

ORIGINAL



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MEMORANDUM
RECEIVED

TO: Docket Control

2011 AUG 26 P 4:44

FROM: Steven M. Olea
Director
Utilities Division

~~AZ CORP COMMISSION~~
~~DOCKET CONTROL~~

DATE: August 26, 2011

RE: **NOTICE OF ERRATA - STAFF REPORT FOR MIRABELL WATER COMPANY'S APPLICATION FOR A PERMANENT RATE INCREASE (DOCKET NO. W-02368A-11-0185)**

On August 16, 2011, Staff filed its Staff Report in the above-named docket. It has come to Staff's attention that there was an error in Staff's rate design that resulted in incorrect revenue production. Staff has corrected the error and hereby files revised Schedules BCA-4, BCA-5 and BCA-5.1 for rate design and typical bill impact.

SMO:BCA:kdh

Originator: Brendan C. Aladi

Arizona Corporation Commission
DOCKETED

AUG 26 2011

DOCKETED BY	
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Service List for: Mirabell Water Company
Docket No. W-02368A-11-0185

Ms. Bonnie O'Connor
Mirabell Water Company
Post Office Box 85160
Tucson, Arizona 85754

RATE DESIGN

Monthly Usage Charge	Present Company Rates		Staff Recommended
	Present Rates	Proposed	Recommended
5/8" x 3/4" Meter	NT	\$23.00	\$ 20.00
3/4" Meter	\$ 22.00	\$ 34.50	30.00
1" Meter	35.00	57.00	50.00
1 1/2" Meter	62.00	115.00	100.00
2" Meter	105.00	184.00	160.00
3" Meter	NT	368.00	320.00
4" Meter	NT	575.00	500.00
6" Meter	NT	\$ 1,150.00	1,000.00

Gallons in Minimum 0 0 0

Commodity Rates (Per 1,000 gallons)

3/4 - inch Meter

First Tier - 0 - 4,000 gallons	\$ 2.00	N/A	N/A
Second Tier - 4,001 - 12,000 gallons	2.75	N/A	N/A
Third Tier - Over 12,000 gallons	3.50	N/A	N/A

All Other Meter Sizes

First Tier - 0 - 12,000 gallons	\$ 2.75	N/A	N/A
Second Tier - Over 12,000 gallons	\$ 3.50	N/A	N/A

5/8 x 3/4 & 3/4 - inch Meter Sizes

First Tier - 0 - 2,000 gallons	N/A	\$ 3.50	2.50
Second Tier - 2,001 - 8,000 gallons	N/A	4.75	4.35
Third Tier - Over 8,000 gallons	N/A	6.00	8.00

All Other Meter Sizes

First Tier - 0 - 10,000 gallons	N/A	\$ 4.75	\$ 4.35
Second Tier - Over 10,000 gallons	N/A	\$ 6.00	\$ 8.00

Service Line and Meter Installation Charges	Company			Company Proposed			Staff Recommended			
	Current Rates	Service Line Charges	Meter Charges	Total Charges	Service Line Charges	Meter Charges	Total Charges	Service Line Charges	Meter Charges	Total Charges
5/8" x 3/4" Meter	N/A	\$430.00	\$130.00	\$560	\$ 430	\$ 130	\$ 560			
3/4" Meter	480	430	230	\$660	430	230	660			
1" Meter	575	480	290	\$770	480	290	770			
1 1/2" Meter	780	535	500	\$1,035	535	500	1,035			
2" Meter Turbine	1,340	815	1,020	\$1,835	815	1,020	1,835			
2" Meter Compound	N/A	815	1,865	\$2,680	815	1,865	2,680			
3" Meter Turbine	N/A	1,030	1,645	\$2,675	1,030	1,645	2,675			
3" Meter Compound	N/A	1,150	2,520	\$3,670	1,150	2,520	3,670			
4" Meter Turbine	N/A	1,460	2,620	\$4,080	1,460	2,620	4,080			
4" Meter Compound	N/A	1,640	3,595	\$5,235	1,640	3,595	5,235			
6" Meter Turbine	N/A	2,180	4,975	\$7,155	2,180	4,975	7,155			
6" Meter Compound	N/A	2,300	6,870	\$9,170	2,300	6,870	9,170			
Over 6-inch	N/A	N/A	N/A	N/A	Actual Cost	Actual Cost	Actual Cost			

Service Charges

Establishment	\$25.00	\$25.00	\$25.00
Establishment (After Hours)	35.00	35.00	NT
Reconnection (Delinquent)	25.00	35.00	\$30.00
Reconnection (Delinquent after hours)	NT	40.00	NT
Meter Test (If Correct)	40.00	40.00	\$40.00
Deposit	*	*	*
Deposit Interest Per Annum	*	*	*
Re-Establishment (Within 12 Months)	**	**	**
NSF Check	25.00	25.00	\$25.00
Deferred Payment - Per Month	1%	1.50%	1.50%
Meter Re-Read (If Correct)	15.00	25.00	\$20.00
Late Payment Charge-Per Month	NT	1.50%	1.50%
Service Charge (After Hours)	N/A	N/A	\$35.00

Monthly Service Charge for Fire Sprinkler

4" or Smaller	\$0.00	\$0.00	***
6"	0.00	0.00	***
8"	0.00	0.00	***
10"	0.00	0.00	***
Larger than 10"	0.00	0.00	***

* Per Commission Rules (R14-2-403.B)

** Number of months off system times the monthly minimum (R14-2-403(D)).

*** 2.00% of monthly minimum for a comparable size meter connection but no less than \$10.00 per month. The service charge for fire sprinklers is only applicable for service lines separate and distinct from the primary water service line.

NT = No Tariff

TYPICAL BILL ANALYSIS
3/4 - Inch Meter
WITHOUT REFLECTION OF EMERGENCY SURCHARGE

Average Number of Customers: 46

<u>Company Proposed</u>	<u>Gallons</u>	<u>Present Rates</u>	<u>Proposed Rates</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Average Usage	7,883	\$40.68	\$68.19	\$27.52	67.6%
Median Usage	5,081	\$32.97	\$54.89	\$21.91	66.5%
<u>Staff Recommended</u>					
Average Usage	7,883	\$40.68	\$60.59	\$19.91	49.0%
Median Usage	5,081	\$32.97	\$48.40	\$15.43	46.8%

Present & Proposed Rates (Without Taxes)
3/4 - Inch Meter

<u>Gallons Consumption</u>	<u>Present Rates</u>	<u>Company Proposed Rates</u>	<u>% Increase</u>	<u>Staff Proposed Rates</u>	<u>% Increase</u>
0	\$22.00	\$34.50	56.8%	\$30.00	36.4%
1,000	24.00	38.00	58.3%	32.50	35.4%
2,000	26.00	41.50	59.6%	35.00	34.6%
3,000	28.00	45.00	60.7%	39.35	40.5%
4,000	30.00	49.75	65.8%	43.70	45.7%
5,000	32.75	54.50	66.4%	48.05	46.7%
6,000	35.50	59.25	66.9%	52.40	47.6%
7,000	38.25	64.00	67.3%	56.75	48.4%
8,000	41.00	68.75	67.7%	61.10	49.0%
9,000	43.75	73.50	68.0%	69.10	57.9%
10,000	46.50	78.25	68.3%	77.10	65.8%
15,000	62.50	108.25	73.2%	117.10	87.4%
20,000	80.00	138.25	72.8%	157.10	96.4%
25,000	97.50	168.25	72.6%	197.10	102.2%
50,000	185.00	318.25	72.0%	397.10	114.6%
75,000	272.50	468.25	71.8%	597.10	119.1%
100,000	360.00	618.25	71.7%	797.10	121.4%
125,000	447.50	768.25	71.7%	997.10	122.8%
150,000	535.00	918.25	71.6%	1,197.10	123.8%
175,000	622.50	1,068.25	71.6%	1,397.10	124.4%
200,000	710.00	1,218.25	71.6%	1,597.10	124.9%

Mirabell Water Company
Docket No. W-02368A-11-0185
Test Year Ended: December 31, 2010

Revised Schedule BCA-5.1

TYPICAL BILL ANALYSIS

3/4 - Inch Meter

WITH REFLECTION OF THE EMERGENCY SURCHARGE IN CURRENT RATES

Average Number of Customers: 46

<u>Company Proposed</u>	<u>Gallons</u>	<u>Present Rates</u>	<u>Proposed Rates</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
Average Usage	7,883	\$43.45	\$68.19	\$24.75	57.0%
Median Usage	5,081	\$35.74	\$54.89	\$19.14	53.6%
<u>Staff Recommended</u>					
Average Usage	7,883	\$43.45	\$60.59	\$17.14	39.5%
Median Usage	5,081	\$35.74	\$48.40	\$12.66	35.4%