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AZ CORP COMMISSION  
DOCKET CONTROL

7 **BEFORE THE ARIZONA CORPORATION COMMISSION**

8  
9 **COMMISSIONERS**

10 GARY PIERCE, CHAIRMAN  
11 PAUL NEWMAN  
12 SANDRA D. KENNEDY  
13 BOB STUMP  
14 BRENDA BURNS

Arizona Corporation Commission

DOCKETED

AUG 29 2011

DOCKETED BY 

15 **IN THE MATTER OF PICACHO PEAK**  
16 **WATER COMPANY, INC.'S RATE**  
17 **APPLICATION**

Docket No. W-02351A-11-0231

**NOTICE OF FILING AFFIDAVIT OF MAILING**

18  
19 Picacho Peak Water Company ("Company") hereby files the affidavit set forth in  
20 Exhibit 1 verifying that the Company has mailed to each known customer the public  
21 notice of the application for a rate adjustment.  
22

23 RESPECTFULLY SUBMITTED this 29<sup>th</sup> day of August, 2011.

24  
25 **MOYES SELLERS & HENDRICKS LTD.**

26  
27 

28 Steve Wene  
Attorneys for Company

1 Original and 13 copies of the foregoing  
2 filed this 29<sup>th</sup> day of August, 2011, with:

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

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8 Donnelly, Herbert

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## CUSTOMER NOTIFICATION

Picacho Peak Water Company has applied to the Arizona Corporation Commission for an adjustment in rates. The current rates have been in effect since January 1, 2009. A decrease in rates is necessary at this time due to completion of water treatment equipment installations and repayment of past due property taxes. Based on the Company's un-audited Test Year results, Picacho Peak Water Company realized an operating loss of (\$19,597). The Company is requesting a revenue decrease of \$9,000, or 17.22% of total revenues. Please see the attached pages 9a, 9b, and 11 of the Company's application for the current and proposed rates.

The Application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street or online at <http://edocket.azcc.gov/edocket/>. Please be advised that the rates and charges ultimately approved by the Commission may be higher or lower than the rates and charges requested in the Application.

Customer input is an important part of the Commission's analysis of the requested adjustment and is a factor in determining whether a hearing will be conducted. Customers should bring to the Commission's attention any questions or concerns related to the Company's Application, including service, billing procedures or other factors important in determining the reasonableness of charges. 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 602-542-4251 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.

Customers are advised that the Commission may act upon the Application without a hearing. Regardless of whether a formal hearing is held, customer comments submitted in writing will be placed in the office file, which the Commission reviews prior to making its final decision on the Application. It is important that customers contact the Commission within 15 days of the receipt of this notice so that the Commission's Staff can consider customer comments and concerns in developing its recommendations to the Commission.

COMPANY NAME: Picacho Peak Water Company Test Year Ended: 12/31/10

Name of System: same ADEQ Public Water System Number: 11-038

### CURRENT AND PROPOSED RATES AND CHARGES

CUSTOMER CLASS:  Residential      Commercial      Industrial  
 Irrigation      All      Other, specify \_\_\_\_\_

MINIMUM OR SERVICE CHARGES	CURRENT RATES		PROPOSED RATES	
	\$	Gallons	\$	Gallons
5/8" x 3/4" Meter	\$15.00	for 0	\$15.00	for 0
3/4" Meter	\$15.00	for 0	\$15.00	for 0
1" Meter	\$37.50	for 0	\$37.50	for 0
1-1/2" Meter	\$75.00	for 0	\$75.00	for 0
2" Meter	\$120.00	for 0	\$120.00	for 0
3" Meter	\$240.00	for 0	\$240.00	for 0
4" Meter	\$375.00	for 0	\$375.00	for 0
6" Meter	\$750.00	for 0	\$750.00	for 0

Gallons IN EXCESS OF MINIMUM  Commodity Charge in Excess of Minimum (Charge Per 1,000 Gallons)	Current Rates		Proposed Rates	
	Rate	Gallons	Rate	Gallons
<b>5/8 by 3/4 inch meter - Residential</b>				
First Tier	\$3.05 Up to 3,000 Gallons		\$2.75 Up to 3,000 Gallons	
Second Tier	\$4.58 from 3,001 to 10,000		\$3.50 from 3,001 to 10,000	
Third Tier	\$5.49 Over 10,000 Gallons		\$4.92 Over 10,000 Gallons	
<b>One - inch meter - All</b>				
First Tier	\$4.58 Up to 15,000 Gallons		\$3.50 Up to 15,000 Gallons	
Second Tier	\$5.49 Over 15,000 Gallons		\$4.92 Over 15,000 Gallons	
<b>One and one half - inch meter - All</b>				
First Tier	\$4.58 Up to 20,000 Gallons		\$3.50 Up to 20,000 Gallons	
Second Tier	\$5.49 Over 20,000 Gallons		\$4.92 Over 20,000 Gallons	
<b>Two - inch meter - All</b>				
First Tier	\$4.58 Up to 25,000 Gallons		\$3.50 Up to 25,000 Gallons	
Second Tier	\$5.49 Over 25,000 Gallons		\$4.92 Over 25,000 Gallons	
<b>Three - inch meter - All</b>				
First Tier	\$4.58 Up to 70,000 Gallons		\$3.50 Up to 70,000 Gallons	
Second Tier	\$5.49 Over 70,000 Gallons		\$4.92 Over 70,000 Gallons	
<b>Four - inch meter - All</b>				
First Tier	\$4.58 Up to 250,000 Gallons		\$3.50 Up to 250,000 Gallons	
Second Tier	\$5.49 Over 250,000 Gallons		\$4.92 Over 250,000 Gallons	
<b>Six - inch meter - All</b>				
First Tier	\$4.58 Up to 800,000 Gallons		\$3.50 Up to 800,000 Gallons	
Second Tier	\$5.49 Over 800,000 Gallons		\$4.92 Over 800,000 Gallons	

*Note: If rates and charges vary across customer classes, duplicate the form and complete on for each rate class. (e.g., residential, commercial) unless "All" is checked.*

COMPANY NAME: Picacho Peak Water Company	Test Year Ended: 12/31/10
Name of System: same	ADEQ Public Water System Number: 11-038

**CURRENT AND PROPOSED RATES AND CHARGES**

CUSTOMER CLASS: Residential       Commercial      Industrial  
 Irrigation      , All      Other, specify \_\_\_\_\_

MINIMUM OR SERVICE CHARGES
5/8" x 3/4" Meter
3/4" Meter
1" Meter
1-1/2" Meter
2" Meter
3" Meter
4" Meter
6" Meter

CURRENT RATES	
\$	GALLONS
\$138.00	for 0
\$138.00	for 0
\$345.00	for 0
\$690.00	for 0
\$1,425.00	for 0
\$2,208.00	for 0
\$3,450.00	for 0
\$6,900.00	for 0

PROPOSED RATES	
\$	GALLONS
\$125.00	for 0
\$125.00	for 0
\$312.50	for 0
\$625.00	for 0
\$1,000.00	for 0
\$2,000.00	for 0
\$3,125.00	for 0
\$6,250.00	for 0

GALLONS IN EXCESS OF MINIMUM
Commodity Charge in Excess of Minimum (Charge Per 1,000 Gallons)
<b>5/8 by 3/4 inch meter - Commercial</b>
First Tier
Second Tier
<b>One - inch meter - All</b>
First Tier
Second Tier
<b>One and one half - inch meter - All</b>
First Tier
Second Tier
<b>Two - inch meter - All</b>
First Tier
Second Tier
<b>Three - inch meter - All</b>
First Tier
Second Tier
<b>Four - inch meter - All</b>
First Tier
Second Tier
<b>Six - inch meter - All</b>
First Tier
Second Tier

Current Rates	
Rate	Gallons
\$4.58	Up to 10,000 Gallons
\$5.49	Over 10,000 Gallons
\$4.58	Up to 15,000 Gallons
\$5.49	Over 15,000 Gallons
\$4.58	Up to 20,000 Gallons
\$5.49	Over 20,000 Gallons
\$4.58	Up to 25,000 Gallons
\$5.49	Over 25,000 Gallons
\$4.58	Up to 70,000 Gallons
\$5.49	Over 70,000 Gallons
\$4.58	Up to 250,000 Gallons
\$5.49	Over 250,000 Gallons
\$4.58	Up to 800,000 Gallons
\$5.49	Over 800,000 Gallons

Proposed Rates	
Rate	Gallons
\$3.50	Up to 10,000 Gallons
\$4.92	Over 10,000 Gallons
\$3.50	Up to 15,000 Gallons
\$4.92	Over 15,000 Gallons
\$3.50	Up to 20,000 Gallons
\$4.92	Over 20,000 Gallons
\$3.50	Up to 25,000 Gallons
\$4.92	Over 25,000 Gallons
\$3.50	Up to 70,000 Gallons
\$4.92	Over 70,000 Gallons
\$3.50	Up to 250,000 Gallons
\$4.92	Over 250,000 Gallons
\$3.50	Up to 800,000 Gallons
\$4.92	Over 800,000 Gallons

Note: If rates and charges vary across customer classes, duplicate the form and complete on for each rate class. (e.g., residential, commercial) unless "All" is checked.

COMPANY NAME: Picacho Peak Water Company Test Year Ended: 12/31/10  
 Name of System: same ADEQ Public Water System Number: 11-038

**CURRENT AND PROPOSED SERVICE CHARGES**

CUSTOMER CLASS: Residential      Commercial      Industrial  
 Irrigation      *All*      Other, specify \_\_\_\_\_

SERVICE LINE AND METER INSTALLATION CHARGES	CURRENT CHARGES			PROPOSED CHARGES		
	SERVICE LINE CHARGES	METER CHARGES	TOTAL CHARGES	SERVICE LINE CHARGES	METER CHARGES	TOTAL CHARGES
5/8" x 3/4" Meter	\$ 385.00	\$ 135.00	\$ 520.00	\$ 430.00	\$ 130.00	\$ 560.00
3/4" Meter	385.00	215.00	600.00	430.00	230.00	660.00
1" Meter	435.00	255.00	690.00	480.00	290.00	770.00
1-1/2" Meter	470.00	465.00	935.00	535.00	500.00	1,035.00
2" Turbine Meter	630.00	965.00	1,595.00	815.00	1,020.00	1,835.00
2" Compound Meter	630.00	1,690.00	2,320.00	815.00	1,865.00	2,680.00
3" Turbine Meter	805.00	1,470.00	2,275.00	1,030.00	1,645.00	2,675.00
3" Compound Meter	845.00	2,265.00	3,110.00	1,150.00	2,520.00	3,670.00
4" Turbine Meter	1,170.00	2,350.00	3,520.00	1,460.00	2,620.00	4,080.00
4" Compound Meter	1,230.00	3,245.00	4,475.00	1,640.00	3,595.00	5,235.00
6" Turbine Meter	1,730.00	4,545.00	6,275.00	2,180.00	4,975.00	7,155.00
6" Compound Meter	1,770.00	6,280.00	8,050.00	2,300.00	6,870.00	9,170.00

OTHER CHARGES	CURRENT CHARGES	PROPOSED CHARGES
Establishment	\$ 25.00	\$ 25.00
Establishment (After Hours)	35.00	35.00
Reconnection (Delinquent)	25.00	25.00
Reconnection (Delinquent) after hours	35.00	35.00
Meter Test (If Correct)	25.00	25.00
Deposit	*	*
Deposit Interest	*	*
Reestablishment (Within 12 Months)	**	**
NSF Check	\$ 25.00	\$ 25.00
Deferred Payment (Per Month)	1.50%	1.50%
Meter Reread (If Correct)	\$ 10.00	\$ 10.00
Late Fee	1.00%	1.50%

\* Per Commission rule (R14-2-403.B).  
 \*\* Months off system times the monthly minimum (R14-2-403.D).

*Note: If rates and charges vary across customer classes, duplicate the form and complete one for each rate class. (e.g., residential, commercial) unless "All" is checked.*