

OPEN MEETING ITEM
ORIGINAL



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COMMISSIONERS
GARY PIERCE - Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS



ARIZONA CORPORATION COMMISSION

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ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

DATE: AUGUST 22, 2011
DOCKET NO.: W-03912A-11-0014

TO ALL PARTIES:

Enclosed please find the recommendation of Administrative Law Judge Belinda A. Martin. The recommendation has been filed in the form of an Order on:

SUNIZONA WATER COMPANY
(RATES)

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Administrative Law Judge by filing an original and thirteen (13) copies of the exceptions with the Commission's Docket Control at the address listed below by **4:00** p.m. on or before:

AUGUST 31, 2011

The enclosed is NOT an order of the Commission, but a recommendation of the Administrative Law Judge to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Open Meeting to be held on:

SEPTEMBER 6, 2011 and SEPTEMBER 7, 2011

For more information, you may contact Docket Control at (602) 542-3477 or the Hearing Division at (602) 542-4250. For information about the Open Meeting, contact the Executive Director's Office at (602) 542-3931.

Arizona Corporation Commission
DOCKETED

AUG 22 2011

DOCKETED BY 


ERNEST G. JOHNSON
EXECUTIVE DIRECTOR

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 COMMISSIONERS

3 GARY PIERCE, Chairman
4 BOB STUMP
5 SANDRA D. KENNEDY
6 PAUL NEWMAN
7 BRENDA BURNS

8 IN THE MATTER OF THE APPLICATION OF
9 SUNIZONA WATER COMPANY FOR A
10 PERMANENT RATE INCREASE.

DOCKET NO. W-03912A-11-0014

DECISION NO. _____

11 ORDER

12 Open Meeting
13 September 6 and 7, 2011
14 Phoenix, Arizona

15 **BY THE COMMISSION:**

16 Having considered the entire record herein and being fully advised in the premises, the
17 Arizona Corporation Commission (“Commission”) finds, concludes, and orders that:

18 PROCEDURAL HISTORY

19 1. In Decision No. 35150 (April 2, 1964), the Commission granted a Certificate of
20 Convenience and Necessity (“CC&N”) to Willen Corporation d/b/a Sunizona Water Company, for
21 provision of water service to the community of Sunizona, which is located approximately 30 miles
22 south of Wilcox, Arizona. In Decision No. 62578 (May 16, 2000), the Commission approved a
23 transfer of the CC&N from Willen Corporation d/b/a Sunizona Water Company to Charlotte Erickson
24 d/b/a Sunizona Water Company. In Decision No. 63154 (November 16, 2000), the Commission
25 approved a transfer of the CC&N from Charlotte Erickson d/b/a Sunizona Water Company to Narvol
26 D. Bales. Sunizona’s present rates and charges for water were approved in Decision No. 62578 (May
27 16, 2000).

28 2. On January 10, 2011, Narvol D. Bales d/b/a Sunizona Water Company (“Sunizona”) filed an application for a permanent rate increase with the Commission. As part of the application, Sunizona filed its Affidavit of Customer Notification indicating that on January 7, 2011, Sunizona mailed notice of the application to its customers.

1 3. January 19, 2011, Sunizona filed a certificate from the Arizona Department of
2 Revenue stating that Sunizona is current on payment of its taxes.

3 4. On February 15, 2011, Sunizona filed an amendment to the application (the original
4 application and the amended application shall be collectively referred to as the "Application").

5 5. On February 16, 2011, the Commission's Utilities Division Staff ("Staff") filed its
6 Sufficiency Letter stating the Application was sufficient pursuant to Arizona Administrative Code
7 ("A.A.C. R14-2-103"), and classifying Sunizona as a Class E utility.

8 6. On February 17, 2011, Sunizona filed corrections to the Amended Application.

9 7. On April 1, 2011, Sunizona sent a letter requesting a 15-day extension of time to file
10 information requested by Staff.

11 8. On May 3, 2011, Staff filed its Staff Report, recommending approval of the Amended
12 Application using Staff's recommended rates and charges.

13 FINDINGS OF FACT

14 9. During the test year ended December 31, 2009, Sunizona served 36 residential
15 customers and three commercial customers. Average and median water usage by residential
16 customers on a 5/8 x 3/4-inch meter during the test year were 7,162 gallons and 3,361 gallons per
17 month, respectively. Average and median water usage by residential customers on a 3/4-inch meter
18 during the test year were 8,760 gallons and 4,667 gallons per month, respectively.

19 10. The water rates and charges for Sunizona at present, as proposed by Sunizona in its
20 Application, and as recommended by Staff in its Staff Report, are as follows:

	Present Rates	Proposed Rates Company	Proposed Rates Staff
<u>MONTHLY USAGE CHARGE:</u>			
5/8" x 3/4" Meter	\$11.00	\$16.50	\$13.75
3/4" Meter	16.50	27.50	20.63
1" Meter	27.50	55.00	34.38
1-1/2" Meter	55.00	88.00	68.75
2" Meter	88.00	165.00	110.00
3" Meter	165.00	275.00	220.00
4" Meter	275.00	395.00	343.75
6" Meter	N/A	N/A	687.50

COMMODITY RATE CHARGE:

1	Gallons Included in Minimum	0	0	0
2	Charge per 1,000 gallons (All Gallons)	\$2.96	\$6.00	N/A
3	<u>Residential</u>			
	<u>5/8" x 3/4" Meter</u>			
4	1 gallon to 2,000 gallons	N/A	N/A	\$2.00
	2,001 gallons to 4,000 gallons	N/A	N/A	4.00
5	4,001 gallons to 9,000 gallons	N/A	N/A	6.00
6	Over 9,000 gallons	N/A	N/A	8.25
	<u>3/4" Meter</u>			
7	1gallon to 2,000 gallons	N/A	N/A	2.00
	2,001 gallons to 4,000 gallons	N/A	N/A	4.00
8	4,001 gallons to 9,000 gallons	N/A	N/A	6.00
9	Over 9,000 gallons	N/A	N/A	8.25
	<u>1" Meter</u>			
10	1 gallon to 9,000 gallons	N/A	N/A	6.00
11	Over 9,000 gallons	N/A	N/A	8.25
	<u>1-1/2" Meter</u>			
12	1 gallon to 9,000 gallons	N/A	N/A	6.00
13	Over 9,000 gallons	N/A	N/A	8.25
	<u>2" Meter</u>			
14	1 gallon to 9,000 gallons	N/A	N/A	6.00
15	Over 9,000 gallons	N/A	N/A	8.25
	<u>3" Meter</u>			
16	1 gallon to 9,000 gallons	N/A	N/A	6.00
17	Over 9,000 gallons	N/A	N/A	8.25
	<u>4" Meter</u>			
18	1 gallon to 9,000 gallons	N/A	N/A	6.00
19	Over 9,000 gallons	N/A	N/A	8.25
	<u>6" Meter</u>			
20	1 gallon to 9,000 gallons	N/A	N/A	6.00
21	Over 9,000 gallons	N/A	N/A	8.25
	<u>Commercial</u>			
22	<u>5/8" x 3/4" Meter</u>			
23	1 gallon to 9,000 gallons	N/A	N/A	6.00
	Over 9,000 gallons	N/A	N/A	8.25
24	<u>3/4" Meter</u>			
25	1 gallon to 9,000 gallons	N/A	N/A	6.00
	Over 9,000 gallons	N/A	N/A	8.25
26	<u>1" Meter</u>			
27	1 gallon to 9,000 gallons	N/A	N/A	6.00
	Over 9,000 gallons	N/A	N/A	8.25
28				

1	<u>1-1/2" Meter</u>			
	1 gallon to 9,000 gallons	N/A	N/A	6.00
2	Over 9,000 gallons	N/A	N/A	8.25
3	<u>2" Meter</u>			
	1 gallon to 9,000 gallons	N/A	N/A	6.00
4	Over 9,000 gallons	N/A	N/A	8.25
5	<u>3" Meter</u>			
	1 gallon to 9,000 gallons	N/A	N/A	6.00
6	Over 9,000 gallons	N/A	N/A	8.25
7	<u>4" Meter</u>			
	1 gallon to 9,000 gallons	N/A	N/A	6.00
8	Over 9,000 gallons	N/A	N/A	8.25
9	<u>6" Meter</u>			
	1 gallon to 9,000 gallons	N/A	N/A	6.00
10	Over 9,000 gallons	N/A	N/A	8.25

SERVICE LINE AND METER INSTALLATION CHARGES:
(Refundable Pursuant to A.A.C. R14-2-405)

	Current Charges	Company's Proposed Charges	Staff Recommended Service Line	Staff Recommended Meter	Staff Recommended Total Charges	
13	5/8" x 3/4" Meter	\$278.00	\$309.00	\$247.00	\$62.00	\$309.00
14	3/4" Meter	309.00	360.00	241.00	119.00	360.00
15	1" Meter	360.00	552.00	352.00	200.00	552.00
16	1-1/2" Meter	552.00	779.00	408.00	371.00	779.00
17	2" Meter	779.00	1,010.00	450.00	560.00	1,010.00
18	3" Meter	1,010.00	1,703.00	656.00	1,047.00	1,703.00
19	4" Meter	1,703.00	3,769.00	1,347.00	2,422.00	3,769.00
20	6" Meter	3,769.00	5,629.00	1,711.00	3,918.00	5,629.00

SERVICE CHARGES:

	Present Rates	Proposed Rates Company	Proposed Rates Staff	
19	Establishment	\$15.00	\$20.00	\$20.00
20	Establishment (After Hours)	20.00	25.00	N/A
21	Reconnection (Delinquent)	20.00	30.00	30.00
22	Reconnection (Delinquent-After Hours)	20.00	35.00	N/A
23	Service Charge (After Hours)	N/A	N/A	\$25.00
24	Meter Test (If Correct)	\$10.00	\$10.00	\$10.00
25	Deposit	Per Rule*	Per Rule*	Per Rule*
26	Deposit Interest	Per Rule*	Per Rule*	Per Rule*
27	Re-establishment (Within 12 months)	Per Rule**	Per Rule**	Per Rule**
28	NSF Check	\$20.00	\$35.00	\$25.00
29	Deferred Payment	1% per month	1% per month	1.5% per month
30	Meter Re-Read (If Correct)	\$5.00	\$15.00	\$15.00
31	Late Fee	0.00	\$15.00	1.5% per month

1 **MONTHLY SERVICE CHARGE FOR FIRE SPRINKERS:**

2 4" or Smaller	N/A	****	****
6"	N/A	****	****
8"	N/A	****	****
3 10"	N/A	****	****
4 Larger than 10"	NA/	****	****

5 * Per Commission Rule A.A.C. R-14-2-403(B).
 6 ** Months off system times the monthly minimum per Commission Rule A.A.C. R14-2-403(D).
 7 **** 2.00% of Monthly Minimum for a Comparable Sized Meter Connection, but no less than \$10.00 per
 8 month. The Service Charge for Fire Sprinklers is only applicable for service lines separate and distinct
 9 from the primary water service line.

10 11. Staff determined Sunizona's original cost rate base ("OCRB") to be \$56,331, which is
 11 the same as its fair value rate base ("FVRB"). This is a \$95,070 decrease to Sunizona's proposed
 12 OCRB of \$151,401, due to Staff's adjustments to plant-in-service, accumulated depreciation, and
 13 working capital.

14 12. Staff made an adjustment to Sunizona's proposed test year operating revenues,
 15 resulting in a \$1,826 increase in revenues, from \$19,573 to \$21,399.

16 13. Staff made several adjustments to Sunizona's proposed test year operating expenses,
 17 resulting in a decrease of \$19,696, from \$50,966 to \$31,270. The decrease to Sunizona's test year
 18 operating expenses is due to Staff's adjustments to repairs and maintenance, outside services, water
 19 testing, miscellaneous expense, depreciation expense and taxes other than income taxes.

20 14. Based on Staff's analysis, Sunizona's present water rates and charges produced
 21 operating revenues of \$21,399 and adjusted operating expenses of \$31,270, resulting in operating
 22 income of (\$9,871), for no return on its FVRB during the test year.

23 15. The rates and charges proposed by Sunizona would produce operating revenues of
 24 \$40,638 and operating expenses of \$50,966, resulting in operating income of (\$10,328), for no return
 25 on its proposed \$151,401 FVRB.

26 16. The water rates and charges Staff recommended would produce adjusted operating
 27 revenues of \$37,745 and adjusted operating expenses of \$31,270, resulting in operating income of
 28 \$6,475, or an 11.49 percent rate of return on Staff's recommended \$56,331 FVRB and an operating
 margin of 17.15 percent.

17. Sunizona's proposed rates would increase the average monthly residential customer

1 water bill, on a 5/8 x 3/4-inch meter, by \$27.27, or 84.70 percent, from \$32.20 to \$59.47, and
2 increase the median monthly residential customer water bill by \$15.72, or 75.02 percent, from \$20.95
3 to \$36.67. Sunizona's proposed rates would increase the average monthly residential customer water
4 bill, on a 3/4-inch meter, by \$37.63, or 88.69 percent, from \$42.43 to \$80.06, and increase the median
5 monthly residential customer water bill by \$25.19, or 83.09 percent, from \$30.31 to \$55.50.

6 18. Staff's proposed rates would increase the average monthly residential customer water
7 bill, on a 5/8 x 3/4-inch meter, by \$12.52, or 38.89 percent, from \$32.20 to \$44.72, and increase the
8 median monthly residential customer water bill by \$2.24, or 10.71 percent, from \$20.95 to \$23.19.
9 Staff's proposed rates would increase the average monthly residential customer water bill, on a 3/4-
10 inch meter, by \$18.76, or 44.20 percent, from \$42.43 to \$61.19, and increase the median monthly
11 residential customer water bill by \$6.31, or 20.82 percent, from \$30.31 to \$36.62.

12 19. In its Application, Sunizona proposed increases to its Establishment (After Hours)
13 charge from \$20 to \$25 and its Reconnection (Delinquent-after hours) charge from \$20 to \$35.

14 20. Staff recommends eliminating these two charges and replacing them with a general
15 \$25 after-hours service charge. Staff believes it is reasonable for Sunizona to charge an additional
16 fee for service provided after normal business hours, in addition to the charge for the service
17 rendered. In order to compensate Sunizona for the extra costs associated with after-hours service.
18 Staff explains, "under [Staff's] proposal, a customer would be subject to a \$20 establishment fee if it
19 is done during normal business hours, but would pay [an] additional \$25 after-hours fee if the
20 customer requested that the establishment be done after normal working hours."¹

21 21. Sunizona did not file any objections to Staff's recommended rates and charges.
22 Accordingly, we find Staff's proposed rates and charges reasonable and we adopt them.

23 22. Staff recommends that Sunizona file with Docket Control, as a compliance item in this
24 docket, a tariff schedule of its approved rates and charges within 30 days of the effective date of this
25 Decision.

26 23. Staff recommends that Sunizona should adopt Staff's typical and customary
27

28 ¹ Staff Report filed May 3, 2011, page 8.

1 depreciation rates shown in the attached Exhibit A.

2 24. Staff notes that Sunizona does not currently have an approved Curtailment Tariff.
3 Staff recommends that Sunizona file a Curtailment Tariff for Staff's review with Docket Control, as a
4 compliance item in this docket, within 45 days of the effective date of the Decision in this matter.
5 Staff recommends that the tariff should generally conform to the sample Curtailment Tariff found on
6 the Commission's website.

7 25. Engineering Staff reported that, during the test year, Sunizona had a 25.3 percent
8 water loss, exceeding the recommended limit of 10 percent. Staff recommends that Sunizona
9 monitor its water system for a 12-month period and prepare a water loss reduction report. If the
10 reported water loss is greater than 10 percent, Sunizona shall evaluate its water system and submit the
11 water loss reduction report containing a detailed analysis and plan to reduce the water loss to 10
12 percent or less. If Sunizona believes it is not cost effective to reduce the water loss to less than 10
13 percent, it should submit a detailed cost benefit analysis to support its opinion. In no case shall
14 Sunizona allow water loss to be greater than 15 percent. Sunizona shall file the water loss reduction
15 report or the detailed analysis, whichever is submitted, with Docket Control, as a compliance item in
16 this docket, within 13 months of the effective date of the Decision in this matter.

17 26. According to Staff, Sunizona's current system can adequately serve its present
18 customer base and any reasonable growth.

19 27. The Arizona Department of Environmental Quality ("ADEQ") has determined that
20 Sunizona is in full compliance with ADEQ requirements and is currently delivering water that meets
21 water quality standards required by A.A.C., Title 18, Chapter 4.

22 28. Sunizona is not within an active management area ("AMA"), and is not subject to the
23 AMA monitoring and reporting requirements.

24 29. Staff stated that the Arizona Department of Water Resources has determined that
25 Sunizona is currently in compliance with departmental requirements governing water providers
26 and/or community water systems.

27 30. According to Staff, Sunizona is in compliance with Commission filing requirements.
28 Staff notes that, as a sole proprietorship, Sunizona is not subject to Corporation Division reporting

1 requirements.

2 31. Staff's review of the Commission's Consumer Services records showed that one
3 complaint regarding an installation delay was filed with the Commission and was resolved and
4 closed. Twenty-one opinions have been filed in opposition to Sunizona's requested rate increase.

5 32. Sunizona has an approved Backflow Prevention Tariff filed with the Commission.

6 33. We believe it is reasonable to allow Sunizona to collect from its customers a
7 proportionate share of any privilege, sales or use tax as provided for in A.A.C. R14-2-409(D).

8 34. Because an allowance for the property tax expense is included in Sunizona's rates and
9 will be collected from its customers, the Commission seeks assurances from Sunizona that any taxes
10 collected from ratepayers have been remitted to the appropriate taxing authority. It has come to the
11 Commission's attention that a number of water companies have been unwilling or unable to fulfill
12 their obligation to pay the taxes that were collected from its ratepayers, some for as many as twenty
13 years. It is reasonable, therefore, that as a preventive measure Sunizona shall annually file, as part of
14 its annual report, an affidavit with the Commission's Utilities Division attesting that the company is
15 current in paying its property taxes in Arizona.

16 **CONCLUSIONS OF LAW**

17 1. Sunizona is a public service corporation within the meaning of Article XV of the
18 Arizona Constitution and A.R.S. §§ 40-250, 40-251, 40-301, 40-302, and 40-303.

19 2. The Commission has jurisdiction over Sunizona and the subject matter of the
20 Application.

21 3. Notice of the Application was given in accordance with Arizona law.

22 4. The rates and charges authorized herein are just and reasonable and should be
23 approved without a hearing.

24 5. Staff's recommendations are reasonable and should be adopted.

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ORDER

IT IS THEREFORE ORDERED that Sunizona Water Company is hereby directed to file with Docket Control, as a compliance item in this docket, by September 30, 2011, revised rate schedules setting forth the following rates and charges:

MONTHLY USAGE CHARGE:

5/8" x 3/4" Meter	\$13.75
3/4" Meter	20.63
1" Meter	34.38
1-1/2" Meter	68.75
2" Meter	110.00
3" Meter	220.00
4" Meter	343.75
6" Meter	687.50

COMMODITY RATE CHARGE:

Charge per 1,000 gallons

Residential

5/8" x 3/4" Meter

1 gallon to 2,000 gallons	\$2.00
2,001 gallons to 4,000 gallons	4.00
4,001 gallons to 9,000 gallons	6.00
Over 9,000 gallons	8.25

3/4" Meter

1 gallon to 2,000 gallons	2.00
2,001 gallons to 4,000 gallons	4.00
4,001 gallons to 9,000 gallons	6.00
Over 9,000 gallons	8.25

1" Meter

1 gallon to 9,000 gallons	6.00
Over 9,000 gallons	8.25

1-1/2" Meter

1 gallon to 9,000 gallons	6.00
Over 9,000 gallons	8.25

2" Meter

1 gallon to 9,000 gallons	6.00
Over 9,000 gallons	8.25

3" Meter

1 gallon to 9,000 gallons	6.00
Over 9,000 gallons	8.25

4" Meter

1 gallon to 9,000 gallons	6.00
Over 9,000 gallons	8.25

1	<u>6" Meter</u>	
	1 gallon to 9,000 gallons	6.00
2	Over 9,000 gallons	8.25
3	<u>Commercial</u>	
	<u>5/8" x 3/4" Meter</u>	
4	1 gallon to 9,000 gallons	6.00
	Over 9,000 gallons	8.25
5	<u>3/4" Meter</u>	
6	1 gallon to 9,000 gallons	6.00
	Over 9,000 gallons	8.25
7	<u>1" Meter</u>	
8	1 gallon to 9,000 gallons	6.00
	Over 9,000 gallons	8.25
9	<u>1-1/2" Meter</u>	
10	1 gallon to 9,000 gallons	6.00
	Over 9,000 gallons	8.25
11	<u>2" Meter</u>	
12	1 gallon to 9,000 gallons	6.00
	Over 9,000 gallons	8.25
13	<u>3" Meter</u>	
14	1 gallon to 9,000 gallons	6.00
	Over 9,000 gallons	8.25
15	<u>4" Meter</u>	
16	1 gallon to 9,000 gallons	6.00
	Over 9,000 gallons	8.25
17	<u>6" Meter</u>	
18	1 gallon to 9,000 gallons	6.00
	Over 9,000 gallons	8.25

SERVICE LINE AND METER INSTALLATION CHARGES:
 (Refundable Pursuant to A.A.C. R14-2-405)

	<u>Service Line</u>	<u>Meter</u>	<u>Total Charges</u>
21	5/8" x 3/4" Meter	\$247.00	\$62.00
	3/4" Meter	241.00	119.00
22	1" Meter	352.00	200.00
	1-1/2" Meter	408.00	371.00
23	2" Meter	450.00	560.00
	3" Meter	656.00	1,047.00
24	4" Meter	1,347.00	2,422.00
	6" Meter	1,711.00	3,918.00
25			5,629.00
26	...		
27	...		
28	...		

1 support its opinion. In no case shall Sunizona Water Company allow water loss to be greater than 15
2 percent. Sunizona Water Company shall file the water loss reduction report containing a detailed
3 analysis and plan to reduce the water loss to 10 percent or less, or the detailed cost benefit analysis,
4 whichever is submitted, with Docket Control, as a compliance item in this docket, within 13 months
5 of the effective date of this Decision.

6 IT IS FURTHER ORDERED that Sunizona Water Company shall file with Docket Control,
7 as a compliance item in this docket, within 45 days of the effective date of this Decision, a
8 Curtailment Tariff for the Commission's Utilities Division Staff's review. Sunizona Water
9 Company's Curtailment Tariff shall generally conform to the sample Curtailment Tariff found on the
10 Commission's website.

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1 IT IS FURTHER ORDERED that Sunizona Water Company shall file annually, as part of its
2 annual report, an affidavit with the Commission's Utilities Division attesting that it is current in
3 paying its property taxes in Arizona.

4 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

5 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.
6
7

8 CHAIRMAN _____ COMMISSIONER _____

9
10 COMMISSIONER _____ COMMISSIONER _____ COMMISSIONER _____

11 IN WITNESS WHEREOF, I, ERNEST G. JOHNSON,
12 Executive Director of the Arizona Corporation Commission,
13 have hereunto set my hand and caused the official seal of the
14 Commission to be affixed at the Capitol, in the City of Phoenix,
15 this _____ day of _____, 2011.

16 _____
17 ERNEST G. JOHNSON
18 EXECUTIVE DIRECTOR

19 DISSENT _____

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21 DISSENT _____
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1 SERVICE LIST FOR: SUNIZONA WATER COMPANY

2 DOCKET NO.: W-03912A-11-0014

3
4 Narvol D. Bales
5 SUNIZONA WATER COMPANY
6 5416 East Highway 181
7 Pearce, Arizona 85625

8 Janice Alward, Chief Counsel
9 Legal Division
10 ARIZONA CORPORATION COMMISSION
11 1200 W. Washington Street
12 Phoenix, AZ 85007

13 Steven M. Olea, Director
14 Utilities Division
15 ARIZONA CORPORATION COMMISSION
16 1200 W. Washington Street
17 Phoenix, AZ 85007

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EXHIBIT A

TABLE B
DEPRECIATION RATE TABLE FOR WATER COMPANIES

NARUC Account No.	Depreciable Plant	Average Service Life (Years)	Annual Accrual Rate (%)
304	Structures & Improvements	30	3.33
305	Collecting & Impounding Reservoirs	40	2.50
306	Lake, River, Canal Intakes	40	2.50
307	Wells & Springs	30	3.33
308	Infiltration Galleries	15	6.67
309	Raw Water Supply Mains	50	2.00
310	Power Generation Equipment	20	5.00
311	Pumping Equipment	8	12.5
320	Water Treatment Equipment		
320.1	Water Treatment Plants	30	3.33
320.2	Solution Chemical Feeders	5	20.0
330	Distribution Reservoirs & Standpipes		
330.1	Storage Tanks	45	2.22
330.2	Pressure Tanks	20	5.00
331	Transmission & Distribution Mains	50	2.00
333	Services	30	3.33
334	Meters	12	8.33
335	Hydrants	50	2.00
336	Backflow Prevention Devices	15	6.67
339	Other Plant & Misc Equipment	15	6.67
340	Office Furniture & Equipment	15	6.67
340.1	Computers & Software	5	20.00
341	Transportation Equipment	5	20.00
342	Stores Equipment	25	4.00
343	Tools, Shop & Garage Equipment	20	5.00
344	Laboratory Equipment	10	10.00
345	Power Operated Equipment	20	5.00
346	Communication Equipment	10	10.00
347	Miscellaneous Equipment	10	10.00
348	Other Tangible Plant	---	---

NOTE: Acct. 348, Other Tangible Plant may vary from 5 percent to 50 percent. The depreciation rate would be set in accordance with the specific capital items in this account.

DECISION NO. _____