

ORIGINAL



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BRADSHAW WATER COMPANY, INC.

P.O. Box 12758 Prescott, Arizona 86304-2758
Phone (928) 778-1888 Fax (928) 775-8541

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April 28, 2011

ARIZONA CORPORATION COMMISSION
RE: WATER RATE INCREASE APPLICATION
DOCKET # W-02476A-10-0495

RECEIVED
2011 APR 28 P 3:15
AZ CORP COMMISSION
DOCKET CONTROL

Please find enclosed the "Customer Notification" and 2 pages attached that was mailed to our customers on 4/12/11 that was received from the Arizona Corporation Commission 4/7/11 to be mailed with our next billing. Our office is closed on Friday, we did the billing on Tuesday instead of the normal Thursday to be able to notify our customers as soon as possible.

We failed to remember that this document needed to be filed with the ACC, so we are filing it at this time.

Sincerely,

Don Bohler
Bradshaw Water Co
928-778-1888 or cell 928-713-3772

Arizona Corporation Commission

DOCKETED

APR 28 2011

DOCKETED BY

CUSTOMER NOTIFICATION

April 12, 2011

Bradshaw Water Co. applied to the Arizona Corporation Commission for an adjustment in rates on 12/15/10. We have just been notified by the Arizona Corporation Commission Staff that they are recommending higher water rates than we had originally requested. **The final decision from the Arizona Corporation Commission as to the rates we must charge is expected to be on or about 7/20/11.**

Enclosed you will find information on our proposed rates and the Arizona Corporation Commission Staff's proposed/recommended charges.

Any party who wishes to file comments to the Staff Report with the Commission's Docket Control by 4:00 p.m. on or before April 18, 2011.

Customers may have the right to intervene in this matter. Customers wishing to communicate with the Commission, or request information on intervention in the proceeding, should contact the Commission's Consumer Services Section at 800-222-7000 (if located outside the Phoenix local calling area) or 602-5424251 in the Phoenix local calling area. Customers may also contact the Tucson Commission office by calling 800-535-0148 (if located outside the Tucson local calling area) or 520-628-6555 in the Tucson local calling area.

Bradshaw Water Company

Fact Sheet

Company:

Type of Ownership: C Corporation

Bradshaw Water Company, Inc. ("Bradshaw" or "Company") is a class D for-profit Arizona public service corporation that provides potable water service to approximately 167 metered customers. The Company's service area is located near the Town of Prescott Valley, in Yavapai County. The Company is located in the Prescott Active Management Area ("AMA").

Rates:

Permanent rate increase application filed: December 15, 2010

Current test year ended: December 31, 2009

Prior test year ended: December 31, 2000 (Decision No. 64286, rate decrease)

Rates

	<u>Current Rates</u>	<u>Company Proposed Rates</u>	<u>Staff Recommended Rates</u>
Monthly Minimum Charges:			
5/8 x 3/4-inch meter	\$33.00	\$37.00	\$38.00
3/4-inch meter	\$33.00	\$37.00	\$38.00
1-inch meter with fire sprinkler	\$33.00	\$33.00	\$38.00
1-inch meter	\$82.50	\$82.50	\$100.00
1 1/2-inch meter	\$165.00	\$165.00	\$200.00
2-inch meter	\$264.00	\$264.00	\$320.00
3-inch meter	\$495.00	\$495.00	\$640.00
4-inch meter	\$825.00	\$825.00	\$1000.00
6-inch meter	\$1,650.00	\$1,650.00	\$2000.00
Commodity Charges:			
Commodity Charge -			
0 to 4,000 gallons	\$4.50	\$5.30	\$6.00
4,001 to 8,000 gallons	\$5.75	\$6.71	\$9.00
Over 8,000 gallons	\$6.75	\$8.00	\$15.55

Bradshaw Water Company

	-- Present Rates --		Proposed	
	Company	Staff	Company	Staff
	\$ Filed	\$ Adjusted	\$ Filed	\$ Adjusted
Revenues:				
Metered Water Revenue	\$120,037	\$131,323	\$150,820	\$183,131
Unmetered Water Revenue	0	0	0	0
Other Water Revenue	2,776	1,703	2,776	1,703
Total Operating Revenue	\$131,813	\$133,026	\$153,596	\$184,834
Operating Expenses:				
Operation and Maintenance	\$130,700	\$132,144	\$130,700	\$132,144
Depreciation	53,623	16,700	53,623	16,700
Property & Other Taxes	4,157	4,157	4,157	4,157
Income Tax	60	60	60	6,644
Total Operating Expense	\$197,440	\$183,130	\$197,440	\$189,724
Operating Income/(Loss)	(\$65,627)	(\$50,104)	(\$43,844)	\$25,110
Rate Base O.C.L.D.	\$480,408	\$313,874	\$480,408	\$313,874
Rate of Return - O.C.L.D.	-13.66%	-6.41%	-9.13%	8.00%