	-	-100.00%	412.91	30.94%

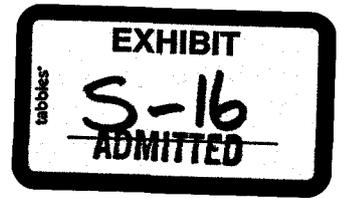
Typical Bill Analysis - Agua Fria Consolidated
General Service 5/8 x 3/4-Inch Meter

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	7,679	\$ 31.18	\$ -	\$ (31.18)	-100.00%
Median Usage	6,000	26.60	-	\$ (26.60)	-100.00%
Staff Recommended					
Average Usage	7,679	\$ 31.18	\$ 31.53	\$ 0.35	1.11%
Median Usage	6,000	26.60	27.75	\$ 1.15	4.32%

Present & Proposed Rates (Without Taxes)
General Service 5/8 x 3/4-Inch Meter

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	\$ 13.85	\$ -	-100.00%	\$ 18.00	29.96%
1,000	15.67	-	-100.00%	19.00	21.22%
2,000	17.50	-	-100.00%	20.00	14.30%
3,000	19.32	-	-100.00%	21.00	8.68%
4,000	21.15	-	-100.00%	23.25	9.95%
5,000	23.87	-	-100.00%	25.50	6.81%
6,000	26.60	-	-100.00%	27.75	4.32%
7,000	29.33	-	-100.00%	30.00	2.28%
8,000	32.06	-	-100.00%	32.25	0.60%
9,000	34.79	-	-100.00%	34.50	-0.82%
10,000	37.51	-	-100.00%	36.75	-2.04%
11,000	40.24	-	-100.00%	40.93	1.71%
12,000	42.97	-	-100.00%	45.11	4.98%
13,000	45.70	-	-100.00%	49.29	7.86%
14,000	48.97	-	-100.00%	53.47	9.18%
15,000	52.25	-	-100.00%	57.65	10.33%
16,000	55.52	-	-100.00%	61.83	11.35%
17,000	58.80	-	-100.00%	66.01	12.26%
18,000	62.07	-	-100.00%	70.19	13.07%
19,000	65.35	-	-100.00%	74.37	13.80%
20,000	68.62	-	-100.00%	78.55	14.46%
25,000	85.00	-	-100.00%	99.44	16.99%
30,000	101.37	-	-100.00%	120.34	18.71%
35,000	117.75	-	-100.00%	141.24	19.95%
40,000	134.12	-	-100.00%	162.14	20.89%
45,000	150.50	-	-100.00%	183.03	21.62%
50,000	166.87	-	-100.00%	203.93	22.21%
75,000	248.75	-	-100.00%	308.42	23.99%
100,000	330.62	-	-100.00%	412.91	24.89%

BEFORE THE ARIZONA CORPORATION COMMISSION



KRISTIN K. MAYES

Chairman

GARY PIERCE

Commissioner

PAUL NEWMAN

Commissioner

SANDRA D. KENNEDY

Commissioner

BOB STUMP

Commissioner

IN THE MATTER OF THE APPLICATION OF)
ARIZONA-AMERICAN WATER COMPANY,)
AN ARIZONA CORPORATION, FOR A)
DETERMINATION OF THE CURRENT FAIR)
VALUE OF ITS UTILITY PLANT AND)
PROPERTY AND FOR INCREASE IN ITS)
RATES AND CHARGES BASED THEREON)
FOR UTILITY SERVICES BY ITS ANTHEM)
WATER DISTRICT AND ITS SUN CITY)
WATER DISTRICT.)

DOCKET NO. W-01303A-09-0343

IN THE MATTER OF THE APPLICATION OF)
ARIZONA-AMERICAN WATER COMPANY,)
AN ARIZONA CORPORATION, FOR A)
DETERMINATION OF THE CURRENT FAIR)
VALUE OF ITS UTILITY PLANT AND)
PROPERTY AND FOR INCREASE IN ITS)
RATES AND CHARGES BASED THEREON)
FOR UTILITY SERVICES BY ITS)
ANTHEM/AGUA FRIA WASTEWATER)
DISTRICT, ITS SUN CITY WASTEWATER)
DISTRICT AND ITS SUN CITY WEST)
WASTEWATER DISTRICT.)

DOCKET NO. SW-01303A-09-0343

(RATE DESIGN)

DIRECT TESTIMONY

OF

ELIJAH O. ABINAH

ASSISTANT DIRECTOR

UTILITES DIVISION

ARIZONA CORPORATION COMMISSION

MARCH 30, 2010

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1 **INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. My name is Elijah O. Abinah. My business address is 1200 West Washington Street,
4 Phoenix, Arizona, 85007.

5
6 **Q. Where are you employed and in what capacity?**

7 A. I am employed by the Utilities Division ("Staff") of the Arizona Corporation Commission
8 ("ACC" or "Commission") as the Assistant Director.

9
10 **Q. How long have you been employed with the Utilities Division?**

11 A. I have been employed with the Utilities Division since January 2003.

12
13 **Q. Please describe your educational background and professional experience.**

14 A. I received a Bachelor of Science degree in Accounting from the University of Central
15 Oklahoma in Edmond, Oklahoma. I also received a Master of Management degree from
16 Southern Nazarene University in Bethany, Oklahoma. Prior to my employment with the
17 ACC, I was employed by the Oklahoma Corporation Commission for approximately eight
18 and a half years in various capacities in the Telecommunications Division.

19
20 **Q. What are your current responsibilities?**

21 A. As the Assistant Director, I review submissions that are filed with the Commission and
22 make policy recommendations to the Director regarding those filings.

23
24 **Q. What is the purpose of your testimony?**

25 A. The purpose of my testimony is to address the issue of rate consolidation or system
26 interconnections.

1 Q. Can you please provide a brief background?

2 A. Yes. Commission Decision No. 71470 issued on December 8, 2009, in Docket No.
3 W-01303A-08-0227, states the following:

4 While the Commission will defer addressing consolidation in the
5 instant case, we believe this issue is of critical importance and that
6 unnecessary delay does not allow customers to benefit from
7 administrative expediency, economies of scale and other
8 efficiencies which would otherwise occur through consolidation.
9 Accordingly, we will require Commission Staff to propose at least
10 one consolidation proposal in the Company's next rate case which
11 will allow parties and the public ample opportunity to have notice
12 of this issue and participate in that discussion.

13 Decision 71470 at 51:9-14 (issued Dec. 8, 2009)

14

15 116. The rate designs adopted herein are just and reasonable. This
16 docket should remain open for the limited purpose of consolidation
17 in the company's next rate case with a separate docket in which a
18 revenue-neutral change to rate design of all the Company's water
19 districts or other appropriate proposals or all the Company's water
20 and wastewater districts or other appropriate proposals may be
21 considered simultaneously, after appropriate public notice, with
22 appropriate opportunity for informed public comment and
23 participation.

24 Decision 71470, Finding of Fact 116, at 71:26-72:4

25

26

1 IT IS FURTHER ORDERED that this docket shall remain open for
2 the limited purpose of consolidation in the Company's next rate
3 case with a separate docket in which a revenue-neutral change to
4 rate design of all Arizona-American Water Company's water
5 districts or other appropriate proposals or all Arizona-American's
6 water and wastewater districts or other appropriate proposals may
7 be considered simultaneously, after appropriate public notice, with
8 appropriate opportunity for informed public comment and
9 participation.

10 Decision 71470 at 78:14-19

11
12 My Testimony addresses the above.

13
14 **RATE CONSOLIDATION/SYSTEM INTERCONNECTION**

15 **Q. Does Staff support the concept of rate consolidation and/or system interconnection?**

16 **A.** Yes, in appropriate circumstances. Staff believes where and when it makes sense and
17 where it is technically and financially feasible, rate consolidation and/or system
18 interconnections should be seriously considered by the Commission.

19
20 **Q. Can you please define rate consolidation and system interconnection?**

21 **A.** Rate consolidation also known as Single Tariff Prices ("STP") is "the use of a unified rate
22 structure for multiple utility systems that are owned and operated by a single utility, but
23 that may or may not be contiguous or physically interconnected." Whereas, system
24 interconnection is when two or more systems or districts owned and operated by a single
25 utility are physically connected or tied together. When a system or district is
26 interconnected, in most instances, they share storage tanks, pipelines, etc.

1 Q. When a company is physically interconnected, is it appropriate to have a STP?

2 A. Usually yes. Staff believes that, when a company is physically interconnected an STP is
3 most likely appropriate due to the sharing of facilities and personnel.

4
5 Q. Does a utility have to interconnect in order to have a rate consolidation or STP?

6 A. No. Staff believes that in some instances physical interconnection is not technically or
7 financially feasible, while rate consolidation may be.

8
9 Q. What criteria should be considered in recommending rate consolidation?

10 A. Staff believes that the following criteria should be utilized at the minimum:

11

12 • Public health and safety – These issues come into play with small, troubled water
13 systems that are not currently a part of a larger system. Small troubled systems often
14 need substantial investment to alleviate health or public safety issues such as water
15 quality. Upgrades to such systems can be significant and substantial, since this may be
16 spread over only a few customers, rates will move up drastically. For example, if a
17 small, 300 customer system needed to make an investment of \$1.0 million each
18 customer would face an increase of roughly a \$50 per month, just to meet the revenue
19 requirement for this investment. If on the other hand, we had a consolidated tariff and
20 could spread that same revenue requirement over 100,000 customers, each customer
21 would face an increase of only \$0.15 per month.

22

23 • Proximity and location – Proximity may help psychologically getting people to accept
24 single tariffs, but it certainly is not a requirement. Physical interconnection should be
25 required when systems/districts are closer and it is technically and financially feasible.

public health

1 • Economies of scale/rate case expense – One area where there would be significant
2 economies of scale would be in the preparation of rate cases. Preparing, analyzing and
3 litigating the consolidated cases could be much more efficient than processing with
4 individual cases. Issues which have caused delays and added costs such as allocating
5 shared plant or other costs between districts could disappear as there would be only a
6 single number for rate base or expenses.

7
8 • Price shock/mitigation – Price shock is an issue during the transition period and, in
9 reality, is relative to the prices people pay now. It is also important to remember that
10 there will be communities that clearly benefit from this and others that do not.

11
12 For example, if Sun City and Sun City West consolidate, the average price would be
13 roughly \$20 per month. For Sun City customers, this would amount to an increase of
14 roughly \$7 per month which is substantial but not insurmountable. On a relative basis
15 however, this is a 54 percent increase and this figure is bound to garner unfavorable
16 publicity. For the Sun City West residents, this would represent a decrease from
17 current rates and a significant decrease from the proposed average rate of \$35 per
18 month demonstrating the clear benefit these residents would experience.

19
20 • Public policy – Public policy will be a key part of tariff consolidation. There are
21 several examples of public policy driving regulatory decisions that differ from a purely
22 theoretical view on regulatory practices. Public policy on water conservation is one of
23 the key drivers behind the increasing block tariffs used to promote conservation even
24 though, in a traditional “cost of service” model, one might expect to see the opposite.
25 Public policy is also behind the push to switch water use from non-renewable ground
26 water to renewable sources like surface water even though ground water may be less

1 expensive in the short term. The key public benefits related to tariff consolidation
2 include:

- 3 1. The opportunity for efficient consolidation of small troubled water
4 companies, some of which may be some distance from other companys'
5 current footprint.
6 2. The ability to minimize severe price shocks experienced by one or two
7 communities as a new facility or major upgrade is undertaken.
8 3. Improving the effectiveness of certain key programs such as low income
9 tariffs by including resources from across the state.

- 10
11 • Other jurisdictions/municipalities – Staff believes that the Commission should
12 examine how and if this issue is being addressed by other jurisdictions.

13
14 **Q. Should the Commission establish, at a minimum, a set of criteria in considering rate
15 consolidation and/or system interconnection?**

16 **A.** Yes. Staff believes that, at a minimum, the Commission should establish certain criteria
17 for rate consolidation and/or system interconnection.

18
19 **Q. Does Staff believe that rate consolidation and/or system interconnection is possible
20 for all systems/districts?**

21 **A.** No. Sometimes rate consolidation and/or system interconnection is not technically or
22 financially feasible.

23
24 **Q. Did Arizona-American Water Company (“Company”) propose consolidation in its
25 Direct Testimony?**

26 **A.** No. In its Direct Testimony, the Company did not propose any rate consolidation.

1 **Q. What is Staff's recommendation in this proceeding for the water systems?**

2 A. As stated earlier, Staff supports the concept of rate consolidation and/or system
3 interconnection where appropriate. In this instance Staff recommends that the
4 Commission maintain the status quo by adopting a stand alone rate design. However if
5 the Commission is inclined to implement rate consolidation in this instant case, Staff
6 recommends that the Commission consider rate consolidation on a regional bases or
7 combination of district/system as follows. The Commission could order Arizona
8 American to consolidate the rates of the following systems/districts (Scenario Three in Mr.
9 Michlik's testimony):

- 10 • Sun City and Sun City West system/district.
- 11 • Paradise Valley, Anthem and Agua Fria system/district.
- 12 • Mohave, Lake Havasu and Tubac system/district.

13
14 **Q. What is Staff's rationale for this recommendation?**

15 A. As stated earlier, Staff supports the concept of rate consolidation and/or system
16 interconnection where and when it is technically and financially feasible. As noted, the
17 Company, for ratemaking purposes, has 13 systems/districts, consisting of eight water and
18 five wastewater districts.

19
20 This combination consolidates the rates of the rural or outlying systems (Mohave, Lake
21 Havasu, and Tubac); the Maricopa County systems (Paradise valley, Anthem, and Agua
22 Fria, excluding the Sun Cities); and the Sun City and Sun City West systems.

23
24 Also, Staff believes that the Commission should proceed with caution and be mindful of
25 any unintended consequences of rate consolidation and/or system interconnection.

26

1 **Q. What is Staff's recommendation in this proceeding for the wastewater systems?**

2 A. In this instance Staff recommends that the Commission maintain the status quo by
3 adopting a stand alone rate design. However if the Commission is inclined to implement
4 rate consolidation in this instant case, Staff recommends that the Commission consider
5 rate consolidation as follows (Scenario Two in Mr. Michlik's testimony):

- 6 • Sun City and Sun City West system/district.
7 • Mohave, Anthem and Agua Fria system/district.

8
9 **Q. Can you please list these districts?**

10 A. Yes:

- 11
12 • Agua Fria Water district
13 • Agua Fria Wastewater district
14 • Sun City Water
15 • Sun City Wastewater
16 • Sun City West Water
17 • Sun City West Wastewater
18 • Anthem Water
19 • Anthem Wastewater
20 • Mohave Water district
21 • Mohave Wastewater district
22 • Paradise Valley Water
23 • Tubac Water district
24 • Havasu Water

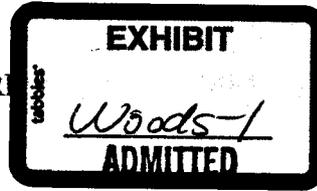
25
26 **Q. Does this conclude your Surrebuttal Testimony?**

27 A. Yes it does.

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3 BEFORE THE ARIZONA CORPORATION COMMISSIONER



4 **COMMISSIONERS**

5 KRISTIN K. MAYES - Chairman
6 GARY PIERCE
7 PAUL NEWMAN
8 SANDRA D. KENNEDY
9 BOB STUMP

10 IN THE MATTER OF THE APPLICATION OF
11 ARIZONA-AMERICAN WATER
12 COMPANY, AN ARIZONA CORPORATION,
13 FOR A DETERMINATION OF THE CURRENT
14 FAIR VALUE OF ITS UTILITY PLANT AND
15 PROPERTY AND FOR INCREASES IN ITS
16 RATES AND CHARGES BASED THEREON
17 FOR UTILITY SERVICE BY ITS ANTHEM
18 WATER DISTRICT AND ITS SUN CITY
19 WATER DISTRICT

DOCKET NO. W-01303A-09-0343

20 IN THE MATTER OF THE APPLICATION OF
21 ARIZONA-AMERICAN WATER
22 COMPANY, AN ARIZONA CORPORATION,
23 FOR A DETERMINATION OF THE CURRENT
24 FAIR VALUE OF ITS UTILITY PLANT AND
25 PROPERTY AND FOR INCREASES IN ITS
26 RATES AND CHARGES BASED THEREON
27 FOR UTILITY SERVICE BY ITS
28 ANTHEM/AGUA FRIA WASTEWATER
29 DISTRICT, ITS SUN CITY WEST
30 WASTEWATER DISTRICT

DOCKET NO. SW-01303A-09-0343

**TESTIMONY
OF
LARRY D WOODS
PHASE II
RATE CONSOLIDATION**

31 **Q: PLEASE STATE YOUR NAME, ADDRESS, AND TELEPHONE NUMBER**

32 **A:** My name is Larry D Woods. My home address is 15141 West Horseman Ln, Sun City West,
33 Arizona 85375. My home phone number is 623-556-8949.

34 **Q: WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS CASE?**

35 **A:** I am a customer of Arizona-American Water Company (AAWC) and represent myself as a
36 ratepayer. I am speaking against the water and wastewater rate consolidation.

37 **Q: ARE THERE ANY POSITIVE ASPECTS OF RATE CONSOLIDATION THAT YOU
38 CAN IDENTIFY?**

3 A: Yes. If we look at the general case for rate consolidation there are some potential gains that
4 can be achieved. The following list is taken in part from EPA Document No. 816R99009¹:

- 5 1. Mitigates rate shock to utility customers
- 6 2. Lowers administrative costs to the commission
- 7 3. Provides ratemaking treatment that is similar to that for other utilities
- 8 4. Lowers administrative costs to the utilities
- 9 5. Provides incentives for utility regionalization and consolidation
- 10 6. Promotes universal service for utility customers
- 11 7. Improves service affordability for customers
- 12 8. Addresses small-system viability issues
- 13 9. Facilitates compliance with drinking water standards
- 14 10. Promotes regional economic development
- 15 11. Encourages investment in the water-supply infrastructure

16 **Q: HOW DO THESE FAVORABLE ASPECTS OF RATE CONSOLIDATION RELATE
17 TO THE PRESENT RATE CASE?**

18 A: Only the first four aspects relate to this case. I am very satisfied with the service that I receive
19 from AAWC and would guess that most other ratepayers feel much the same way. Since all
20 discussions of rate consolidation have been in reference to the existing water and waste water
21 districts of AAWC I can only assume that any discussion of rate consolidation assumes that
22 these existing districts constitutes the totally of AAWC's plans. If this is the case then only
23 the first four positive attributes of consolidated ratemaking would apply to our situation:
24 mitigating rate shock and improving on the administrative efficiencies of both AAWC and the
25 Corporate Commission.

26 **Q: WHAT CIRCUMSTANCES MIGHT OCCUR THAT COULD MAKE THE
REMAINING ITEMS (5-11) RELATE TO AAWC RATE CONSOLIDATION?**

A: If we assume that AAWC would consider the future acquisition of additional for-profit water
companies, then we can consider the remainder of the items above to be considered of benefit.

Q: ARE YOU SAYING THAT THE PRESENT AAWC RATEPAYERS COULD BENEFIT

3 **FROM FUTURE AAWC ACQUISITIONS?**

4 **A:** The present ratepayers would benefit very little, if any. In reading through items 5-11 above I
5 see few, if any benefits to existing AAWC ratepayers. There is no question that many of these
6 attributes would be recognized and welcomed by the ratepayers of a failing water company
7 that was acquired and brought up to standard by AAWC. But what would be the benefit to
8 present AAWC ratepayers? I only see the negative of raising rates which would be needed in
9 order to bring the acquisition into compliance.

10 **Q: HAVE YOU IDENTIFIED ADDITIONAL NEGATIVE ASPECTS TO RATE**
11 **CONSOLIDATION IN GENERAL?**

12 **A:** Yes. Again, referencing EPA Document No. 816R99009ⁱ, here are some of the negative
13 aspects of rate consolidation:

- 14
- 15 1. Provides subsidies to high-cost customers
 - 16 2. Distorts price signals to customers
 - 17 3. Discourages efficient water-use and conservation
 - 18 4. Encourages growth and development in high-cost areas
 - 19 5. Undermines economic efficiency
 - 20 6. Conflicts with cost-of-service principles
 - 21 7. Encourages overinvestment in infrastructure
 - 22 8. Fails to account for variations in customer contributions
 - 23 9. Provides unnecessary incentives to utilities
 - 24 10. Considered inappropriate without physical interconnection
 - 25 11. Not acceptable to all affected customers
 - 26 12. Justification has not been adequate in a specific case (or cases)
 13. Insufficient statutory or regulatory basis or precedents

22 **Q: WHICH OF THE ABOVE NEGATIVE ASPECTS WOULD APPLY TO THE**
23 **PRESENT RATE CONSOLIDATION CASE?**

24 **A:** All of the above negative aspects of rate consolidation have the potential of being realized if
25 rate consolidation were to be allowed.

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4 **Q: CAN YOU IDENTIFY ANY SPECIFIC NEGATIVE ASPECT THAT NEEDS TO BE
EMPHASIZED?**

5 **A:** We live in an arid area where the existence of adequate future water supplies is somewhat
6 unknown. We need to be constantly aware of how we are using water and conserve wherever
7 possible. Rate consolidation works against this in two ways. First, ratepayers that see a
8 reduction on their rates will be less incentivized to conserve. Secondly, individual or small
9 group actions to conserve will not be recognized in the rate because of the large ratepayer
10 base. Conversely, wasting water will not affect the rate upside unless the practice becomes
11 widespread. The end result is that rate consolidation will encourage inefficient water usage.

12
13
14 ¹ Environmental Protection Agency, "Consolidated Water Rates: Issues and Practices in Single-Tariff Pricing", EPA No.
15 816R99009 (1999), <http://www.epa.gov/safewater/utilities/stptitle.pdf>

16
17
18 RESPECTFULLY SUBMITTED this _____ day of _____, 2010

19
20
21 _____
22 **Larry D Woods**
23 **15141 W Horseman Ln**
24 **Sun City West, Arizona 85375**
25
26

1 Larry D Woods
W-01303A-09-0343

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3
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