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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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AZ CORP COMMISSION
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COMMISSIONERS

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

IN THE MATTER OF THE APPLICATION OF GLOBAL WATER – PALO VERDE UTILITIES COMPANY FOR THE ESTABLISHMENT OF JUST AND REASONABLE RATES AND CHARGES FOR UTILITY SERVICE DESIGNED TO REALIZE A REASONABLE RATE OF RETURN ON THE FAIR VALUE OF ITS PROPERTY THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. SW-20445A-09-0077

IN THE MATTER OF THE APPLICATION OF VALENCIA WATER COMPANY – GREATER BUCKEYE DIVISION FOR THE ESTABLISHMENT OF JUST AND REASONABLE RATES AND CHARGES FOR UTILITY SERVICE DESIGNED TO REALIZE A REASONABLE RATE OF RETURN ON THE FAIR VALUE OF ITS PROPERTY THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. W-02451A-09-0078

IN THE MATTER OF THE APPLICATION OF WILLOW VALLEY WATER CO. FOR THE ESTABLISHMENT OF JUST AND REASONABLE RATES AND CHARGES FOR UTILITY SERVICE DESIGNED TO REALIZE A REASONABLE RATE OF RETURN ON THE FAIR VALUE OF ITS PROPERTY THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. W-01732A-09-0079

IN THE MATTER OF THE APPLICATION OF GLOBAL WATER – SANTA CRUZ WATER COMPANY FOR THE ESTABLISHMENT OF JUST AND REASONABLE RATES AND CHARGES FOR UTILITY SERVICE DESIGNED TO REALIZE A REASONABLE RATE OF RETURN ON THE FAIR VALUE OF ITS PROPERTY THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. W-20446A-09-0080

IN THE MATTER OF THE APPLICATION OF WATER UTILITY OF GREATER TONOPAH FOR THE ESTABLISHMENT OF JUST AND REASONABLE RATES AND CHARGES FOR UTILITY SERVICE DESIGNED TO REALIZE A REASONABLE RATE OF RETURN ON THE FAIR VALUE OF ITS PROPERTY THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. W-02450A-09-0081

**Notice of Filing Compliance
(Decision No. 71878)**

1 IN THE MATTER OF THE APPLICATION OF
2 VALENCIA WATER COMPANY – TOWN DIVISION
3 FOR THE ESTABLISHMENT OF JUST AND
4 REASONABLE RATES AND CHARGES FOR UTILITY
5 SERVICE DESIGNED TO REALIZE A REASONABLE
6 RATE OF RETURN ON THE FAIR VALUE OF ITS
7 PROPERTY THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. W-01212A-09-0082

**Notice of Filing Compliance
(Decision No. 71878)**

8 Decision No. 71878 (dated September 15, 2010) requires that Global Water – Palo Verde
9 Utilities Company, Global Water – Santa Cruz Water Company, Valencia Water Company –
10 Town Division, Valencia Water Company – Greater Buckeye Division, Water Utility of Greater
11 Tonopah and Willow Valley Water Co. (collectively, the “Global Utilities”) submit within 60 days
12 of the Decision, a copy of their Low Income Relief Tariffs for Staff’s review and Commission
13 consideration. Accordingly, the Global Utilities submit their Low Income Relief Tariffs.

14 RESPECTFULLY SUBMITTED this 15th day of November 2010.

15 ROSHKA DEWULF & PATTEN, PLC

16 By


Michael W. Patten

Timothy J. Sabo

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Phoenix, Arizona 85004

Attorneys for Global Utilities

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23 Original +13 copies of the foregoing
24 filed this 15th day of November 2010, with:

25 Docket Control
26 Arizona Corporation Commission
27 1200 West Washington
Phoenix, AZ 85007

1 Copies of the foregoing hand-delivered/mailed
2 this 15th day of November 2010, to:

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6 Arizona Corporation Commission
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8 Phoenix, AZ 85007

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11 Arizona Corporation Commission
12 1200 West Washington
13 Phoenix, AZ 85007

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15 Director, Utilities Division
16 Arizona Corporation Commission
17 1200 West Washington
18 Phoenix, AZ 85007

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25 By Bessie Amund

Low Income Relief Tariff

Low Income Relief Tariff

Applicable to:

- Global Water – Palo Verde Utilities Company;
- Global Water – Santa Cruz Water Company;
- Valencia Water Company – Town Division;
- Valencia Water Company – Greater Buckeye Division;
- Water Utility of Greater Tonopah;
- Willow Valley Water Company.

Purpose:

The purpose of this tariff is to define the process for funding the Low Income Relief Program (LIRP). Funding for the LIRP includes a customer surcharge and a Company match. Company is owned by Global Water Resources (Global).

Funding:

Funding for the Global Water LIRP is provided by a combination of:

1. Consumer Surcharge:

$$\frac{\$ 50,000/\text{yr} \div 12 \text{ mo/yr}}{38,923 \text{ Active Connections}^1} = \$0.11 \text{ per month, per connection}$$

The Consumer Surcharge will be added to each monthly invoice for all consumers. In the case of Palo Verde and Santa Cruz, a single monthly surcharge of \$0.22 on the consolidated invoice will be added.

2. Global Water Match: \$ 4,167.00/month

The Global Water Match will be provided to the Arizona Community Action Association on a monthly basis.

Details of the program are available in GWR-CP-EX-043, effective date 1 January 2011.

¹ As of 30 September 2010

Effective Date: 15 November 2010
Decision No: 71878
Docket No: W-20445A-09-0077 et al.
ACC Approval: _____

Global Water Attn: Regulatory Affairs
21410 N. 19th Ave., Ste. 201
Phoenix, AZ 85027
623.580.9600

GLOBAL WATER RESOURCES (GWR)

CODE OF PRACTICE

GWR-CP-EX-043

Low Income Relief Program**PURPOSE**

The purpose of this code of practice is to define the Low Income Relief Tariff (LIRT) for Global Water Utilities and establish the process for funding and distributing the assets of the Low Income Relief Program (LIRP). Funding for the LIRP includes a customer surcharge and a Company match. Company is owned by Global Water Resources (Global).

RULES**Funding the Program**

The Arizona Corporation Commission (ACC) has approved the Low Income Relief Tariff which is funded equally by Global Shareholders and Global Customers. The initial LIRP is capped at \$100,000 total annual funding (shareholder and customer funds) across all of Global's Arizona utilities. Monthly program funding is composed of equal parts consumer-generated funds and Company match.

Surcharge

The consumer-generated funds result from a LIRT surcharge assessed on a monthly basis for each actively billed account, per utility, designed to yield \$50,000 of consumer-generated funds per year. The monthly LIRT surcharge will be determined in November of each year for the next year, and be based on the number of active connections as of 30 September. Company will file notice of the surcharge with the ACC on or before 30 November. The new surcharge will have an effective date of 1 January.

Company Match

The Company will contribute an amount equal to that contributed by rate payers. Funding contributed by the Company will be used to cover the program Administrative expenses, with the remainder being used for approved LIRP distributions. The match will be made at the end of each calendar month, and the monthly match is limited to \$4,167.00 total for all Global's Arizona utilities.

Disposition of Funds

LIRT surcharge funds will be allocated on a monthly basis into a separate LIRT general ledger account. At the end of each calendar month, the Company will provide an equal match of the LIRT surcharge funds, not to exceed \$4167.00 per month. The combined LIRT surcharge funds and Company match will

Revision: GWR-CP-EX-043(001)

Responsible Agent: Administration

Confirm Revision Prior to Release

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be transferred to the Arizona Community Action Association on a monthly basis, for distribution through qualified Community Action Programs.

The LIRP will be reviewed by the ACC during each subsequent rate filing made by Company.

Administration

The Arizona Community Action Association (ACAA), a 501(c) 3 non-profit agency, will administer the Global Water Low Income Relief Program. The ACAA will coordinate the LIRP with the Community Action Program (CAP) Agencies that assist low income customers to benefit qualifying Global customers. All funds, less ACAA and CAP program administration fees, will be used directly by CAP agencies for bill assistance provided to qualifying Global Customers. The ACAA will work closely with Global Water to determine the appropriate budgets for each CAP agency.

ACAA will make distributions to CAP agencies at least every 6 months.

The available funds are distributed based on a first come, first served basis.

Reporting

The ACAA will provide monthly reporting to Global Water including but not limited to the following:

- Total funds received from the Company
- Total funds distributed to CAP agencies
- The number of households receiving assistance in each Utility's service territory
- Demographics of the households receiving assistance
- Account Balance

The Company will provide annual reporting to the ACC including, but not limited to the following:

- Annual ACAA Report
- Total LIRT funds collected
- Total Company match

The annual report will be submitted on or before 30 April.

Governance

The Company-appointed LIRT Program Manager will regularly attend the ACAA Executive Committee meetings, to ensure fund investment and policy decisions are consistent with the initial intent of the LIRP program design.

Qualifications

Effective Date: 15 November 2010
Decision No: 71878
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