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AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission
DOCKETED

JAN 31 2011

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BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION
OF PAYSON WATER COMPANY FOR
APPROVAL OF A WATER
AUGMENTATION SURCHARGE TARIFF
(MESA DEL CABALLO SYSTEM)

DOCKET NO: W-03514A-10-0116

IN THE MATTER OF THE NOTICE OF
FILING OF PAYSON WATER COMPANY'S
PROPOSED CHANGES TO ITS
CURTAILMENT TARIFF (MESA DEL
CABALLO SYSTEM)

DOCKET NO: W-03514A-10-0117

NOTICE OF COMPLIANCE

Pursuant to Decision No. 71902 (September 28, 2010) ("Order"), Payson Water Company (the "Company") hereby files this Notice of Compliance in the above-referenced matter. The Order requires the Company to submit for Commission consideration at least five Best Management Practices ("BMPs") as outlined in Arizona Department of Water Resources' Modified Non-Per Capita Conservation Program. The Company's five proposed BMPs are attached as **Exhibit A**.

RESPECTFULLY SUBMITTED this 31st day of January, 2011.

FENNEMORE CRAIG, P.C.

By:

Patrick J. Black
Jennifer N. Benoit
Attorneys for Payson Water Company

1 ORIGINAL and 13 copies filed
2 this 31st day of January, 2011, with:

3 Docket Control
4 Arizona Corporation Commission
5 1200 West Washington Street
6 Phoenix, Arizona 85007

7 COPY hand-delivered
8 this 31st day of January, 2011, to:

9 Kimberly Ruht, Esq.
10 Legal Division
11 Arizona Corporation Commission
12 1200 West Washington Street
13 Phoenix, Arizona 85007

14 Marlin Scott, Jr.
15 Utilities Division
16 Arizona Corporation Commission
17 1200 West Washington Street
18 Phoenix, Arizona 85007

19 Carmel Hood, Compliance
20 Utilities Division
21 Arizona Corporation Commission
22 1200 West Washington Street
23 Phoenix, Arizona 85007

24 COPY mailed
25 this 31st day of January, 2011, to:

26 Mesa Del Water Committee
c/o El Caballo Club, Inc.
8119 Mescalero
Payson, Arizona 85541

By: *Maia Sanjre*

2390179.1/73283.004

Exhibit A

<u>Payson Water Company</u>	<u>All Service Areas</u>	Revised	SHEET NO.	1
<u>W-03514A-10-0116, et al.</u>				

Distribution Plan for Water Conservation Materials Tariff – BMP 2.5

PURPOSE

A program for the Company to promote conservation education and training to assist water users to better understand how to conserve water by providing written information and/or training in water conservation tools and techniques (Modified Non-Per Capita Conservation Program BMP Category 2: Conservation Education and Training 2.5: Distribution Plan for Water Conservation Materials).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Company or designated representative shall actively participate in water conservation.
2. The campaign shall promote ways for customer to save water.
3. The Company shall facilitate the Campaign through one or more of the following:
 - a. Public Meetings.
 - b. Bill Redesign.
 - c. Posted signs in the community.
 - d. Newsletter/promotional materials.
4. The Company shall keep a record of the following and make it available to the Commission upon request:
 - a. Dates and times of public meetings.
 - b. Copy of new bill design.
 - c. Copies of newsletter/promotional materials.
 - d. Cost of Program Implementation.

ISSUED:		EFFECTIVE:
	ISSUED BY: <u>Robert T. Hardcastle, President</u> <u>Payson Water Company</u>	
	<u>3101 State Road, Bakersfield, CA 93308</u>	
	Decision No. 71902 (September 28, 2010)	

<u>Payson Water Company</u>	<u>All Service Areas</u>	Revised	SHEET NO	2
<u>W-03514A-10-0116, et al.</u>				

Customer High Water Use Notification Tariff – BMP 3.7

PURPOSE

A program for the Company to monitor customers for high water use (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services Program 3.7: Customer High Water Use Notification).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Company or designated representative/s shall provide notification of high water usage to customer via telephone.
2. This courtesy call shall be made as a preventative call for Customer to avoid disconnection.
3. Customer will be informed of Stage Conservation level and asked to lower consumption in order to comply with Stage levels.
4. If requested, the Company shall assist the customer in self-water audit and assist the customer in determining what might be causing high water usage.
5. The Company shall record each account and each instance noted for high water usage, action taken, and any follow-up activities.
6. The Company shall follow up on every high water user.
7. If a customer believes he/she has been disconnected in error, the customer may contact Customer Service Center at 1-800-270-6084
8. The Company shall keep a record of the following information and make it available upon request:
 - a. A description of Stage signs.
 - b. A list of high users.
 - c. Implementation costs of Water Budgeting Program for each water user.
 - d. Follow up on customer inquiries or complaint and records of customer's follow-up activities.

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<u>W-03514A-10-0116, et al.</u>				

Limitation on Water Features Tariff – BMP 5.4

PURPOSE

A program for the Company to promote conservation through reducing water within the service and/or increase water use efficiency by limiting or reducing water for specific purposes (Modified Non-Per Capita Conservation Program BMP Category 5: Ordinances/Conditions of Service/Tariffs 5.4: Limitation on Water Features).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Company shall provide Stage information as required by its Curtailment Tariff.
2. The Company shall discourage the use of fountains, waterfalls, ponds, water courses, and other artificial water structures under any Stage 2 conditions.
3. The Company will not permit the use of any water features during Stage 3-5 conditions.
4. Customers will be warned via telephone or by a Brooke Utilities representative to cease using water features.
5. Disconnection may occur if the Customer is uncooperative.
6. The Company shall keep accurate and detailed records in regards to actions taken towards conservation.

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<u>Payson Water Company</u>	<u>All Service Areas</u>	Revised	SHEET NO	4.0
<u>W-03514A-10-0116, et al.</u>				

Landscape Watering Restrictions Tariff – BMP 5.8

PURPOSE

A program for the Company to promote conservation through reducing water within the service and/or increase water use efficiency by limiting or reducing water for specific purposes (Modified Non-Per Capita Conservation Program BMP Category 5: Ordinances/Conditions of Service/Tariffs 5.8: Landscape Watering Restrictions).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program

1. The Company shall enforce water conservation through Stage signs.
2. Stage 2 conditions include voluntary conservation measures. Further water use restrictions shall include:
 - a. No outside watering is permitted on Mondays, Thursdays, and Fridays.
 - b. Outside water is permitted on Tuesdays and Saturdays for customer with street addresses ending with an odd number.
 - c. Outside water is permitted on Wednesday and Sundays for customers with street addresses ending with an even number.
 - d. During the Peak Season outdoor watering using spray or airborne irrigation shall be conducted only during the hours of 8:00 p.m. and 12:00 Midnight, or during the hours of 3:00 a.m. and 7:00 a.m.
3. Stage 3 conditions include mandatory conservation measures which should be employed by customers to reduce water consumption by at least 30% as measured on a daily use basis. Further water use restrictions shall include:
 - a. No outside watering is permitted on Mondays, Thursdays, and Fridays.
 - b. Outside water is permitted on Tuesdays and Saturdays for customers with street addresses ending with an odd number.
 - c. Outside water is permitted on Wednesday and Sundays for customers with street addresses ending with an even number.
 - d. During the Peak Season outdoor watering using spray or airborne irrigation shall be conducted only during the hours of 8:00 p.m. and 12:00 Midnight or during the hours of 3:00 a.m. and 7:00 a.m.
4. Other restrictions under Stage 3 that are prohibited include:
 - a. Outdoor irrigation of lawns, trees, shrubs, or any plant life.
 - b. Washing of any vehicle.
 - c. Use of water for dust control or outdoor cleaning uses.
 - d. Use of outdoor drip irrigation or misting systems of any kind.

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<u>Payson Water Company</u>	<u>All Service Areas</u>	Revised	SHEET NO	4.1
<u>W-03514A-10-0116, et al.</u>				

- e. Use of water to fill swimming pools, spas, fountains, fish ponds, or ornamental water features.
 - f. All construction water.
 - g. Restaurant or convenience store patrons shall be served water only on request.
 - h. Any other water intensive activity.
5. Stage 4 Conditions include mandatory conservation measures which should be employed by customers to reduce water consumption by at least 40% as measured on a daily use basis.
- a. No outside watering is permitted on Mondays, Thursdays, and Sundays.
 - b. Outside watering is permitted on Tuesdays for customer with street addresses ending with an odd number.
 - c. Outside water is permitted on Wednesdays for customers with street addresses with an even number.
 - d. During the Peak Season outdoor watering using spray or airborne irrigation shall be conducted only during the hours of 8:00 p.m. and 12:00 Midnight, or during the hours of 3:00 a.m. and 7:00 a.m.
6. Uses of water that are strictly prohibited include that of Stage 3.
7. Stage 5 Conditions include mandatory conservation measures should be employed by customer to reduce water consumption by at least 50%. The following are strictly prohibited:
- a. All outdoor watering.
 - b. Washing of any vehicle.
 - c. All other restrictions included in Stage 3.
8. Customers will be notified by Company:
- a. Door-to-door delivery of written notices at each service address.
 - b. Changing local water conservation staging signs.
 - c. Electronic mail.
 - d. By any other reasonable means of notification to customer of the Water Systems.
9. The customer shall receive a copy of the most recent Curtailment Tariff.
10. If a customer believes he/she has been disconnected in error, the Customer may contact the Customer Service Center at 1-800-270-6084.

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<u>Payson Water Company</u>	<u>All Service Areas</u>	Revised	SHEET NO	5
<u>W-03514A-10-0116, et al.</u>				

Implementation of an Emerging Technology – BMP 7.1

PURPOSE

A program for the Company to encourage water providers to implement state of the art water conservation technologies and techniques and/or to develop and/or try new technologies and techniques (Modified Non-Per Capita Conservation Program BMP Category 7: Research/Innovation Program 7.1: Implementation of an Emerging Technology).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program

1. The Company shall provide all water operators and selective office personnel with Blackberries or equivalent.
2. Blackberries are equipped to provide the Company with:
 - a. Electronic Tank Reads.
 - b. Increased communication with other employees with the Company.
 - c. Increased communication with the Customers.
 - d. Efficient communication.
 - e. Access to emails.
 - f. GPS.
3. The Company shall keep a record of the following information and make it available to the Commission upon request:
 - a. Costs of Programs Implementation.
 - b. A description of the messaging program.

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