

ORIGINAL



0000132502

RECEIVED

2011 NOV 30 P 4: 27

AZ CORP COMMISSION
DOCKET CONTROL

1 FENNEMORE CRAIG, P.C.
2 Jay L. Shapiro (No. 014650)
3 Todd C. Wiley (No. No. 015358)
4 3003 N. Central Ave.
5 Suite 2600
6 Phoenix, Arizona 85012
7 Attorneys for Litchfield Park Service Company

BEFORE THE ARIZONA CORPORATION COMMISSION

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

DOCKET NO: SW-01428A-09-0103

Arizona Corporation Commission

DOCKETED

NOV 30 2011

DOCKETED BY

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

DOCKET NO: W-01427A-09-0104

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

8 Pursuant to Decision No. 72682 (November 17, 2011), Litchfield Park Service
9 Company ("LPSCO") hereby files this Notice of Compliance in the above-captioned
10 matter.

11 Attached as **Exhibit A** are the revised schedules of rates and charges. Sheet Nos. 1
12 through 3 (water service), and 17 through 18 (wastewater service), reflect the rates for the
13 100 percent phase-in (Phase 3), effective December 1, 2011, which were originally
14 approved in Decision No. 72026 (December 10, 2010) and reaffirmed in Decision No.
15 72682. The water and wastewater hook-up fee tariffs approved in Decision No. 72682 are
16 attached at Sheet Nos. 31 through 34, and 35 through 37, respectively.

17 Also included in this filing are: 1) the Alternate Rates for Water and Wastewater
18 (ARWW) Tariff, approved in Decision No. 72026; 2) LPSCO's Curtailment Plan,
19 approved in Decision No. 65436 (December 9, 2002); and 3) the Cross-Connection or
20 Backflow Tariff, which LPSCO has updated at Staff's request to conform to the
21 Commission's template.

22 ...

23 ...

24 ...

25 ...

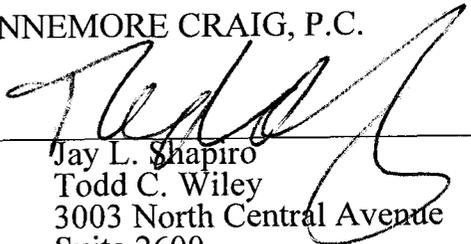
26 ...

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

DATED this 30th day of November, 2011.

FENNEMORE CRAIG, P.C.

By



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

ORIGINAL and thirteen (13) copies
of the foregoing were filed
this 30th day of November, 2011, with:

Docket Control
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007

Copy of the foregoing was hand delivered
this 30th day of November, 2011 to:

Robin Mitchell, Esq.
Legal Division
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007

Carmel Hood, Compliance
Utilities Division
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007

Carmen Madrid
Utilities Division
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007

Copy of the foregoing mailed
this 30th day of November, 2011, to:

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

1 Craig A. Marks, Esq.
2 Craig A. Marks, PLC
3 10645 N. Tatum Blvd., Suite 200-676
4 Phoenix, AZ 85028

5 William P. Sullivan, Esq.
6 Susan D. Goodwin, Esq.
7 Larry K. Udall, Esq.
8 Curtis, Goodwin, Sullivan, Udall & Schwab
9 501 E. Thomas Rd.
10 Phoenix, AZ 85012

11 Martin A. Aronson
12 Robert J. Moon
13 Morrill & Aronson, PLC
14 One E. Camelback Rd., Suite 340
15 Phoenix, AZ 85012

16 Peter M. Gerstman
17 Robson Communities
18 9532 East Riggs Road
19 Sun Lakes, AZ 85248

20 Chad and Jessica Robinson
21 15629 W. Meadowbrook Ave.
22 Goodyear, Arizona 85395

23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100
101
102
103
104
105
106
107
108
109
110
111
112
113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175
176
177
178
179
180
181
182
183
184
185
186
187
188
189
190
191
192
193
194
195
196
197
198
199
200
201
202
203
204
205
206
207
208
209
210
211
212
213
214
215
216
217
218
219
220
221
222
223
224
225
226
227
228
229
230
231
232
233
234
235
236
237
238
239
240
241
242
243
244
245
246
247
248
249
250
251
252
253
254
255
256
257
258
259
260
261
262
263
264
265
266
267
268
269
270
271
272
273
274
275
276
277
278
279
280
281
282
283
284
285
286
287
288
289
290
291
292
293
294
295
296
297
298
299
300
301
302
303
304
305
306
307
308
309
310
311
312
313
314
315
316
317
318
319
320
321
322
323
324
325
326
327
328
329
330
331
332
333
334
335
336
337
338
339
340
341
342
343
344
345
346
347
348
349
350
351
352
353
354
355
356
357
358
359
360
361
362
363
364
365
366
367
368
369
370
371
372
373
374
375
376
377
378
379
380
381
382
383
384
385
386
387
388
389
390
391
392
393
394
395
396
397
398
399
400
401
402
403
404
405
406
407
408
409
410
411
412
413
414
415
416
417
418
419
420
421
422
423
424
425
426
427
428
429
430
431
432
433
434
435
436
437
438
439
440
441
442
443
444
445
446
447
448
449
450
451
452
453
454
455
456
457
458
459
460
461
462
463
464
465
466
467
468
469
470
471
472
473
474
475
476
477
478
479
480
481
482
483
484
485
486
487
488
489
490
491
492
493
494
495
496
497
498
499
500
501
502
503
504
505
506
507
508
509
510
511
512
513
514
515
516
517
518
519
520
521
522
523
524
525
526
527
528
529
530
531
532
533
534
535
536
537
538
539
540
541
542
543
544
545
546
547
548
549
550
551
552
553
554
555
556
557
558
559
560
561
562
563
564
565
566
567
568
569
570
571
572
573
574
575
576
577
578
579
580
581
582
583
584
585
586
587
588
589
590
591
592
593
594
595
596
597
598
599
600
601
602
603
604
605
606
607
608
609
610
611
612
613
614
615
616
617
618
619
620
621
622
623
624
625
626
627
628
629
630
631
632
633
634
635
636
637
638
639
640
641
642
643
644
645
646
647
648
649
650
651
652
653
654
655
656
657
658
659
660
661
662
663
664
665
666
667
668
669
670
671
672
673
674
675
676
677
678
679
680
681
682
683
684
685
686
687
688
689
690
691
692
693
694
695
696
697
698
699
700
701
702
703
704
705
706
707
708
709
710
711
712
713
714
715
716
717
718
719
720
721
722
723
724
725
726
727
728
729
730
731
732
733
734
735
736
737
738
739
740
741
742
743
744
745
746
747
748
749
750
751
752
753
754
755
756
757
758
759
760
761
762
763
764
765
766
767
768
769
770
771
772
773
774
775
776
777
778
779
780
781
782
783
784
785
786
787
788
789
790
791
792
793
794
795
796
797
798
799
800
801
802
803
804
805
806
807
808
809
810
811
812
813
814
815
816
817
818
819
820
821
822
823
824
825
826
827
828
829
830
831
832
833
834
835
836
837
838
839
840
841
842
843
844
845
846
847
848
849
850
851
852
853
854
855
856
857
858
859
860
861
862
863
864
865
866
867
868
869
870
871
872
873
874
875
876
877
878
879
880
881
882
883
884
885
886
887
888
889
890
891
892
893
894
895
896
897
898
899
900
901
902
903
904
905
906
907
908
909
910
911
912
913
914
915
916
917
918
919
920
921
922
923
924
925
926
927
928
929
930
931
932
933
934
935
936
937
938
939
940
941
942
943
944
945
946
947
948
949
950
951
952
953
954
955
956
957
958
959
960
961
962
963
964
965
966
967
968
969
970
971
972
973
974
975
976
977
978
979
980
981
982
983
984
985
986
987
988
989
990
991
992
993
994
995
996
997
998
999
1000

By: *Maria San Jose*
2513020.1/060199.0009

EXHIBIT A

TABLE OF CONTENTS

Sheet
No.

PART ONE STATEMENT OF CHARGES FOR WATER SERVICE..... 1

I. RATES – General Residential, Commercial, Industrial, and Irrigation Service 1

 A. Monthly Usage Charge – 100 Percent Phase In (Phase 3)..... 1

 B. Commodity Rates – 100 Percent Phase In (Phase 3)..... 2

 C. Service Line and Meter Installation Charges..... 4

 D. Service Charges 5

II. TAXES AND ASSESSMENTS 7

III. PERMITTED COSTS..... 8

PART TWO STATEMENT OF TERMS AND CONDITIONS FOR WATER SERVICE 9

CROSS-CONNECTION OR BACKFLOW TARIFF 9

I. INTERRUPTIBLE SERVICE; COMPANY’S LIABILITY LIMITATIONS..... 11

II. RULES AND REGULATIONS 12

III. CURTAILMENT PLAN 13

PART THREE STATEMENT OF CHARGES FOR WASTEWATER SERVICE 17

I. RATES..... 17

 A. Monthly Usage Charge – 100 Percent Phase In (Phase 3)..... 17

 B. Commodity Charge – 100 Percent Phase In (Phase 3) 18

 C. Service Charges 19

II. TAXES AND ASSESSMENTS 20

III. PERMITTED COSTS..... 21

PART FOUR STATEMENT OF TERMS AND CONDITIONS FOR WASTEWATER SERVICE..... 22

I. CUSTOMER DISCHARGE TO SYSTEM..... 22

 A. Service Subject to Regulation..... 22

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

B. Waste Limitations 22

C. Inspection and Right of Entry 22

D. Termination of Water Service for Violation of Wastewater Rules and
Regulations 23

II. RULES AND REGULATIONS 24

PART FIVE ALTERNATE RATES FOR WATER AND WASTEWATER (ARWW)
DOMESTIC SERVICE – SINGLE FAMILY ACCOMMODATION 25

PART SIX HOOK UP FEE TARIFF 31

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all WATER service areas
PART ONE
STATEMENT OF CHARGES FOR WATER SERVICE

I. RATES – General Residential, Commercial, Industrial, and Irrigation Service

Originally in Decision No. 72026, dated December 10, 2010, and again in Decision No. 72682, dated November 17, 2011, the Commission authorized the following rates and charges to become effective December 1, 2011:

A. Monthly Usage Charge – 100 Percent Phase In (Phase 3)

<u>Meter Size</u> Inches	Minimum <u>Charge</u> Per Month
5/8" x 3/4" Meter – All Classes	\$ 10.20
3/4" Meter – All Classes	10.20
1" Meter – Residential	22.95
1" Meter – All Classes but Residential	25.50
1 1/2" Meter – All Classes	51.00
2" Meter – All Classes	81.60
3" Meter – All Classes	163.20
4" Meter – All Classes	255.00
6" Meter – All Classes	510.00
8" Meter (Bulk Resale Only)	501.00
8" Meter – All Classes	841.50
10" Meter – All Classes	1,173.00
12" Meter – All Classes but Irrigation	2,193.00
12" Meter – Irrigation	2,193.00

Issued: November 30, 2011

Effective: December 1, 2011

ISSUED BY:

Greg Sorensen, Director of Operations
 Litchfield Park Service Company
 12725 W. Indian School Road, Suite D-101
 Avondale, AZ 85392

Applies to all WATER service areas
PART ONE
STATEMENT OF CHARGES FOR WATER SERVICE

B. Commodity Rates – 100 Percent Phase In (Phase 3)

The rate for use in addition to the minimum stated above shall be at the following rates per 1,000 gallons:

<u>Meter Size</u>	<u>Consumption</u>	<u>Rate</u>
5/8" x 3/4" Meter (Residential)	0 to 3,000	\$1.00
	3,001 to 9,000	1.91
	Over 9,000	3.03
3/4" Meter (Residential)	0 to 3,000	1.00
	3,001 to 9,000	1.91
	Over 9,000	3.03
1" Meter (Residential)	0 to 5,000	1.00
	5,001 to 20,000	1.91
	Over 20,000	3.03
5/8" x 3/4" and 3/4" Meter (Commercial, Industrial, Irrigation)	0 to 9,000	1.91
	Over 9,000	3.03
1" Meter (Commercial, Industrial, Irrigation)	0 to 20,000	1.91
	Over 20,000	3.03
1 1/2" Meter (Residential, Commercial, Industrial, Irrigation)	0 to 40,000	1.91
	Over 40,000	3.03
2" Meter (Residential, Commercial, Industrial, Irrigation)	0 to 60,000	1.91
	Over 60,000	3.03

Issued: November 30, 2011

Effective: December 1, 2011

ISSUED BY:

Greg Sorensen, Director of Operations
 Litchfield Park Service Company
 12725 W. Indian School Road, Suite D-101
 Avondale, AZ 85392

Applies to all WATER service areas
PART ONE
STATEMENT OF CHARGES FOR WATER SERVICE

Section I.B continued – 100 Percent Phase In (Phase 3)

<u>Meter Size</u>	<u>Consumption</u>	<u>Rate</u>
3" Meter (Residential, Commercial, Industrial, Irrigation)	0 to 120,000	\$1.91
	Over 120,000	3.03
4" Meter (Residential, Commercial, Industrial, Irrigation)	0 to 180,000	1.91
	Over 180,000	3.03
6" Meter (Residential, Commercial, Industrial, Irrigation)	0 to 360,000	1.91
	Over 360,000	3.03
8" Meter (Residential, Commercial, Industrial, Irrigation)	0 to 650,000	1.91
	Over 650,000	3.03
8" Meter (Bulk Resale Only)	All Gallons	1.50
10" Meter (Residential, Commercial, Industrial, Irrigation)	0 to 940,000	1.91
	Over 940,000	3.03
12" Meter (Residential, Commercial, Industrial, Irrigation)	0 to 1,200,000	1.91
	Over 1,200,000	3.03
Construction Water*	All Gallons	3.03

*There is no monthly minimum for hydrant meters.

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all WATER service areas
PART ONE
STATEMENT OF CHARGES FOR WATER SERVICE

C. Service Line and Meter Installation Charges

(Refundable Pursuant to A.A.C. R14-2-405)

<u>Meter Size</u>	<u>Line</u>	<u>Meter</u>	<u>Total</u>
5/8 x 3/4" Meter	\$385.00	\$135.00	\$520.00
3/4" Meter	385.00	215.00	600.00
1" Meter	435.00	255.00	690.00
1 1/2" Meter	470.00	465.00	935.00
2" Turbine Meter	630.00	965.00	1,595.00
2" Compound Meter	630.00	1,690.00	2,320.00
3" Turbine Meter	805.00	1,470.00	2,275.00
3" Compound Meter	845.00	2,265.00	3,110.00
4" Turbine Meter	1,170.00	2,350.00	3,520.00
4" Compound Meter	1,230.00	3,245.00	4,475.00
6" Turbine Meter	1,730.00	4,545.00	6,275.00
6" Compound Meter	1,770.00	6,280.00	8,050.00
8" Meter & Larger	At Cost	At Cost	At Cost

Issued: November 30, 2011

Effective: December 1, 2011

ISSUED BY:

Greg Sorensen, Director of Operations
 Litchfield Park Service Company
 12725 W. Indian School Road, Suite D-101
 Avondale, AZ 85392

Applies to all WATER service areas
PART ONE
STATEMENT OF CHARGES FOR WATER SERVICE

D. Service Charges

<u>Service</u>	<u>Charge</u>
Establishment (a)	\$20.00
Establishment (After Hours) (a)	40.00
Re-Establishment of Service (a)	(b)
Reconnection (Regular Hours) (a)	\$50.00
Reconnection (After Hours) (a)	65.00
Meter Test (if correct) (c)	25.00
Meter Re-Read (if correct)	5.00
NSF Check	25.00
Deferred Payment, Per Month	1.50%
Late Charge	(d)
Service Calls, Per Hour / After Hours (e)	\$40.00
Deposit Requirement	(f)
Deposit Interest	3.50%

- (a) Service charges for customers taking both water and sewer services are not duplicative.
 (b) Minimum charge times number of months disconnected.
 (c) \$25.00 plus cost of test.
 (d) Greater of \$5.00 or 1.50% of unpaid balance.
 (e) No charge for service calls during normal working hours.
 (f) Per Rule R14-2-403(B):
Residential – two times the average bill;
Commercial – two and one-half times the average bill.

Applies to all WATER service areas
PART ONE
STATEMENT OF CHARGES FOR WATER SERVICE

Section I.D continued

*Hydrant Meter Deposit	
5/8 x 3/4" Meter	\$ 135.00
3/4" Meter	215.00
1" Meter	255.00
1 1/2" Meter	465.00
2" Turbine Meter	965.00
2" Compound Meter	1,690.00
3" Turbine Meter	1,470.00
3" Compound Meter	2,265.00
4" Turbine Meter	2,350.00
4" Compound Meter	3,245.00
6" Turbine Meter	4,545.00
6" Compound Meter	6,280.00
8" Meter & Larger	At Cost

* Shall have a non-interest bearing deposit of the amount indicated, refundable in its entirety upon return of the meter in good condition and payment of final bill.

ISSUED BY:

Greg Sorensen, Director of Operations
 Litchfield Park Service Company
 12725 W. Indian School Road, Suite D-101
 Avondale, AZ 85392

Applies to all WATER service areas
PART ONE
STATEMENT OF CHARGES FOR WATER SERVICE

II. TAXES AND ASSESSMENTS

In addition to all other rates and charges authorized herein, the Company shall collect from its customers all applicable sales, transaction, privilege, regulatory or other taxes and assessments as may apply now or in the future, per Rule R14-2-409(D)(5).

Applies to all WATER service areas
PART ONE
STATEMENT OF CHARGES FOR WATER SERVICE

III. PERMITTED COSTS

- A. Costs shall be verified by invoice.
- B. For services that are provided by the Company at cost, costs shall include labor, materials, other charges incurred, and overhead not to exceed 10%. However, prior to any such service being provided, the estimated cost of such service will be provided by the Company to the customer. After review of the cost estimate, the customer will pay the amount of the estimated cost to the Company.
- C. In the event that the actual cost is less than the estimated cost, the Company will refund the excess to the customer within 30 days after completion of the provision of the service or after Company's receipt of invoices, timesheets or other related documents, whichever is later.
- D. In the event the actual cost is more than the estimated cost, the Company will bill the customer for the amount due within 30 days after completion of the provision of the service or after the Company's receipt of invoices, timesheets or other related documents, whichever is later. The amount so billed will be due and payable 30 days after the invoice date. However, if the actual cost is more than five percent (5%) greater than the total amount paid, the customer will only be required to pay five percent (5%) more than the total amount paid, unless the Company can demonstrate that the increased costs were beyond its control and could not be foreseen at the time the estimate for the total amount paid was made.
- E. At the customer's request, the Company shall make available to the customer all invoices, timesheets or related documents that support the cost for providing such service.
- F. Permitted costs shall include any Federal, State or local taxes that are or may be payable by the Company as a result of any tariff or contract for water facilities under which the Customer advances or contributes funds or facilities to the Company.

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all WATER service areas
PART TWO
STATEMENT OF TERMS AND CONDITIONS FOR WATER SERVICE

CROSS-CONNECTION OR BACKFLOW TARIFF

PURPOSE:

The purpose of this tariff is to protect Litchfield Park Service Company (the "Company") water from the possibility of contamination caused by backflow of contaminants that may be present on the customer's premises by requiring the installation and periodic testing of backflow-prevention assemblies pursuant to the provisions of the Arizona Administrative Code ("A.A.C.") R14-2-405.B.6. and A.A.C. R18-4-215.

REQUIREMENTS:

In compliance with the Rules and Regulations of the Arizona Corporation Commission ("Commission") and the Arizona Department of Environmental Quality ("ADEQ"), specifically A.A.C. R14-2-405.B.6 and A.A.C. R18-4-215 relating to backflow prevention:

1. The Company may require a customer to pay for and have installed, and to maintain, test and repair a backflow-prevention assembly if A.A.C. R18-4-215.B or C applies.
2. A backflow-prevention assembly required to be installed by the customer under Paragraph 1 of this tariff shall comply with the requirements set forth in A.A.C. R18-4-215.D and E.
3. Subject to the provisions of A.A.C. R14-2-407 and 410, and in accordance with Paragraphs 1 and 7 of this tariff, the Company may terminate service or deny service to a customer who fails to install a backflow-prevention assembly as required by this tariff.
4. The Company shall give any existing customer who is required to install a backflow-prevention assembly written notice of said requirement. If A.A.C. R14-2-410.B.1.a is **not** applicable, the customer shall be given thirty (30) days from the time such written notice is received in which to comply with this notice. If the customer can show good cause as to why he cannot install the backflow-prevention assembly within thirty (30) days, the Company or Commission Staff may suspend this requirement for a reasonable period of time.

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all WATER service areas

PART TWO

STATEMENT OF TERMS AND CONDITIONS FOR WATER SERVICE

5. Testing shall be in conformance with the requirements of A.A.C. R18-4-215.F. The Company may require the customer to pay to have the backflow-prevention assembly tested as long as the Company does not require an unreasonable number of tests.
6. The customer shall provide the Company with records of installation and testing. For each backflow-prevention assembly, these records shall include:
 - a. assembly identification number and description;
 - b. location;
 - c. date(s) of test(s);
 - d. description of repairs and recommendations for repairs made by tester;
 - e. tester's name and certificate number; and
 - f. tester's field test kit certification documentation.
7. In the event the backflow-prevention assembly does not function properly or fails any test, and an obvious hazard as contemplated under A.A.C. R14-2-410.B.1.a. exists, the Company may terminate service immediately and without notice. The backflow-prevention assembly shall be repaired or replaced by the customer and retested.
8. In the event the backflow-prevention assembly does not function properly or fails any test, or in the event that a customer fails to comply with the testing requirement, and A.A.C. R14-2-410.B.1.a. is **not** applicable, the backflow-prevention assembly shall be repaired or replaced within fourteen (14) days of the initial discovery of the deficiency in the assembly or its function. Failure to remedy the deficiency of dysfunction of the assembly, or failure to retest, shall be grounds for termination of water service in accordance with A.A.C. R14-2-410.

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all WATER service areas

PART TWO

STATEMENT OF TERMS AND CONDITIONS FOR WATER SERVICE

I. INTERRUPTIBLE SERVICE; COMPANY'S LIABILITY LIMITATIONS

The Company will supply only such water at such pressures as may be available from time to time as a result of the normal operation of its water system. The Company will maintain a minimum water pressure of 20 p.s.i. and will not guarantee a specific gallons per minute flow rate at any public fire hydrants or fire sprinkler service. In the event service is interrupted, irregular or defective, or fails from causes beyond the Company's control or through ordinary negligence of its employees or agents, the Company will not be liable for any injuries or damages arising therefrom.

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all WATER service areas
PART TWO
STATEMENT OF TERMS AND CONDITIONS FOR WATER SERVICE

II. RULES AND REGULATIONS

The Company has adopted the Rules and Regulations established by the Commission as the basis for its operating procedures. A.A.C. R14-2-401 through A.A.C. R14-2-411 will be controlling of Company procedures, unless specific Commission Order(s) provide otherwise.

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all WATER service areas
PART TWO
STATEMENT OF TERMS AND CONDITIONS FOR WATER SERVICE

III. CURTAILMENT PLAN

ADEQ Public Water System Number: 07-046

Litchfield Park Service Company ("Company") is authorized to curtail water service to all customers, residential and commercial, within its certified area under the following terms and conditions:

Stage 1 Exists When:

Company is able to maintain water storage in the system at 100 percent of demand and there are no known problems with its well production or water storage in the system.

Restrictions: Under Stage 1, Company is deemed to be operating normally and no curtailment is necessary.

Notice Requirements: Under Stage 1, no notice is necessary.

Stage 2 Exists When:

- a. Company's water storage or well production has been less than 80 percent of demand for at least 48 consecutive hours, and
- b. Company has identified issues such as steadily declining water table, an increased draw-down threatening pump operations, poor water production, or electrical/ mechanical equipment failures, etc., creating a reasonable belief the Company will be unable to meet anticipated water demands in the system.

Restrictions: Under Stage 2, the Company may request the customers to voluntarily employ water conservation measures to reduce water consumption by approximately 50 percent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays.

Notice Requirements: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all WATER service areas
PART TWO
STATEMENT OF TERMS AND CONDITIONS FOR WATER SERVICE

Stage 3 Exists When:

- a. Company's total water storage or well production has been less than 50 percent of demand for at least 24 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, poor water production, or electrical/ mechanical equipment failure, etc., creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 3, the Company shall request the customer to voluntarily employ water conservation measures to reduce daily consumption by approximately 50 percent. All outside watering should be eliminated, except livestock and indoor water conservation techniques should be employed whenever possible.

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Beginning with Stage 3, Company shall post at least two (2) signs showing the curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to the major subdivision served by the Company.
3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 3.

Once Stage 3 has been reached, the Company must begin to augment the supply of water by either hauling or through an emergency interconnect with an approved water supply in an attempt to maintain the curtailment at a level no higher than stage three until a permanent solution has been implemented.

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all WATER service areas
PART TWO
STATEMENT OF TERMS AND CONDITIONS FOR WATER SERVICE

Stage 4 Exists When:

- a. Company's total water storage or well production has been less than 25 percent of demand for at least 12 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, poor water production, or electrical/ mechanical equipment failure, etc., creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 4, Company shall inform the customers of a mandatory restriction to employee water conservation measures to reduce daily consumption. Failure to comply will result in customer disconnection. The following uses of water shall be prohibited:

- Irrigation of outdoor lawns, trees, shrubs, or any plant life is prohibited
- Washing of any vehicle is prohibited
- The use of water for dust control or any outdoor cleaning uses is prohibited
- The use of drip or misting systems of any kind is prohibited
- The filling of any swimming pool, spas, fountains or ornamental pools is prohibited
- Restaurant patrons shall be served water only upon request
- Any other water intensive activity is prohibited

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Company shall post at least two (2) signs showing curtailment stage. Signs shall be posted at noticeable locations like at the well sites and at the entrance to the major subdivision served by the Company.
3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 4.

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all WATER service areas
PART TWO
STATEMENT OF TERMS AND CONDITIONS FOR WATER SERVICE

Customers who fail to comply with cessation of the above Restrictions will be given a written notice to end all outdoor use. Failure to comply within two (2) working days of receipt of the notice will result in temporary loss of service until an agreement can be made to end unauthorized use of outdoor water. To restore service, the customer shall be required to pay all authorized reconnection fees. 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.

Once Stage 4 has been reached, the Company must augment the supply of water by hauling or through an emergency interconnect from an approved supply in an attempt to maintain the supply until a permanent solution has been implemented.

Note: If the Company loses all production and has no storage facilities, the Company must rely on emergency hauling or must otherwise provide emergency drinking water for its customers.

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all WASTEWATER service areas
PART THREE
STATEMENT OF CHARGES FOR WASTEWATER SERVICE

I. RATES

Originally in Decision No. 72026, dated December 10, 2010, and again in Decision No. 72682, dated November 17, 2011, the Commission authorized the following rates and charges to become effective December 1, 2011:

A. Monthly Usage Charge – 100 Percent Phase In (Phase 3)

<u>Meter Size</u> Inches	<u>Minimum Charge</u> Per Month
Residential – Per Unit / Per Month	\$38.99
Multiple Unit Service – Per Unit / Month	36.19
Small Commercial ¹	65.93
Regular Domestic ²	36.91
Restaurants, Motels, Grocery, DC	36.91
Wigwam Resort / Room	36.91
Wigwam Resort / Main	1,433.30
Elementary School	974.64
Middle & High School	1,146.64
Community College	1,777.29
Effluent Sales ³	Market

¹ Small Commercial is a wastewater commercial customer that averages a maximum of 10,000 gallons of water usage per month.

² Regular Domestic is a wastewater commercial customer that averages a minimum of 10,000 gallons of water usage per month.

³ Market Rate – maximum effluent rate shall not exceed \$430 per acre foot based on a potable water rate of \$1.32 per thousand gallons and shall not be less than \$0.17 per thousand gallons.

Applies to all WASTEWATER service areas
PART THREE
STATEMENT OF CHARGES FOR WASTEWATER SERVICE

B. Commodity Charge – 100 Percent Phase In (Phase 3)

(per 1,000 gallons of water)	
Regular Domestic	\$3.22
Restaurants, Motels, Grocery, DC	4.30

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all WASTEWATER service areas
PART THREE
STATEMENT OF CHARGES FOR WASTEWATER SERVICE

C. Service Charges

<u>Service</u>	<u>Charge</u>
Establishment (a)	\$20.00
Establishment (After Hours) (a)	40.00
Re-Establishment of Service (a)	(b)
Reconnection (Regular Hours) (a)	\$50.00
Reconnection (After Hours) (a)	65.00
NSF Check	25.00
Deferred Payment, Per Month	1.50%
Late Charge	(c)
Service Calls, Per Hour / After Hours (d)	\$40.00
Deposit Requirement	(e)
Deposit Interest	3.50%
Service Lateral Connection Charge – All Sizes	(f)
Main Extension Tariff	(g)

- (a) Service charges for customers taking both water and sewer services are not duplicative.
- (b) Minimum charge times number of months disconnected.
- (c) Greater of \$5.00 or 1.50% of unpaid balance.
- (d) No charge for service calls during normal working hours.
- (e) Per Rule R14-2-603(B):
Residential – two times the average bill;
Non-Residential – two and one-half times the average bill.
- (f) At cost. Customer/Developer shall install or cause to be installed all Service Laterals as a non-refundable contribution-in-aid of construction.
- (g) All Main Extensions shall be completed at cost and shall be treated as non-refundable contribution-in-aid of construction.

Applies to all WASTEWATER service areas
PART THREE
STATEMENT OF CHARGES FOR WASTEWATER SERVICE

II. TAXES AND ASSESSMENTS

In addition to all other rates and charges authorized herein, the Company shall collect from its customers all applicable sales, transaction, privilege, regulatory or other taxes and assessments as may apply now or in the future, per Rule R14-2-608(D)(5).

Applies to all WASTEWATER service areas
PART THREE
STATEMENT OF CHARGES FOR WASTEWATER SERVICE

III. PERMITTED COSTS

- A. Costs shall be verified by invoice.
- B. For services that are provided by the Company at cost, costs shall include labor, materials, other charges incurred, and overhead. However, prior to any such service being provided, the estimated cost of such service will be provided by the Company to the customer. After review of the cost estimate, the customer will pay the amount of the estimated cost to the Company.
- C. In the event that the actual cost is less than the estimated cost, the Company will refund the excess to the customer within 30 days after completion of the provision of the service or after Company's receipt of invoices, timesheets or other related documents, whichever is later.
- D. In the event the actual cost is more than the estimated cost, the Company will bill the customer for the amount due within 30 days after completion of the invoices, timesheets or other related documents, whichever is later. The amount so billed will be due and payable 30 days after the invoice date.
- E. At the customer's request, the Company shall make available to the customer all invoices, timesheets or related documents that support the cost for providing such service.
- F. Permitted costs shall include any Federal, State or local taxes that are or may be payable by the Company as a result of any tariff or contract for wastewater facilities under which the Customer advances or contributes funds or facilities to the Company.

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all **WASTEWATER** service areas

PART FOUR

STATEMENT OF TERMS AND CONDITIONS FOR WASTEWATER SERVICE

I. CUSTOMER DISCHARGE TO SYSTEM

A. Service Subject to Regulation

The Company provides wastewater service using treatment and collection facilities that are regulated by numerous county, state and federal Statutes and Regulations. Those Regulations include limitations as to domestic strength wastewater and the type of wastewater that may be discharged into the system by any person directly or indirectly connected to the plant.

B. Waste Limitations

The Company has established the permissible limits of concentration as domestic strength wastewater and will limit concentration for various specific substances, materials, waters, or wastes that can be accepted in the sewer system, and to specify those substances, materials, waters, or wastes that are prohibited from entering the sewer system. Each permissible limit so established shall be placed on file in the business office of the Company, with a copy filed with the Commission. No person shall discharge, or cause to be discharged, any new sources of inflow including, but not limited to, storm water, surface water, groundwater, roof runoffs, subsurface drainage, cooling water, or polluted industrial process waters into the sanitary sewer. The Company will require an affidavit from all commercial and industrial customers, and their professional engineer, stating that the wastewater discharged to the system does not exceed domestic strength.

C. Inspection and Right of Entry

Every facility that is involved directly or indirectly with the discharge of wastewater to the Treatment Plant may be inspected by the Company as it deems necessary. These facilities shall include but not be limited to sewer; sewage pumping plants; all processes; devices and connection sewer; and all similar sewerage facilities. Inspections may be made to determine that such facilities are maintained and operated properly and are adequate to meet the provisions of these rules. Inspections may include the collection of samples. Authorized personnel of the Company shall be provided immediate access to all of the above facilities or to other facilities directly or indirectly connected to the Treatment Plant at all reasonable times including those occasioned by emergency conditions. Any permanent or temporary obstruction to easy access to the user's facility to be inspected shall promptly be removed by the facility user or owner at

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all WASTEWATER service areas
PART FOUR
STATEMENT OF TERMS AND CONDITIONS FOR WASTEWATER SERVICE

the written or verbal request of the Company and shall not be replaced. No person shall interfere with, delay, resist or refuse entrance to an authorized Company representative attempting to inspect any facility involved directly or indirectly with a discharge of wastewater to the Treatment Plant. Adequate identification shall be provided by the Company for all inspectors and other authorized personnel and these persons shall identify themselves when entering any property for inspection purposes or when inspecting the work of any contractor.

All transient motor homes, travel trailers and other units containing holding tanks must arrive at the Company's service area in an empty condition. Inspection will be required of said units prior to their being allowed to hookup to the wastewater system.

D. Termination of Water Service for Violation of Wastewater Rules and Regulations

The Company is authorized to discontinue water service to any person connected to both its water and sewer systems who violates the Company's wastewater terms and conditions as set forth in this PART FOUR or in any way creates a public health hazard or the likelihood of such a public health hazard. This termination authority does not apply to non-payment for water or wastewater services.

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all WASTEWATER service areas
PART FOUR
STATEMENT OF TERMS AND CONDITIONS FOR WASTEWATER SERVICE

II. RULES AND REGULATIONS

The Company has adopted the Rules and Regulations established by the Commission as the basis for its operating procedures. A.A.C. R14-2-601 through A.A.C. R14-2-609 will be controlling of Company procedures, unless specifically approved tariffs or Commission Order(s) provide otherwise.

Applies to all **WATER** and **WASTEWATER** service areas
PART FIVE
ALTERNATE RATES FOR WATER AND WASTEWATER (ARWW)
DOMESTIC SERVICE – SINGLE FAMILY ACCOMMODATION

APPLICABILITY

Applicable to residential water and wastewater service for domestic use rendered to low-income households where the customer meets all the program qualifications and special conditions of this rate schedule.

TERRITORY

Within all customer service areas served by Litchfield Park Service Company (“LPSCO”).

RATES

Fifteen percent (15%) discount applied to the regular filed tariff.

PROGRAM QUALIFICATIONS

1. The LPSCO bill must be in your name and the address must be your primary residence or you must be a tenant receiving water service by a sub-metered system.
2. You may not be claimed as a dependent on another person’s tax return.
3. You must reapply each time you move residences.
4. You must renew your application once every two (2) years, or sooner, if requested.
5. You must recertify each year by submitting a declaration attesting to your continuing eligibility, and provide one of the following items as proof of eligibility: 1) copy of tax return from prior year; or 2) copy of W2 form from prior year; or 3) copy of welfare / food stamp cards.
6. You must notify LPSCO within thirty (30) days if you become ineligible for ARWW.
7. Your total gross annual income of all persons living in your household cannot exceed the income levels below:

Applies to all **WATER** and **WASTEWATER** service areas
PART FIVE
ALTERNATE RATES FOR WATER AND WASTEWATER (ARWW)
DOMESTIC SERVICE – SINGLE FAMILY ACCOMMODATION

Effective December 1, 2010

<u>No. of Person in Household</u>	<u>Total Gross Annual Income</u>
1	\$16,245
2	\$21,855
3	\$27,465
4	\$33,075
5	\$38,685
6	\$44,295

For each additional person residing in the household, add \$5,610

For the purpose of the program the “gross household income” means all money and non cash benefits, available for living expenses, from all sources, both taxable and non taxable, before deductions for all people who live in your home. This includes, but is not limited to:

Wages or salaries	Social Security, SSI, SSP	Rental or royalty income
Interest or dividends from:	Scholarships, grants, or other aid	Profit from self-employment
Savings account, stocks or bonds	used for living expenses	(IRS form Schedule C, Line 29)
Unemployment benefits	Disability payments	Worker’s Compensation
TANF (AFDC)	Food Stamps	Child Support
Pensions	Insurance settlements	Spousal Support
Gifts		

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all **WATER** and **WASTEWATER** service areas
PART FIVE
ALTERNATE RATES FOR WATER AND WASTEWATER (ARWW)
DOMESTIC SERVICE – SINGLE FAMILY ACCOMMODATION

SPECIAL CONDITIONS

1. **Application:** An application on a form authorized by the Commission is required for each request for service under this schedule. A customer must reapply every two (2) years.
2. **Recertification:** A customer enrolled in the ARWW program must, each year, recertify by submitting a declaration attesting to continuing eligibility, and provide one of the following items as proof of eligibility: 1) copy of tax return from prior year; or 2) copy of W2 form from prior year; or 3) copy of welfare / food stamp cards.
3. **Commencement of Rate:** Eligible customers whose applications have been approved shall be billed on this schedule commencing with the next regularly scheduled billing period that follows receipt of application by LPSCO.
4. **Verification:** Information provided by the applicant is subject to verification by LPSCO. Refusal or failure of a customer to provide documentation of eligibility acceptable to LPSCO, upon request by LPSCO, shall result in removal from this rate schedule.
5. **Notice from Customer:** It is the customer's responsibility to notify LPSCO if there is a change of eligibility status.
6. **Rebilling:** Customers may be re-billed retroactively for periods of ineligibility under the applicable rate schedule.
7. **Master-metered:** A reduction will be calculated in the bill of master-metered customers, who have sub-metered tenants that meet the income eligibility criteria, so an equivalent discount (15%) can be passed through to eligible customer(s).
8. **Participation Cap:** The ARWW program is limited to 5,000 water division customers and 5,000 wastewater division customers. Applications will be reviewed and approved on a first come, first served basis. Applicants will be placed on a waiting list if the participation cap has been met.

**Application for
Alternate Rates for Water and Wastewater (ARWW)**

To qualify for Liberty Water ARWW please check (✓) all that apply:

- I am a Liberty Water residential customer and the Liberty Water account is in my name.
- I am a sub-metered tenant within the Liberty Water service area.
- My household income is at or below the income level in the listing below.

Household Size	Total Gross Annual Income from All Sources
1	\$16,245
2	\$21,855
3	\$27,465
4	\$33,075
5	\$38,685
6	\$44,295

For each additional person residing in the household, add \$5,610.

The definition of "gross household income" (before taxes) is all money and non cash benefits available for living expenses from all sources, both taxable and non taxable, before deductions, including expenses, for all people who live in your home. **This includes, but is not limited to the following (please check (✓) all that apply):**

- Wages, salaries or profit from self-employment
- Disability and/or Workers' Compensation payments
- Insurance and/or legal settlements
- Pensions
- Spousal and/or child support
- Scholarships, grants, or other aid used for living
- Interest/dividends from: savings, stocks, bonds, or retirement accounts
- Social Security, SSI or SSP
- Food Stamps
- TANF (AFDC)
- Veterans Affairs benefits
- Unemployment benefits
- Rental and/or royalty income
- Cash, gifts and/or other income

Please print the following information. **Incomplete information will delay your discount.** The name used to apply for the discount must be the same as the name on the Liberty Water statement.

PLEASE PRINT LEGIBLY												
Liberty Water Account Number (As shown on statement)												
Total No. of persons living in household:			Household's Total Gross Annual Income: \$				Contact Phone Number					
Name as shown on Liberty Water statement												
Liberty Water Service Address												
City			State				Zip Code					

Please attach one of the items listed as proof of income for eligibility verification: Copy of tax return from prior year, or copy of W2 from prior year, or copy of welfare / food stamp cards.

By signing below, I certify under penalty of perjury that this information is true and correct under the laws of the State of Arizona. I will provide proof of income and I will notify Liberty Water of any changes that affect my eligibility. I understand that if I receive the discount without meeting the qualifications for it, I may be required to pay back the discount I received.

Customer Signature _____

Date _____

Note: An Application for ARWW must be submitted every two years. A Declaration of Eligibility must be submitted annually for verification. Please allow 30-45 days for processing.

Office Use Only: Date Verified _____ Verified By _____ Expires _____

Issued: November 30, 2011

Effective: December 1, 2011

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

**Declaration of Eligibility
Alternate Rates for Water and Wastewater (ARWW)**

To recertify enrollment in the ARWW Program please fill out the following attesting to continuing eligibility:

PLEASE PRINT LEGIBLY												
Name as shown on Liberty Water statement												
Liberty Water Account Number (As shown on statement)												
Liberty Water Service Address												
City	State						Zip Code					
Contact Phone Number						Work Phone Number						

I,

Your Name (Please Print)

Last submitted an Application for Alternative Rates (ARWW)
on

(dd/mm/yyyy)

and hereby confirm my eligibility for the year ending

(dd/mm/yyyy)

Please attach one of the items listed below as proof of income for eligibility verification:

**Copy of tax return from prior year,
or copy of W2 form from prior year,
or copy of welfare / food stamp cards.**

By signing below, I certify under penalty of perjury that this information is true and correct under the laws of the State of Arizona. I will provide proof of income and I will notify Liberty Water of any changes that affect my eligibility. I understand that if I receive the discount without meeting the qualifications for it, I may be required to pay back the discount I received.

Customer Signature

Date

Note: An Application for ARWW must be submitted every two years. A Declaration of Eligibility must be submitted annually for verification.

Liberty Water Alternate Rates for Water and Wastewater (ARWW)**Applicability**

Applicable to residential water and wastewater service for domestic use rendered to low-income households where the customer meets all the Program Qualifications and Special Conditions of this rate schedule.

Territory

Within all customer service areas served by Litchfield Park Service Company dba Liberty Water.

Discount

Fifteen percent (15%) discount applied to the regular filed tariff. The discount will be applied to the customer's total bill before any adjustments and application of any other taxes, credit, penalties or fees.

Program Qualifications

- The Liberty Water account must be in your name and the address must be your primary residence in our service area or you must be a tenant receiving water service by a sub-metered system.
- You may not be claimed as a dependent on another person's tax return.
- You must reapply each time you move residences.
- You must renew your application once every two (2) years or sooner if requested.
- You must recertify each year by submitting a declaration attesting to your continuing eligibility, and provide one of the following items as proof of eligibility: 1) copy of tax return from prior year; or 2) copy of W2 form from prior year; or 3) copy of welfare/food stamp cards.
- You must notify Liberty Water within thirty (30) days if you become ineligible for ARWW.
- Your total gross annual income of all persons living in your household cannot exceed the income levels provided on the application.

Special Conditions

- You must fill out and sign the ARWW Application completely. Incomplete information will delay your discount. You must reapply every two (2) years.
- You must recertify your enrollment in the ARWW annually by submitting a Declaration of Eligibility and providing one of the following items as proof of eligibility: 1) copy of tax return from prior year; or 2) copy of W2 form from prior year; or 3) copy of welfare/food stamp cards.
- Customers shall be billed on this schedule commencing with the next regularly scheduled billing period that follows the receipt and approval of the application by Liberty Water.
- Documentation of your gross annual income must be provided to Liberty Water for verification of eligibility for ARWW. Refusal or failure to provide documentation of acceptable eligibility to Liberty Water shall result in removal from this rate schedule.
- It is the customer's responsibility to notify Liberty Water if there is a change in eligibility status.
- You may be re-billed for any periods of ineligibility under the applicable rate schedule.
- Master-metered customers who have sub-metered tenants will receive a reduction in the billing. Sub-metered tenants must qualify and meet the income eligibility criteria so an equivalent discount (15%) can be passed through to eligible customer(s).
- The ARWW program is limited to 5,000 water division customers and 5,000 wastewater division customers.

How to Submit Completed ARWW Application and/or Declaration of Eligibility

Mail, Fax or Email your ARWW Application and Declaration of Eligibility to:

Liberty Water (Litchfield Park Service Company)

12725 W. Indian School Rd. Ste. D101

Avondale, AZ 85392

Fax: 623-935-1020

Email: customerserviceavondale@libertywater.com

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

PART SIX
HOOK-UP FEE TARIFF

WATER HOOK-UP FEE

I. Purpose and Applicability

The purpose of the off-site hook-up fees payable to Litchfield Park Service Company - Water Division (the "Company") pursuant to this tariff is to equitably apportion the costs of constructing additional off-site facilities necessary to provide water production, delivery, storage and pressure among all new service connections. These charges are applicable to all new service connections undertaken via Main Extension Agreements or requests for service not requiring a Main Extension Agreement entered into after the effective date of this tariff. The charges are one-time charges and are payable as a condition to Company's establishment of service, as more particularly provided below.

II. Definitions

Unless the context otherwise requires, the definitions set forth in R-14-2-401 of the Arizona Corporation Commission's ("Commission") rules and regulations governing water utilities shall apply in interpreting this tariff schedule.

"Applicant" means any party entering into an agreement with Company for the installation of water facilities to serve new service connections, and may include Developers and/or Builders of new residential subdivisions and/or commercial and industrial properties.

"Company" means Litchfield Park Service Company – Water Division.

"Main Extension Agreement" means any agreement whereby an Applicant, Developer and/or Builder agrees to advance the costs of the installation of water facilities necessary to the Company to serve new service connections within a development, or installs such water facilities necessary to serve new service connections and transfers ownership of such water facilities to the Company, which agreement shall require the approval of the Commission pursuant to A.A.C. R-14-2-406, and shall have the same meaning as "Water Facilities Agreement" or "Line Extension Agreement."

"Off-site Facilities" means wells, storage tanks and related appurtenances necessary for proper operation, including engineering and design costs. Off-site facilities may also include booster pumps, pressure tanks, transmission mains and related appurtenances necessary for proper operation if these facilities are not for the exclusive use of the applicant and will benefit the entire water system.

"Service Connection" means and includes all service connections for single-family residential, commercial, industrial or other uses, regardless of meter size.

III. Water Hook-up Fee

For each new service connection, the Company shall collect an off-site hook-up fee derived from the following table:

OFF-SITE WATER HOOK-UP FEE TABLE		
Meter Size	Size Factor	Total Fee(a)
5/8" x 3/4"	1	\$1,800
3/4"	1.5	\$2,700
1"	2.5	\$4,500
1-1/2"	5	\$9,000
2"	8	\$14,400
3"	16	\$28,800
4"	25	\$45,000
6" or larger	50	\$90,000

(A) For "Active Adult" communities with demonstrated age-restricted zoning and/or CCRs providing for age-restricted living, the Total Fee shall be Two-Thirds (2/3) of the Total Fee shown above, based on an ERU factor of 190 gallons per day.

IV. Terms and Conditions

(A) Assessment of One Time Off-Site Hook-up Fee: The off-site hook-up fee may be assessed only once per parcel, service connection, or lot within a subdivision (similar to meter and service line installation charge).

(B) Use of Off-Site Hook-up Fee: Off-site hook-up fees may only be used to pay for capital items of Off-site Facilities, or for repayment of loans obtained to fund the cost of installation of off-site facilities. Off-site hook-up fees shall not be used to cover repairs, maintenance, or operational costs. The Company shall record amounts collected under the tariff as CIAC; however, such amounts shall not be deducted from rate base until such amounts have been expended for plant.

(C) Time of Payment:

- 1) For those requiring a Main Extension Agreement: In the event that the person or entity that will be constructing improvements ("Applicant", "Developer" or "Builder") is otherwise required to enter into a Main Extension Agreement, whereby the Applicant, Developer or Builder agrees to advance the costs of installing mains, valves, fittings, hydrants and other on-site improvements in order to extend service in accordance with R-14-2-406(B), payment of the Hook-Up Fees required hereunder shall be made by the Applicant, Developer or Builder no later than within 15 calendar days after receipt of notification from the Company that the Utilities Division of the Arizona Corporation Commission has approved the Main Extension Agreement in accordance with R-14-2-406(M).

- 2) For those connecting to an existing main: In the event that the Applicant, Developer or Builder for service is not required to enter into a Main Extension Agreement, the Hook-Up Fee charges hereunder shall be due and payable at the time the meter and service line installation fee is due and payable.
- (D) Off-Site Facilities Construction By Developer: Company and Applicant, Developer, or Builder may agree to construction of off-site facilities necessary to serve a particular development by Applicant, Developer or Builder, which facilities are then conveyed to Company. In that event, Company shall credit the total cost of such off-site facilities as an offset to off-site hook-up fees due under this Tariff. If the total cost of the off-site facilities constructed by Applicant, Developer or Builder and conveyed to Company is less than the applicable off-site hook-up fees under this Tariff, Applicant, Developer or Builder shall pay the remaining amount of off-site hook-up fees owed hereunder. If the total cost of the off-site facilities contributed by Applicant, Developer or Builder and conveyed to Company is more than the applicable off-site hook-up fees under this Tariff, Applicant, Developer or Builder shall be refunded the difference upon acceptance of the off-site facilities by the Company.
- (E) Failure to Pay Charges; Delinquent Payments: The Company will not be obligated to make an advance commitment to provide or actually provide water service to any Developer, Builder or other applicant for service in the event that the Developer, Builder or other applicant for service has not paid in full all charges hereunder. Under no circumstances will the Company set a meter or otherwise allow service to be established if the entire amount of any payment due hereunder has not been paid.
- (F) Large Subdivision/Development Projects: In the event that the Applicant, Developer or Builder is engaged in the development of a residential subdivision and/or development containing more than 150 lots, the Company may, in its reasonable discretion, agree to payment of off-site hook-up fees in installments. Such installments may be based on the residential subdivision and/or development's phasing, and should attempt to equitably apportion the payment of charges hereunder based on the Applicant's, Developer's or Builder's construction schedule and water service requirements. In the alternative, the Applicant, Developer, or Builder shall post an irrevocable letter of credit in favor of the Company in a commercially reasonable form, which may be drawn by the Company consistent with the actual or planned construction and hook up schedule for the subdivision and/or development.
- (G) Off-Site Hook-Up Fees Non-refundable: The amounts collected by the Company as Hook-Up Fees pursuant to the off-site hook-up fee tariff shall be non-refundable contributions in aid of construction.
- (H) Use of Off-Site Hook-Up Fees Received: All funds collected by the Company as off-site hook-up fees shall be deposited into a separate interest bearing trust account and used solely for the purposes of paying for the costs of installation of off-site facilities, including repayment of loans obtained for the installation of off-site facilities that will benefit the entire water system.
- (I) Off-Site Hook-up Fee in Addition to On-site Facilities: The off-site hook-up fee shall be in addition to any costs associated with the construction of on-site facilities under a Main Extension Agreement.

(J) Disposition of Excess Funds: After all necessary and desirable off-site facilities are constructed utilizing funds collected pursuant to the off-site hook-up fees, or if the off-site hook-up fee has been terminated by order of the Arizona Corporation Commission, any funds remaining in the trust shall be refunded. The manner of the refund shall be determined by the Commission at the time a refund becomes necessary.

(K) Fire Flow Requirements: In the event the applicant for service has fire flow requirements that require additional facilities beyond those facilities whose costs were included in the off-site hook-up fee, and which are contemplated to be constructed using the proceeds of the off-site hook-up Fee, the Company may require the applicant to install such additional facilities as are required to meet those additional fire flow requirements, as a non-refundable contribution, in addition to the off-site hook-up fee.

(L) Status Reporting Requirements to the Commission: The Company shall submit a calendar year Off-Site Hook-Up Fee status report each January to Docket Control for the prior twelve (12) month period, beginning January 2012, until the hook-up fee tariff is no longer in effect. This status report shall contain a list of all customers that have paid the hook-up fee tariff, the amount each has paid, the physical location/address of the property in respect of which such fee was paid, the amount of money spent from the account, the amount of interest earned on the funds within the tariff account, and a list of all facilities that have been installed with the tariff funds during the 12 month period.

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

PART SIX
HOOK-UP FEE TARIFF

WASTEWATER HOOK-UP FEE

I. Purpose and Applicability

The purpose of the off-site facilities hook-up fees payable to Litchfield Park Service Company – Wastewater Division (the “Company”) pursuant to this tariff is to equitably apportion the costs of constructing additional off-site facilities to provide wastewater treatment and disposal facilities among all new service laterals. These charges are applicable to all new service laterals undertaken via Collection Main Extension Agreements, or requests for service not requiring a Collection Main Extension Agreement, entered into after the effective date of this tariff. The charges are one-time charges and are payable as a condition to Company’s establishment of service, as more particularly provided below.

II. Definitions

Unless the context otherwise requires, the definitions set forth in R-14-2-601 of the Arizona Corporation Commission’s (“Commission”) rules and regulations governing sewer utilities shall apply interpreting this tariff schedule.

“Applicant” means any party entering into an agreement with Company for the installation of wastewater facilities to serve new service laterals, and may include Developers and/or Builders of new residential subdivisions, and industrial or commercial properties.

“Company” means Litchfield Park Service Company – Wastewater Division.

“Collection Main Extension Agreement” means an agreement whereby an Applicant, Developer and/or Builder agrees to advance the costs of the installation of wastewater facilities necessary to serve new service laterals, or install wastewater facilities to serve new service laterals and transfer ownership of such wastewater facilities to the Company, which agreement does not require the approval of the Commission pursuant to A.A.C. R-14-2-606, and shall have the same meaning as “Wastewater Facilities Agreement.”

“Off-site Facilities” means the wastewater treatment plant, sludge disposal facilities, effluent disposal facilities and related appurtenances necessary for proper operation, including engineering and design costs. Offsite facilities may also include lift stations, force mains, transportation mains and related appurtenances necessary for proper operation if these facilities are not for the exclusive use of the applicant and benefit the entire wastewater system.

“Service Lateral” means and includes all service laterals for single-family residential, commercial, industrial or other uses.

III. Wastewater Hook-up Fee

For each new residential service lateral, the Company shall collect a Hook-Up Fee of \$1,800 based on the Equivalent Residential Unit ("ERU") of 320 gallons per day. Commercial and industrial applicants shall pay based on the total ERUs of their development calculated by dividing the estimated total daily wastewater capacity usage needed for service using standard engineering standards and criteria by the ERU factor of 320 gallons per day. For "Active Adult" communities with demonstrated age-restricted zoning and/or CCRs providing for age-restricted living, the Hook-Up Fee shall be \$1,070, based on an ERU factor of 190 gallons per day.

IV. Terms and Conditions

(A) Assessment of One Time Off-Site Facilities Hook-up Fee: The off-site facilities hook-up fee may be assessed only once per parcel, service lateral, or lot within a subdivision (similar to a service lateral installation charge).

(B) Use of Off-Site Facilities Hook-up Fee: Off-site facilities hook-up fees may only be used to pay for capital items of Off-site Facilities, or for repayment of loans obtained to fund the cost of installation of off-site facilities. Off-site hook-up fees shall not be used to cover repairs, maintenance, or operational costs. The Company shall record amounts collected under the tariff as CIAC; however, such amounts shall not be deducted from rate base until such amounts have been expended for plant.

(C) Time of Payment:

(1) In the event that the person or entity that will be constructing improvements ("Applicant", "Developer" or "Builder") is otherwise required to enter into a Collection Main Extension Agreement, payment of the fees required hereunder shall be made by the Applicant, Developer or Builder within 15 days of execution of a Main Extension Agreement.

(2) In the event that the Applicant, Developer or Builder for service is not required to enter into a Collection Main Extension Agreement, the Hook-Up Fee charges hereunder shall be due and payable at the time wastewater service is requested for the property.

(D) Off-Site Facilities Construction by Developer: Company and Applicant, Developer, or Builder may agree to construction of off-site facilities necessary to serve a particular development by Applicant, Developer or Builder, which facilities are then conveyed to Company. In that event, Company shall credit the total cost of such off-site facilities as an offset to off-site hook-up fees due under this Tariff. If the total cost of the off-site facilities constructed by Applicant, Developer or Builder and conveyed to Company is less than the applicable off-site hook-up fees under this Tariff, Applicant, Developer or Builder shall pay the remaining amount of off-site hook-up fees owed hereunder. If the total cost of the off-site facilities contributed by Applicant, Developer or Builder and conveyed to Company is more than the applicable off-site hook-up fees under this Tariff, Developer or Builder shall be refunded the difference upon acceptance of the off-site facilities by the Company.

(E) Failure to Pay Charges; Delinquent Payments: The Company will not be obligated to make an advance commitment to provide or actually provide wastewater service to any Developer, Builder or other applicant for service in the event that the Developer, Builder or other applicant for service has not paid in full all charges hereunder. Under no circumstances will the Company connect service or otherwise allow service to be established if the entire amount of any payment has not been paid.

(F) Large Subdivision and/or Development Projects: In the event that the Applicant, Developer or Builder is engaged in the development of a residential subdivision and/or development containing more than 150 lots, the Company may, in its reasonable discretion, agree to payment of off-site hook-up fees in installments. Such installments may be based on the residential subdivision and/or development's phasing, and should attempt to equitably apportion the payment of charges hereunder based on the Applicant's, Developer's or Builder's construction schedule and water service requirements. In the alternative, the Applicant, Developer, or Builder shall post an irrevocable letter of credit in favor of the Company in a commercially reasonable form, which may be drawn by the Company consistent with the actual or planned construction and hook up schedule for the subdivision and/or development.

(G) Off-Site Hook-Up Fees Non-refundable: The amounts collected by the Company pursuant to the off-site facilities hook-up fee tariff shall be non-refundable contributions in aid of construction.

(H) Use of Off-Site Hook-Up Fees Received: All funds collected by the Company as off-site facilities hook-up fees shall be deposited into a separate account and bear interest and shall be used solely for the purposes of paying for the costs of installation of off-site facilities, including repayment of loans obtained for the installation of off-site facilities.

(I) Off-Site Facilities Hook-up Fee in Addition to On-site Facilities: The off-site facilities hook-up fee shall be in addition to any costs associated with the construction of on-site facilities under a Collection Main Extension Agreement.

(J) Disposition of Excess Funds: After all necessary and desirable off-site facilities are constructed utilizing funds collected pursuant to the off-site facilities hook-up fees, or if the off-site facilities hook-up fee has been terminated by order of the Arizona Corporation Commission, any funds remaining in the trust shall be refunded. The manner of the refund shall be determined by the Commission at the time a refund becomes necessary.

(K) Status Reporting Requirements to the Commission: The Company shall submit a calendar year Off-Site Facilities Hook-Up Fee status report each January to Docket Control for the prior twelve (12) month period, beginning January 2012, until the hook-up fee tariff is no longer in effect. This status report shall contain a list of all customers that have paid the hook-up fee tariff, the amount each has paid, the physical location/address of the property in respect of which such fee was paid, the amount of money spent from the account, the amount of interest earned on the funds within the tariff account, and an itemization of all facilities that have been installed using the tariff funds during the 12 month period.

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392