

ORIGINAL THIS AMENDMENT:
 _____ Passed as amended by _____
 _____ Failed _____ Not Offered



0000115955

withdrawn
RECEIVED

2010 AUG 27 P 4: 53

MAYES PROPOSED AMENDMENT 3

TIME/DATE PREPARED: August 27, 2010

AZ CORP COMMISSION
 DOCKET CONTROL

COMPANY: Global Water

AGENDA ITEM NO. 1

DOCKET NO. SW-20445A-09-0077,
 W-02451A-09-0078, W-01732A-09-0079,
 W-20446A-09-0080, W-02450A-09-0081,
 W-01212A-09-0082.

OPEN MEETING DATE: August 30, 2010

Arizona Corporation Commission

DOCKETED

AUG 27 2010

Palo Verde
 Page 6, Line 19,

DOCKETED BY

DELETE: "The revenue requirement authorized herein is \$13,088,713, which is an increase of 6,444,900, or 97.01 percent, over adjusted test year revenues of \$6,643,813. The rates approved herein will result in an approximate \$27.76 increase for the average 5/8 x 3/4 inch and 3/4 inch water meter residential customers, from \$33.00 per month to \$60.76 per month, or approximately 84.12 percent. In accordance with Applicants' phase-in proposal, 1/3 of the increase, or \$42.25, will be effective August 1, 2010; 2/3 of the rate increase, or \$51.51, will be effective August 1, 2011; and 100 percent, or \$60.76, will be effective August 1, 2012."

INSERT: "The revenue requirement authorized herein is \$13,088,713, which is an increase of 6,444,900, or 97.01 percent, over adjusted test year revenues of \$6,643,813. The rates approved herein will result in an approximate \$29.20 increase for the average 5/8 x 3/4 inch and 3/4 inch water meter residential customers, from \$33.00 per month to \$62.80 per month, or approximately 90.30 percent. In accordance with Applicants' phase-in proposal, 1/3 of the increase, or \$42.73, will be effective August 1, 2010; 2/3 of the rate increase, or \$52.47, will be effective August 1, 2011; and 100 percent, or \$62.80, will be effective August 1, 2012."

Santa Cruz
 Page 9, Line 3,

DELETE: "The revenue requirement authorized herein is \$11,245,409, which is an increase of \$1,835,548, or 19.51 percent, over adjusted test year revenues of \$9,409,861. The rates approved herein will result in an approximate \$2.56 increase for the average usage (6,474 gallons per month) 3/4 inch meter residential customer, from \$39.23 per month to \$41.79 per month, or approximately 6.53 percent."

INSERT: "The revenue requirement authorized herein is \$11,245,409, which is an increase of \$1,835,548, or 19.51 percent, over adjusted test year revenues of \$9,409,861. The rates approved herein will result in an approximate \$ 6.61 decrease for the average usage

(6,474 gallons per month) 3/4 inch meter residential customer, from \$39.23 per month to \$32.62 per month, or an approximately 16.85 percent decrease. This average customer bill analysis includes the effect of the adoption of Applicants' proposed CRT for Santa Cruz of 7,001 gallons per month, and the Commodity Rate Rebate, which is applied if monthly consumption is below the CRT, of 65 percent."

Page 65, Line 20,

INSERT:

"C. Effluent and Non-Potable Water Rates

The Applicants propose that the Effluent rate charged by Palo Verde and the Non-Potable water rate charged by Santa Cruz be phased in over five years.¹ As with the phase-in the Company proposed for the Palo Verde wastewater rates, Applicants state that they will not seek recovery of the forgone revenue over the phase-in period for the effluent and non-potable water sales.²

The parties agreed during the hearing that the rate for effluent charged by Palo Verde and the Non-Potable water rate charged by all the water Utilities should be set at \$2.00 per thousand gallons. However, upon review, we find that even with the phase-in proposed by Applicants, the magnitude of change in rates from the present rate of \$0.33 per thousand gallons to \$2.00 per thousand gallons would place a hardship on the ratepayers living in the City of Maricopa, whose Homeowners' Association fees would greatly increase as a result of the increase in recycled water rates. We will therefore adopt Applicants' proposal for the five year phase-in, but will modify the rate design to set both the Non-Potable water rate for Santa Cruz and the Effluent water rate for Palo Verde at \$1.30 per thousand gallons, with a phase-in as follows: August 1, 2010 - \$0.33; August 1, 2011 - \$0.65; August 1, 2012 - \$1.00; and August 1, 2013 - \$1.30."

EXHIBIT E

GLOBAL WATER- PALO VERDE UTILITIES COMPANY

DELETE:

BASIC SERVICE CHARGE:

5/8" x 3/4" Meter	\$ 60.76
3/4" Meter	60.76
1" Meter	151.90
1-1/2" Meter	303.80
2" Meter	486.08
3" Meter	972.16
4" Meter	1,519.88
6" Meter	3,038.00
8" Meter	4,860.80

PHASE IN RATES:

5/8" x 3/4" Meter

August 1, 2010
\$ 42.25

August 1, 2011
\$ 51.51

August 1, 2012
\$ 60.76

¹ Co. Br. at 7.

² Co. Br. at 7, citing to Tr. at 36, 41.

3/4" Meter	42.25	51.51	60.76
1" Meter	105.63	128.77	151.90
1-1/2" Meter	211.27	257.53	303.80
2" Meter	338.03	412.05	486.08
3" Meter	676.05	824.11	972.16
4" Meter	1,056.33	1,287.67	1,519.88
6" Meter	2,112.67	2,575.33	3,038.00
8" Meter	1,620.27	3,240.53	4,860.80

EFFLUENT CHARGE:

All Gallons (Per Acre Foot)	\$ 651.70
All Gallons (Per 1,000 Gallons)	2.00

INSERT:

BASIC SERVICE CHARGE:

5/8" x 3/4" Meter	\$ 62.80
3/4" Meter	62.80
1" Meter	157.00
1-1/2" Meter	314.00
2" Meter	502.40
3" Meter	1004.80
4" Meter	1,570.00
6" Meter	3,140.00
8" Meter	5,024.00

PHASE IN RATES:

	<u>August 1, 2010</u>	<u>August 1, 2011</u>	<u>August 1, 2012</u>
5/8" x 3/4" Meter	\$ 42.73	\$ 52.47	\$ 62.80
3/4" Meter	42.73	52.47	62.80
1" Meter	107.33	132.16	157.00
1-1/2" Meter	214.67	264.34	314.00
2" Meter	343.47	422.94	502.40
3" Meter	686.93	845.86	1,004.80
4" Meter	1,073.33	1,321.66	1,570.00
6" Meter	2,146.67	2,643.34	3,140.00
8" Meter	1,674.67	3,349.33	5,024.00

EFFLUENT CHARGE:

All Gallons (Per Acre Foot)	\$ 423.61
All Gallons (Per 1,000 Gallons)	1.30

**PHASE IN
NON-POTABLE**

VOLUMETRIC CHARGE:

	<u>Aug. 1, 2010</u>	<u>Aug. 1, 2011</u>	<u>Aug. 1, 2012</u>	<u>Aug. 1, 2013</u>
All Gallons (Per Acre Foot)	\$107.53	\$211.80	\$325.85	\$423.61
All Gallons (Per 1,000 Gallons)	0.33	0.65	1.00	1.30

GLOBAL WATER – SANTA CRUZ WATER COMPANY

DELETE:

MONTHLY USAGE CHARGE:

Meter Size (All Classes)

5/8" x 3/4" Meter	\$ 27.68
3/4" Meter	27.68
1" Meter	69.20
1-1/2" Meter	138.40
2" Meter	221.44
3" Meter	442.88
4" Meter	692.00
6" Meter	1,384.00

8" Meter 2,768.00

COMMODITY RATE CHARGES (Per 1,000 Gallons):

<u>Potable Water – All Meter Sizes and Classes</u>	<u>Rate Block</u>	<u>Volumetric Charge</u>
Tier One Breakover	1,000 Gallons	\$ 1.30
Tier Two Breakover	5,000 Gallons	2.12
Tier Three Breakover	10,000 Gallons	2.94
Tier Four Breakover	18,000 Gallons	3.76
Tier Five Breakover	25,000 Gallons	4.58
Tier Six Breakover	999,999,999	5.48

Conservation Rebate Threshold ("CRT") 7,001 Gallons
 Commodity rate rebate applied if consumption is below the CRT: 55%

<u>Non-Potable Water – All Meter Sizes and Classes</u>	<u>Volumetric Charge</u>
All Gallons (Per Acre Foot)	\$ 651.70
All Gallons (Per 1,000 Gallons)	2.00

INSERT:

MONTHLY USAGE CHARGE:

<u>Meter Size (All Classes)</u>	
5/8" x 3/4" Meter	\$ 27.68
3/4" Meter	27.68
1" Meter	69.20
1-1/2" Meter	138.40
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4" Meter	692.00
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8" Meter	2,768.00

COMMODITY RATE CHARGES (Per 1,000 Gallons):

<u>Potable Water – All Meter Sizes and Classes</u>	<u>Rate Block</u>	<u>Volumetric Charge</u>
Tier One Breakover	1,000 Gallons	\$ 1.30
Tier Two Breakover	5,000 Gallons	2.12
Tier Three Breakover	10,000 Gallons	2.95
Tier Four Breakover	18,000 Gallons	3.78
Tier Five Breakover	25,000 Gallons	4.68
Tier Six Breakover	999,999,999	5.49

Conservation Rebate Threshold ("CRT") 7,001 Gallons
 Commodity Rate Rebate (applied if consumption is below the CRT): 65%

<u>Non-Potable Water – All Meter Sizes and Classes</u>	<u>Volumetric Charge</u>
All Gallons (Per Acre Foot)	\$ 423.61
All Gallons (Per 1,000 Gallons)	\$1.30

PHASE IN

NON-POTABLE

<u>VOLUMETRIC CHARGE:</u>	<u>Aug. 1, 2010</u>	<u>Aug. 1, 2011</u>	<u>Aug. 1, 2012</u>	<u>Aug. 1, 2013</u>
All Gallons (Per Acre Foot)	\$107.53	\$211.80	\$325.85	\$423.61
All Gallons (Per 1,000 Gallons)	0.33	0.65	1.00	1.30

MAKE ALL CONFORMING CHANGES