

ORIGINAL

SAHUARITA
Water Company



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AZ CORP COMMISSION
DOCKET CONTROL



June 25, 2012

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

Re: Docket No. W-03718A-09-0359
Decision No. 72177
CAGR D Pass-through Compliance Document

Pursuant to Decision No. 72177, Condition #5 of the CAGR D Pass-through adjustor, Sahuarita Water Company, LLC is submitting the final rate schedule for the CAGR D fees firm for the years 2012/13. These rates were approved by the CAP Board of Directors at their June 7, 2012 meeting. The rate schedule is attached.

Should you require any further information, please contact me at (520) 299-8766. Thank you.

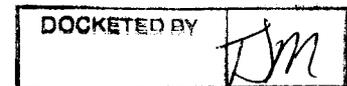
Sincerely,

Marian Homiak
Controller

cc: Compliance Section

Arizona Corporation Commission
DOCKETED

JUN 27 2012



**CENTRAL ARIZONA
GROUNDWATER REPLENISHMENT DISTRICT
APPROVED 2012/13 - 2017/18 RATE SCHEDULE**

CENTRAL ARIZONA GROUNDWATER REPLENISHMENT DISTRICT ASSESSMENT RATES

Units = \$/acre-foot

	2011/12	Firm 2012/13	Provi- sional 2013/14	Advisory			
				2014/15	2015/16	2016/17	2017/18
Phoenix Active Management Area							
Water & Replenishment Component ¹	\$ 140	\$ 137	\$ 148	\$ 161	\$ 168	\$ 171	\$ 177
Administrative Component ²	42	44	45	45	45	41	37
Infrastructure & Water Rights Component ³	170	204	245	294	353	353	353
Replenishment Reserve Charge ⁴	51	52	54	59	62	63	66
Total Assessment Rate (\$/AF)	\$ 403	\$ 437	\$ 492	\$ 559	\$ 628	\$ 628	\$ 633
Pinal Active Management Area							
Water & Replenishment Component ¹	\$ 116	\$ 117	\$ 128	\$ 141	\$ 148	\$ 152	\$ 154
Administrative Component ²	42	44	45	45	45	41	37
Infrastructure & Water Rights Component ³	170	204	245	294	353	353	353
Replenishment Reserve Charge ⁴	53	56	60	65	69	76	76
Total Assessment Rate (\$/AF)	\$ 381	\$ 421	\$ 478	\$ 545	\$ 615	\$ 622	\$ 620
Tucson Active Management Area							
Water & Replenishment Component ¹	\$ 155	\$ 161	\$ 171	\$ 183	\$ 190	\$ 194	\$ 197
Administrative Component ²	42	44	45	45	45	41	37
Infrastructure & Water Rights Component ³	170	204	245	294	353	353	353
Replenishment Reserve Charge ⁴	60	65	69	74	78	80	84
Total Assessment Rate (\$/AF)	\$ 427	\$ 474	\$ 530	\$ 596	\$ 666	\$ 668	\$ 671
Contract Replenishment Tax - Scottsdale ⁵							
Cost of Water	\$ 137	\$ 137	\$ 144	\$ 154	\$ 166	\$ 173	\$ 177
Cost of Transportation	0	0	0	0	0	0	0
Cost of Replenishment	0	0	0	0	0	0	0
Administrative Component ²	42	44	45	45	45	41	37
Total Tax Rate (\$/AF)	\$ 179	\$ 181	\$ 189	\$ 199	\$ 211	\$ 214	\$ 214

ENROLLMENT & ACTIVATION FEES

Units = \$/Housing Unit

Enrollment Fee ⁶	\$ 138	\$ 165	\$ 198	\$ 237	\$ 284	n.a.	n.a.
Activation Fee ⁶	\$ 136	\$ 163	\$ 196	\$ 235	\$ 282	\$ 282	\$ 282

ANNUAL MEMBERSHIP DUES

Member Land Annual Membership Dues (\$/Lot) ⁷							
Phoenix Active Management Area	\$ 6.88	\$ 9.87	\$ 13.19	\$ 17.91	TBD	TBD	TBD
Pinal Active Management Area	\$ 0.90	\$ 1.29	\$ 1.74	\$ 2.41	TBD	TBD	TBD
Tucson Active Management Area	\$ 4.34	\$ 6.24	\$ 8.38	\$ 11.53	TBD	TBD	TBD
Member Service Area Annual Membership Dues (\$/AF) ⁷							
	\$ 10.35	\$ 14.88	\$ 20.08	\$ 27.91	TBD	TBD	TBD

**CENTRAL ARIZONA
GROUNDWATER REPLENISHMENT DISTRICT
APPROVED 2012/13 - 2017/18 RATE SCHEDULE**

NOTES:

- 1 The Water & Replenishment Component is designed to cover the projected annual costs of satisfying replenishment obligations, including the purchase of long-term storage credits (LTSC) and the purchase and replenishment of water and effluent. The total volume of water to be purchased and replenished includes a sufficient volume to offset losses incurred during the replenishment process (generally 1% to 2.5%). For the Phoenix Active Management Area (AMA), replenishment is planned to be accomplished at direct underground storage facilities (USFs) and groundwater savings facilities (GSFs). For the Pinal AMA, replenishment is planned to be accomplished at GSFs. For the Tucson AMA, replenishment is planned to be accomplished at USFs.
- 2 The Administrative Component is designed to cover all CAGRDR administrative costs, except labor related costs associated with the acquisition of water rights and infrastructure. A \$2/AF has been added to this component to help fund the CAGRDR conservation program.
- 3 The Infrastructure & Water Rights Component is designed to generate funds to purchase long-term rights to water, and construct additional infrastructure facilities as the need arises.
- 4 The Replenishment Reserve Charge is designed to cover costs associated with establishing a replenishment reserve of LTSCs as required by statutes. Water will be stored at a combination of USFs and GSFs in the Phoenix AMA, and at USFs the Tucson AMA. In the Pinal AMA, LTSCs will be purchased from CAP in accordance with Board policy adopted on October 6, 2005. This charge will be levied as provided in ARS Sections 48-3774.01 and 48-3780.01.
- 5 The components of the Contract Replenishment Tax - Scottsdale reflect the provisions in the Water Availability Status Contract to Replenish Groundwater between CAWCD and Scottsdale. The rates reflect the assumption that Non-Subcontract CAP water will be available to meet the associated contract replenishment obligations.
- 6 The Enrollment Fee and Activation Fee reflect the fees established pursuant to the CAGRDR Enrollment Fee and Activation Fee Policy adopted by the Board on May 1, 2008. A \$2 per housing unit is included in the Enrollment Fee to help fund CAGRDR's conservation program.
- 7 The Annual Membership Dues for Member Lands and Member Service Areas reflect the fees established pursuant to ARS Sections 48-3772.A.8. and 48-3779 as well as the Policy on Collection of CAGRDR Annual Membership Dues adopted by the Board on April 7, 2011.