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Phoenix, Arizona 85012
4 Attorneys for Litchfield Park Service Company

BEFORE THE ARIZONA CORPORATION COMMISSION

8 IN THE MATTER OF THE APPLICATION
OF LITCHFIELD PARK SERVICE
9 COMPANY, AN ARIZONA
CORPORATION, FOR A
10 DETERMINATION OF THE FAIR VALUE
OF ITS UTILITY PLANTS AND
11 PROPERTY AND FOR INCREASES IN ITS
WASTEWATER RATES AND CHARGES
12 FOR UTILITY SERVICE BASED
THEREON.

DOCKET NO: SW-01428A-09-0103

13 IN THE MATTER OF THE APPLICATION
14 OF LITCHFIELD PARK SERVICE
COMPANY, AN ARIZONA
15 CORPORATION, FOR A
DETERMINATION OF THE FAIR VALUE
16 OF ITS UTILITY PLANTS AND
PROPERTY AND FOR INCREASES IN ITS
17 WATER RATES AND CHARGES FOR
UTILITY SERVICE BASED THEREON.

DOCKET NO: W-01427A-09-0104

18 IN THE MATTER OF THE APPLICATION
19 OF LITCHFIELD PARK SERVICE
COMPANY, AN ARIZONA
20 CORPORATION, FOR AUTHORITY (1) TO
ISSUE EVIDENCE OF INDEBTEDNESS IN
21 AN AMOUNT NOT TO EXCEED \$1,755,000
IN CONNECTION WITH (A) THE
22 CONSTRUCTION OF TWO RECHARGE
WELL INFRASTRUCTURE
23 IMPROVEMENTS AND (2) TO
ENCUMBER ITS REAL PROPERTY AND
24 PLANT AS SECURITY FOR SUCH
INDEBTEDNESS.

DOCKET NO. W-01427A-09-0116

1 IN THE MATTER OF THE APPLICATION
2 OF LITCHFIELD PARK SERVICE
3 COMPANY, AN ARIZONA
4 CORPORATION, FOR AUTHORITY (1) TO
5 ISSUE EVIDENCE OF INDEBTEDNESS IN
6 AN AMOUNT NOT TO EXCEED \$1,170,000
7 IN CONNECTION WITH (A) THE
8 CONSTRUCTION OF ONE 200 KW ROOF
9 MOUNTED SOLAR GENERATOR
10 INFRASTRUCTURE IMPROVEMENTS
11 AND (2) TO ENCUMBER ITS REAL
12 PROPERTY AND PLANT AS SECURITY
13 FOR SUCH INDEBTEDNESS.

DOCKET NO. W-01427A-09-0120

**NOTICE OF COMPLIANCE WITH
DECISION NO. 72446**

8 Pursuant to Decision No. 72446 (June 27, 2011), Litchfield Park Service Company
9 (“LPSCO”) hereby files this Notice of Compliance in the above-captioned matter.
10 Decision No. 72446 requires LPSCO to file the five authorized BMP tariffs. They are
11 attached as **Exhibit A**.

12 RESPECTFULLY SUBMITTED this 27th day of July, 2011.

13 FENNEMORE CRAIG, P.C.

14
15 By  _____

Jay L. Shapiro
Todd C. Wiley
3003 North Central Avenue
Suite 2600
Phoenix, Arizona 85012
Attorneys for Litchfield Park Service
Company

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20 **ORIGINAL** and thirteen (13) copies
21 of the foregoing were filed
22 this 27th day of July, 2011, with:

23 Docket Control
24 Arizona Corporation Commission
25 1200 W. Washington St.
26 Phoenix, AZ 85007

1 **COPY** of the foregoing hand-delivered
2 this 27th day of July, 2011 to:

3 Dwight Nodes
4 Assistant Chief Administrative Law Judge
5 Hearing Division
6 Arizona Corporation Commission
7 1200 West Washington
8 Phoenix, Arizona 85007

9 Robin Mitchell, Esq.
10 Legal Division
11 Arizona Corporation Commission
12 1200 W. Washington Street
13 Phoenix, AZ 85007

14 **Copy of the foregoing mailed**
15 this 27th day of July, 2011, to:

16 Michelle L. Wood, Esq.
17 Residential Utility Consumer Office
18 1110 W. Washington, Suite 220
19 Phoenix, AZ 85007

20 Craig A. Marks, Esq.
21 Craig A. Marks, PLC
22 10645 N. Tatum Blvd., Suite 200-676
23 Phoenix, AZ 85028

24 William P. Sullivan, Esq.
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Peter M. Gerstman
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9532 East Riggs Road
Sun Lakes, AZ 85248

By: Maria San Jose

2440202.1/060199.0009

EXHIBIT

A

<u>Litchfield Park Service Company</u>	<u>All Service Areas</u>	Revised	SHEET NO	1
<u>SW-01428A-09-0103, et al.</u>				

Youth Conservation Education Program Tariff – BMP 2.2

PURPOSE

A program for the Company to promote water conservation by increasing students' understanding of water resources and the need to conserve (Modified Non-Per Capita Conservation Program BMP Category 2: Conservation Education and Training 2.2: Youth Conservation Education Program).

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 work with schools in its service area to increase students' understanding of water resources and to promote water conservation.
2. The Company shall provide a combination of instructional assistance, education materials, teacher education, classroom presentations, and field trips to water related facilities.
3. The Company shall provide the following teacher resources.
 - a. Offer Project WET (Water Education for Teachers) workshops to teachers twice yearly.
 - b. Provide free resource materials and information upon request.
 - c. Provide in-classroom presentations upon request.
4. The Company shall make available free water conservation workbooks for elementary school students.
5. The Company shall keep a record of the following information and make it available upon request.
 - a. A description of the youth conservation education process implemented.
 - b. The number of students reached (or an estimate).
 - c. A description of the written water conservation material provided free to students.
 - d. Costs of the Youth Conservation Education Program implementation.

ISSUED:		EFFECTIVE:
	ISSUED BY: <u>Greg Sorensen, Operator</u> <u>Litchfield Park Service Company</u>	
	<u>12725 W. Indian School Road, Ste. D-101</u> <u>Avondale, Arizona 85392</u>	
	Decision No. 72446 (June 27, 2011))	

<u>Litchfield Park Service Company</u>	<u>All Service Areas</u>	Revised	SHEET NO	2
<u>SW-01428A-09-0103, et al.</u>				

Water Waste Investigations and Information Tariff – BMP 3.8

PURPOSE

A program for the Company to assist customers with water waste complaints and provide customers with information designed to improve water use efficiency (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.8: Water Waste Investigations and Information).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission specifically R14-2-403 and R14-2-410 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 handle water waste complaints as calls are received.
2. Calls shall be taken by a customer service representative who has been trained to determine the type of water waste and to determine if it may be attributed to a leak or broken water line.
3. The Company shall follow up on every water waste complaint.
4. Upon request by the customer or when the Company determines it is warranted, a trained Field Technician shall be sent to investigate further and notify the responsible party of the waste and offer assistance and information to prevent waste in the future.
5. A letter of enforcement will be issued to customers with water running beyond the curb and/or off the customer's property due to such things as, but not limited to, backwashing of pools, broken sprinkler heads, and over watering of lawns beyond the saturation point.
6. The same procedures outlined above in item #4 will be followed in the event of a second violation. Termination of service may result in the event of the third violation within a 12 month period. In the event of a third violation the customer's service may be terminated per Arizona Administrative Code R14-2-410C, R14-2-410D and R14-2-410E (applicable service reconnection fees shall apply).
7. The Company shall record each account and each instance noted for water waste, the action taken and any follow-up activities.
8. Subject to the provisions of this tariff, compliance with the water waste restriction will be a condition of service.
9. The Company shall provide to its customers a complete copy of this tariff and all attachments upon request and to each new customer. The customer shall abide by the water waste restriction.
10. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

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	Decision No. 72446 (June 27, 2011))	

<u>Litchfield Park Service Company</u>	<u>All Service Areas</u>	Revised	SHEET NO	3
<u>SW-01428A-09-0103, et al.</u>				

Leak Detection Program Tariff – BMP 4.1

PURPOSE

A program for the Company to systematically evaluate its water distribution system to identify and repair leaks (Modified Non-Per Capita Conservation Program Best Management Practice Category 4: Physical System Evaluation and Improvement 4.1 Leak Detection Program).

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 implement a comprehensive leak detection and repair program to attain and maintain a less than 10 percent unaccounted for water loss in its system(s). The program must include auditing procedures, in-field leak detection and repair efforts. The Company shall take whatever steps are necessary to ensure that its water system is operating at optimal efficiency.
2. On a systematic basis, at least every two years (annually for smaller systems), the Company shall inspect its water distribution system (to include hydrants, valves, tanks, pumps, etc. in the distribution system) to identify and repair leaks. Detection shall be followed by repair or in some cases replacement. Repair vs. replacement will depend upon site-specific leakage rates and costs.
3. Leak Detection efforts should focus on the portion of the distribution system with the greatest expected problems, including:
 - a. areas with a history of excessive leak and break rates;
 - b. areas where leaks and breaks can result in the heaviest property damage;
 - c. areas where system pressure is high;
 - d. areas exposed to stray current and traffic vibration;
 - e. areas near stream crossings; and,
 - f. areas where loads on pipe may exceed design loads.
4. The Company shall keep accurate and detailed records concerning its leak detection and repair/rehabilitation program and the associated costs. Records of repairs shall include: possible causes of the leak; estimated amount of water lost; and date of repair. These records shall be made available to the Commission upon request.
5. The Company shall maintain a complete set of updated distribution system maps.
6. The Company shall ensure that properly functioning (accurate) and appropriately sized meters are installed on all service and source connections. All meters 1-inch and smaller shall be inspected at least once every ten years or upon registering 1,000,000 gallons of usage, whichever comes

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	Decision No. 72446 (June 27, 2011))	

<u>Litchfield Park Service Company</u>	<u>All Service Areas</u>	Revised	SHEET NO	3.1
<u>SW-01428A-09-0103, et al.</u>				

first. Meters larger than 1-inch shall be inspected at least once every five years or upon registering 1,000,000 gallons of usage, whichever comes first.

7. The inspection will be accomplished by having the meter pulled and having a Company Technician physically inspect each meter and its fittings for leaks, registers which may have become loose or are not properly attached to the meter and could be under-registering or other broken parts which need repair. In addition, meters shall be randomly selected for flow testing to identify potentially under-registering meters.
8. The Company shall conduct a water audit annually which includes the following steps to determine how efficient each water system is operating and where the losses might be.
 - a. Use coordinated monthly source and service meter readings to calculate how much water enters and leaves the system during the 12 month review period.
 - b. Track and estimate any unmetered authorized uses.
 - c. Calculate the total amount of leakage using the following formula:

$$\text{Unaccounted for water (\%)} = [(\text{Production and/or purchased water minus metered use \& estimated authorized un-metered use}) / (\text{Production and/or purchased water})] \times 100\%$$
 - d. Authorized un-metered uses may include firefighting, main flushing, process water for water treatment plants, etc. Water losses include all water that is not identified as authorized metered water use or authorized un-metered use.
 - e. Determine possible reasons for leakage, including physical leaks and unauthorized uses.
 - f. Analyze results to determine the improvements needed, such as, better accounting practices, leak survey or replacing old distribution pipes.
9. The Company shall keep accurate and detailed records concerning its annual water audit results. These records shall be made available to the Commission upon request.

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	Decision No. 72446 (June 27, 2011))	

<u>Litchfield Park Service Company</u>	<u>All Service Areas</u>	Revised	SHEET NO	4
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Meter Repair and/or Replacement Tariff – BMP 4.2

PURPOSE

A program for the Company to systematically assess all in-service water meters (including Company production meters) in its water service area to identify under-registering meters and to repair or replace them (Modified Non-Per Capita Conservation Program Best Management Practice Category 4: Physical System Evaluation and Improvement 4.2 Meter Repair and/or Replacement Program).

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. On a systematic basis, the Company will inspect 100 percent of its 1-inch and smaller in-service water meters at least once every ten years for one of the following reasons (whichever occurs first):
 - a. A meter reading complaint is filed with the Company by a customer or Arizona Corporation Commission Staff,
 - b. A meter has registered 1,000,000 gallons of usage,
 - c. A meter has been in service for ten years.
2. Meters larger than 1-inch shall be inspected for one of the following reasons:
 - a. A meter reading complaint is filed with the Company by a customer or Arizona Corporation Commission Staff,
 - b. A meter has been in service for five years.
3. The inspection will be accomplished by having the meter pulled and having a Company Technician physically inspect each meter and its fittings for leaks, registers which may have become loose or are not properly attached to the meter and could be under-registering or other broken parts which need repair. In addition, meters shall be randomly selected for flow testing to identify potentially under-registering meters.
4. The Company shall also replace or reprogram any water meters that do not register in gallons. Within 5 years of the initial effective date of this tariff, the Company shall replace or reprogram all:
 - a. 1-inch and smaller meters such that they register usage in 1 gallon increments,
 - b. 1-1/2-inch through 4-inch meters such that they register in 10 gallon increments, and
 - c. 6-inch and larger meters such that they register in 100 gallon increments.

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<u>Litchfield Park Service Company</u>	<u>All Service Areas</u>	Revised	SHEET NO	5
<u>SW-01428A-09-0103, et al.</u>				

Landscape Watering Restrictions – BMP 5.8

PURPOSE

A program for the Company to restrict water use within its service area by limiting or reducing water used for landscape 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, specifically A.A.C. R14-2-403 and R14-2-410 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's service area is within portions of the City of Goodyear, City of Litchfield Park, City of Avondale and unincorporated areas of Maricopa County. Various City/County Codes and/or Ordinances may apply depending on the location of the customer. In order for a customer to receive water service from the Company on or after the effective date of this tariff the customer must comply with the various City/County Codes and/or Ordinances that apply.
2. In the event the Company implements its Commission approved Curtailment Plan Tariff ("CPT"), the customers will be informed of the CPT's Curtailment Stage and asked to lower consumption in order to comply with the landscape watering restrictions listed in the CPT Tariff for the appropriate curtailment stage in effect at the time.
3. Compliance with the provisions of this BMP tariff will be a condition of service.
4. The Company shall provide to its customers a complete copy of this BMP tariff and all attachments upon request for service. The customer shall follow and abide by these landscape watering restrictions.
5. If after a customer has been connected to the Company water system, the Company discovers that the customer is in violation of the landscape watering restrictions contrary to the above requirements, the Company shall notify (in writing) the customer of such violation and provide the customer with the appropriate educational materials informing the customer of some possibilities of how to correct the problem. The customer shall be allowed sixty (60) days to come into compliance with the above requirements. If after sixty (60) days the customer is not in compliance with the above requirements, the customer's service may be terminated per Arizona Administrative Code R14-2-410C, R14-2-410D and R14-2-410E.
6. Customer notice requirements and disconnection of service restrictions listed in the CPT shall apply for customer noncompliance with CPT Stage 4 landscape watering restrictions.

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<u>Litchfield Park Service Company</u>	<u>All Service Areas</u>	Revised	SHEET NO	5.1
<u>SW-01428A-09-0103, et al.</u>				

7. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

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