

ORIGINAL



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Parker Springs Water Company

Parker Lakeview Estates Homeowners Association, Inc

HC1 Box 474, Elgin, AZ 85611

Phone 520 455-9345

July 11, 2012

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

Resubmission with corrections

Decision 73237 Docket No. W-01853A-11-0050, W-01853A-11-0065

In accordance with the above decision enclosed is the tariff effective July 1. Customers have received notification of the increase with their billing mailed July 6, 2012.

Also enclosed is the customer notification letter and explanation of the WIFA and terms of WIFA loan number 920223-12

A Compliance Action for June 29, 2012 was not fulfilled since the decision authorizing collection of a surcharge was not made until June 26. The dedicated account will be opened this week and a copy of the first statement will be supplied as soon as available. All surcharge funds will be deposited into this account along with additional funds required to make loan service and debt service fund payments.

Sincerely,

Gail Spain
Secretary/Treasurer

Enclosures

Cc: Compliance Section, Arizona Corporation Commission
Ms. Janice Alward, Chief Counsel, Legal Division
Mr. Steven M. Olea, Director Utility Division
1200 West Washington Street, Phoenix, AZ 85007

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Arizona Corporation Commission

DOCKETED

JUL 12 2012

DOCKETED BY

PARKER SPRINGS WATER COMPANY

Revised rate schedule ordered by the Corporation Commission Effective July 1, 2012
 Decision 73237 Docket No. W-01853A-11-0050, W-01853A-11-0065

RECEIVED

<u>MONTHLY CHARGES</u>	Debt Service		Usage	Debt Service	
	Usage	Surcharge*		Usage	Surcharge*
5/8x3/4" Meter	\$ 35.00	\$ 25.84			
3/4" Meter	\$ 52.50	\$ 38.76			
1" Meter	\$ 87.50	\$ 64.60			
1-1/2" Meter	\$ 175.00	\$ 129.21			
Gallons included in minimum	-0-				

2012 JUL 12 A 11:03
 AZ CORP COMMISSION
 DOCKET CONTROL

COMMODITY CHARGE

\$ Per 1,000 Gallons

5/8x3/4" Meter		2" Meter	
0 gallons to 3,000 gallons	2.70	0 gallons to 40,000 gallons	4.50
3,001 gallons to 8,000 gallons	4.50	Over 40,000 gallons	5.40
Over 8,000 gallons	5.40		
3/4" Meter		3" Meter	
0 gallons to 3,000 gallons	2.70	0 gallons to 144,000 gallons	4.50
3,001 gallons to 8,000 gallons	4.50	Over 144,000 gallons	5.40
Over 8,000 gallons	5.40		
1" Meter		4" Meter	
0 gallons to 10,000 gallons	4.50	0 gallons to 225,000 gallons	4.50
Over 10,000 gallons	5.40	Over 225,000 gallons	5.40
1.5" Meter		6" Meter	
0 gallons to 20,000 gallons	4.50	0 gallons to 450,000 gallons	4.50
Over 20,000 gallons	5.40	Over 450,000 gallons	5.40

SERVICE LINE AND METER INSTALLATIONS CHARGES

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

Service Line	Meter	Total Installation		
5/8x3/4" Meter \$	415.00	\$ 105.00	\$ 520.00	2" Meter actual cost
3/4" Meter \$	415.00	\$ 205.00	\$ 620.00	3" Meter actual cost
1" Meter \$	480.00	\$ 300.00	\$ 780.00	4" Meter actual cost
1-1/2" Meter \$	550.00	\$ 500.00	\$ 1,050.00	6" Meter actual cost

SERVICE CHARGES

(Subject to sales and use tax)

Establishment	\$ 30.00	(Billed with first water payment)
Reconnection (Delinquent)	\$ 30.00	
Meter Test (If Correct)	\$ 30.00	
Deposit	** see below	
Deposit Interest (per annum)	6%	
Reestablishment (within 12 months)	***see below	
NSF Check	\$ 20.00	
Deferred Payment (per month)	1.50%	
Meter Reread (if correct)	\$ 15.00	
Late Fee	**** see below	
After Hours Service Charge	\$ 10.00	

Fire Sprinkler Charge

All sizes (4, 6, 8, 10" or larger) 2 percent of Monthly Minimum for a Comparable Size

Meter Connection, but no less than \$10.00 per month. The Service Charge for Fire Sprinklers is only applicable for service lines separate and distinct from the primary water service line.

*Surcharge to service WIFA loan debt obligations as authorized by ACC Decision 73237 Docket No. W-01853A-11-0050. Subject to annual review.

**per Commission Rule AAC R14-2-403(B). Applicable only in certain circumstances.

***Number of months off system times the monthly minimum, per Commission Ruse AAC R14-2-403(D)

****1.5 percent on the unpaid balance per month

DECISION NO. 72638 DOCKET NO. W-01853A-11-0065

PARKER LAKEVIEW ESTATES HOMEOWNERS ASSOCIATION, INC.

PARKER SPRINGS WATER COMPANY

CUSTOMER NOTIFICATION

July 5, 2012

Victor D. Chacon, President

Rick Jones, Vice President

Gail Spain, Secretary/Treasurer

(520) 623-3187

(520) 777-6103

(520) 455-9345

Dear Parker Springs Water Company Customers:

Under Arizona Corporation Commission (ACC) Decision No. 72638, Parker Springs Water Company (PSWC) was authorized to borrow \$271,000 from the Water Infrastructure Finance Authority of Arizona (WIFA) to fund capital improvement projects identified in engineering studies obtained by the water company addressing excessive water losses and other needed improvements.

The Decision further authorized PSWC to file for the implementation of a surcharge after it had secured the WIFA loan. On March 30, 2012, Parker Lakeview Estates HOA, Inc., dba Parker Springs Water Company, closed and secured the loan from WIFA. Subsequently, on April 12, 2012, PSWC filed for the implementation of the requested surcharge.

During the open meetings of June 19th and 20th, 2012, the ACC approved and ordered the implementation of the WIFA loan surcharge in the amount of **\$25.84/month/customer** Decision 73237. The surcharge will become effective July 1 and will be included with the August 2012 billing cycle. The surcharge is in addition to the basic customer monthly charge of \$35, plus water usage.

All related documents are available for review, by appointment at, 9012 W Montezuma Place, Lot 70, and online at: <http://edocket.azcc.gov/edocket/>

New tariff schedule including the surcharge and the terms and conditions for the WIFA loan are enclosed.

IN THE MATTER OF THE APPLICATION OF PARKER LAKEVIEW ESTATES HOMEOWNERS ASSOCIATION, INC. DBA PARKER SPRINGS WATER COMPANY FOR A PERMANENT RATE INCREASE

IN THE MATTER OF THE APPLICATION OF PARKER LAKEVIEW ESTATES HOMEOWNERS ASSOCIATION, INC. DBA PARKER SPRINGS WATER COMPANY FOR APPROVAL OF FINANCING

DECISION 73237 JUNE 26, 2012 ORDER

Following are the pertinent action items:

Addition of a monthly surcharge to service WIFA Loan 920223-12. The surcharge is included on the enclosed tariff. The monthly surcharge for our standard 5/8"x3/4" meter is \$25.84. Exhibit A of the WIFA Loan Agreement is also enclosed. In addition to the WIFA terms the water company must comply with the following items on the timeline from Decision 72638 as follows

Timeline:

- | | |
|-------------------|---|
| Upon ACC Approval | PLEHA shall open an interest bearing account in which all WIFA Surcharge funds collected will be deposited.
PLEHA shall only disburse funds from this interest bearing account for purposes of deposits made to the WIFA debt reserve & debt services payments to WIFA |
| Annually June 30 | PLEHA shall file with Docket Control copies of the prior year's monthly bank statement for the dedicated account with the first filing to be completed on June 29, 2012. This filing cannot be accomplished at this time since the Decision was not issued until June 26, 2012. The required account will be opened week of July 9, 2012 |
| June 30, 2015 | PLEHA shall file a rate application using test year ended December 31, 2014
ACC approval of financing does not constitute or imply approval or disapproval of any particular expenditure of the proceeds derived for purposes of establishing rates. <i>(ACC will determine whether our rates will be adjusted either up or down)</i> |

Note: In the original decision 72638 ACC staff predicted a surcharge of \$40.51 per customer per month. The actual amount approved is \$25.84

Exhibit A of Loan Agreement

Section I: Financial Assistance Terms and Conditions
 Parker Lakeview Estates HOA, Inc. dba Parker Springs Water Company
 28-Mar-12

Loan Number..... 920223-12

Closing Date..... 03/30/12

Financial Assistance Terms and Conditions

Original Loan Amount as of the Closing Date..... \$ 271,000.00
 Final Loan Amount as of Release of Retention..... \$ 271,000.00
 Loan Term..... 20
 Combined Interest & Fee Rate 1.000%
 First Fixed Monthly Payment..... 10/01/12
 Final Fixed Monthly Payment..... 03/01/32

Debt Service Reserve Fund Requirements (Held by WIFA)

Total Reserve Amount..... \$ 15,302.40
 Monthly Deposit..... \$ 255.04
 Reserve Funded by (Date)..... 09/01/17

Repair and Replacement Fund Requirement (Held by Borrower)

Begin Funding on (Date)..... 10/01/17
 Annual Amount..... \$ 3,060.48
 Monthly Deposit..... \$ 255.04

Monthly Payment

Period #7 - 1st Debt Service Payment

Maximum Payment (Includes interest payable from Closing to 1st Payment)..... \$ 2,666.92
 Minimum Payment \$ 1,530.22

WIFA will calculate the first payment due on Period #7; payment will depend on actual loan draws.

Periods #8 through #66..... \$ 1,530.22
 Periods #67 through #120..... \$ 1,275.18
 Periods #121 through #180..... \$ 1,275.18
 Periods #181 through #240..... \$ 1,275.18