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AZ CORP COMMISSION
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7 **BEFORE THE ARIZONA CORPORATION COMMISSION**

9 **COMMISSIONERS**

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

Arizona Corporation Commission

DOCKETED

NOV 2 2011

DOCKETED BY [Signature]

15 **IN THE MATTER OF THE**
16 **APPLICATION OF WICKENBURG**
17 **RANCH WATER, LLC (FORMERLY**
18 **CDC WICKENBURG WATER, LLC)**
19 **FOR APPROVAL OF A RATE**
20 **ADJUSTMENT**

DOCKET NO. W-03994A-07-0657

NOTICE OF COMPLIANCE
ACTION REGARDING BEST
MANAGEMENT PRACTICES 4.1
TARIFF

21 Pursuant to Arizona Corporation Commission (“Commission”) Order and Opinion
22 Decision Number 71501 and Decision Number 72301, Wickenburg Ranch Water, LLC
23 (“Company”) files its leak detection program description pursuant to Best Management
24 Practices (“BMP”) Tariff 4.1. See Attachment 1. With the filing of this documentation,
25 the Company has met the conditions set forth by the Commission in the above-referenced
26
27
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1 orders regarding BMP 4.1, and accordingly, is in compliance with this provision of the
2 orders.

3
4 RESPECTFULLY SUBMITTED this 2nd day of November, 2011.

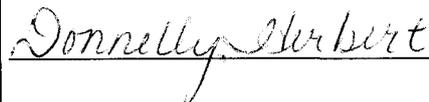
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6 **MOYES SELLERS & HENDRICKS LTD.**

7 

8 Steve Wene

9
10
11 Original and 13 copies of the foregoing
12 filed this 2nd day of November, 2011, with:

13 Docket Control
14 Arizona Corporation Commission
15 1200 West Washington
16 Phoenix, Arizona 85007

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ATTACHMENT 1

Wickenburg Ranch Water, LLC

Leak Detection Program

Detecting and repairing leaks is one of the main components of water conservation. This guidance document will address the strategies Wickenburg Ranch Water will adopt to reduce water loss due to leaks. Minimizing leakage in the water system will have many benefits for the company and its customers. Those benefits include improved operational efficiency; lowered water system operational costs; reduced potential for contamination; extended life of facilities; reduced potential property damage and water system liability; and reduced water outage events.

The goal of the leak detection program is to limit unaccounted-for-water losses to not more than 10 percent of the total water produced. Any loss of more than 10 percent in a system requires priority attention and corrective action. Unaccounted-for-water includes unmeasured water put to beneficial use as well as water losses from the system. It is the difference between water produced and metered at the treatment facility and metered use. The unaccounted-for-water is expressed as a percentage of water production using the following formula:

$$\text{Unaccounted-for-water (\%)} = [(\text{Production} - \text{metered use}) / (\text{Production})] \times 100\%$$

Authorized un-metered uses include firefighting, main flushing and process water for water treatment plants. Water losses include all water that is not identified as authorized metered water use or authorized un-metered use. Advances in technology and expertise should make it possible to reduce losses and unaccounted-for-water to less than 10 percent.

In order to insure unaccounted-for-water losses will not exceed 10 percent, Wickenburg Ranch Water will implement cost effective water loss control measures that will minimize distribution system water losses such as water audits, leak detection and leak repair. For the water audit, using the formula above, on an annual basis the percentage of unaccounted-for-water will be calculated. If the reading is above 10 percent, the water company will perform a visual inspection of all distribution system areas to identify signs of underground leaks. Signs of underground leaks include unusually wet spots in landscaped areas and/or water pooling on the ground surface; an area that is green, moldy, soft, or mossy surrounded by drier conditions; a notable drop in water pressure or flow volume; a sudden problem with rusty water or dirt or air in the water supply; a portion of an irrigated area is suddenly brown, dead or dying when it used to be thriving, which could be an indication the water pressure is too low to enable heads to pop up properly; heaving or cracking of paved areas; sink holes or potholes; or unexplained sudden increases in water use, consistently high water use, or water use that has been climbing at a fairly steady rate for several billing cycles. If a leak is suspected, one of two actions will occur. First, the Arizona Department of Water Resources (ADWR) will be contacted to determine the availability of their state of the art digital leak detection equipment, which is made available to eligible water providers through their Patch the Pipe program at no charge on a first come first served basis. If

ADWR's equipment is not available, a professional leak detection company will be engaged to evaluate the suspected leak. If a leak is detected, a contractor will be hired to repair the leak.

In addition to investigating suspected leaks, the leak detection program will include annual digital or sonic leak detection surveys and distribution of information to customers to educate them on how to identify leaks. The information will encourage customers to regularly inspect irrigation systems for obvious above ground leaks; examine equipment routinely and look at exposed pipes to see if you can visually see any leaking water; and comparing water use records to identify sharp increases in consumption that could indicate a leak.

All leak detection efforts by Wickenburg Ranch Water will be documented in an annual report that will be made available to regulatory entities that govern the water company's operations and customers upon request. The annual report will include the water audit calculations; leak detection efforts, results and repairs, if required; visual system inspection results and repairs, if required; and copies of information distributed to customers.