

ORIGINAL

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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Co

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JUL 20 2012

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COMMISSIONERS

- GARY PIERCE, Chairman
- BOB STUMP
- SANDRA D. KENNEDY
- PAUL D. NEWMAN
- BRENDA BURNS

IN THE MATTER OF THE APPLICATION OF GLOBAL WATER – PALO VERDE UTILITIES COMPANY FOR THE ESTABLISHMENT OF JUST AND REASONABLE RATES AND CHARGES FOR UTILITY SERVICE DESIGNED TO REALIZE A REASONABLE RATE OF RETURN ON THE FAIR VALUE OF ITS PROPERTY THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. SW-20445A-09-0077

IN THE MATTER OF THE APPLICATION OF VALENCIA WATER COMPANY – GREATER BUCKEYE DIVISION FOR THE ESTABLISHMENT OF JUST AND REASONABLE RATES AND CHARGES FOR UTILITY SERVICE DESIGNED TO REALIZE A REASONABLE RATE OF RETURN ON THE FAIR VALUE OF ITS PROPERTY THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. W-02451A-09-0078

IN THE MATTER OF THE APPLICATION OF WILLOW VALLEY WATER CO. FOR THE ESTABLISHMENT OF JUST AND REASONABLE RATES AND CHARGES FOR UTILITY SERVICE DESIGNED TO REALIZE A REASONABLE RATE OF RETURN ON THE FAIR VALUE OF ITS PROPERTY THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. W-01732A-09-0079

IN THE MATTER OF THE APPLICATION OF GLOBAL WATER – SANTA CRUZ WATER COMPANY FOR THE ESTABLISHMENT OF JUST AND REASONABLE RATES AND CHARGES FOR UTILITY SERVICE DESIGNED TO REALIZE A REASONABLE RATE OF RETURN ON THE FAIR VALUE OF ITS PROPERTY THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. W-20446A-09-0080

IN THE MATTER OF THE APPLICATION OF WATER UTILITY OF GREATER TONOPAH FOR THE ESTABLISHMENT OF JUST AND REASONABLE RATES AND CHARGES FOR UTILITY SERVICE DESIGNED TO REALIZE A REASONABLE RATE OF RETURN ON THE FAIR VALUE OF ITS PROPERTY THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. W-02450A-09-0081

**Notice of Filing Compliance  
Revised Low Income Relief Tariff  
(Decision No. 72440)**

1 IN THE MATTER OF THE APPLICATION OF  
2 VALENCIA WATER COMPANY – TOWN DIVISION  
3 FOR THE ESTABLISHMENT OF JUST AND  
4 REASONABLE RATES AND CHARGES FOR UTILITY  
5 SERVICE DESIGNED TO REALIZE A REASONABLE  
6 RATE OF RETURN ON THE FAIR VALUE OF ITS  
7 PROPERTY THROUGHOUT THE STATE OF ARIZONA

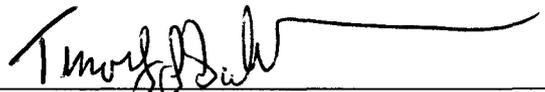
DOCKET NO. W-01212A-09-0082

**Notice of Filing Compliance  
Revised Low Income Relief Tariff  
(Decision No. 72440)**

6 On November 15, 2010, Global Water – Palo Verde Utilities Company, Global Water –  
7 Santa Cruz Water Company, Valencia Water Company – Town Division, Valencia Water  
8 Company – Greater Buckeye Division, Water Utility of Greater Tonopah and Willow Valley  
9 Water Co. (collectively, the “Global Utilities”) submitted, as required in Decision No. 71878  
10 (dated September 15, 2010), a copy of their Low Income Relief Tariff for Staff’s review and  
11 Commission consideration. Thereafter, the Commission approved the low income program in  
12 Decision No. 72440 (June 27, 2011), and required Global to file a conforming tariff. In  
13 compliance with Decision No. 72440, Global filed the revised low income tariff on July 14, 2011.  
14 Staff has requested certain revisions in the tariff. Accordingly, the Global Utilities file a revised  
15 version of the Low Income Tariff incorporating the revisions suggested by Commission Staff.

16  
17 RESPECTFULLY SUBMITTED this 20<sup>th</sup> day of July 2012.

18 ROSHKA DEWULF & PATTEN, PLC

19  
20 By 

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Original +13 copies of the foregoing  
filed this 20<sup>th</sup> day of July 2012, with:

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

Copies of the foregoing hand-delivered/mailed  
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By Mary J. Appolito

## Low Income Relief Tariff

**Applicable to:**

- Global Water – Palo Verde Utilities Company;
- Global Water – Santa Cruz Water Company;
- Valencia Water Company – Town Division;
- Valencia Water Company – Greater Buckeye Division;
- Water Utility of Greater Tonopah;
- Willow Valley Water Company.

**Purpose:**

The purpose of this tariff is to define the process for funding the Low Income Relief Program (LIRP). Funding for the LIRP includes a customer surcharge and a Company match. Company is owned by Global Water Resources (Global).

**Funding:**

Funding for the Global Water LIRP is provided by a combination of:

1. Consumer Surcharge:

$$\frac{\$ 50,000/\text{yr} \div 12 \text{ mo/yr}}{38,923 \text{ Active Connections}^1} = \$0.11 \text{ per month, per connection}$$

The Consumer Surcharge will be added to each monthly invoice for all consumers. In the case of Palo Verde and Santa Cruz, a single monthly surcharge of \$0.22 on the consolidated invoice will be added.

2. Global Water Match:           \$ 4,167.00/month

The Global Water Match will be provided to the Arizona Community Action Association on a monthly basis.

Details of the program are available in GWR-CP-EX-043, effective date 1 August 2011.

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<sup>1</sup> As of 30 September 2010

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Effective Date: 1 August 2011  
Decision No: 72440  
Docket No: W-20445A-09-0077 et al.  
ACC Approval: \_\_\_\_\_

Global Water Attn: Regulatory Affairs  
21410 N. 19<sup>th</sup> Ave., Ste. 201  
Phoenix, AZ 85027  
623.580.9600

**GLOBAL WATER RESOURCES (GWR)  
CODE OF PRACTICE  
GWR-CP-EX-043**

**Low Income Relief Program**

**PURPOSE**

The purpose of this code of practice is to define the Low Income Relief Tariff (LIRT) for Global Water Utilities and establish the process for funding and distributing the assets of the Low Income Relief Program (LIRP). Funding for the LIRP includes a customer surcharge and a Company match. Company is owned by Global Water Resources (Global).

**RULES**

**Funding the Program**

The Arizona Corporation Commission (ACC) has approved the Low Income Relief Tariff which is funded equally by Global Shareholders and Global Customers. The initial LIRP is capped at \$100,000 total annual funding (shareholder and customer funds) across all of Global's Arizona utilities. Monthly program funding is composed of equal parts consumer-generated funds and Company match.

**Surcharge**

The consumer-generated funds result from a LIRT surcharge assessed on a monthly basis for each actively billed account, per utility, designed to yield \$50,000 of consumer-generated funds per year. The monthly LIRT surcharge will be determined in November of each year for the next year, and be based on the number of active connections as of 30 September. Company will file notice of the surcharge with the ACC on or before 30 November. The new surcharge will have an effective date of 1 August 2011.

**Company Match**

The Company will contribute an amount equal to that contributed by rate payers. Funding contributed by the Company will be used to cover the program Administrative expenses, with the remainder being used for approved LIRP distributions. The match will be made at the end of each calendar month, and the monthly match is limited to \$4,167.00 total for all Global's Arizona utilities.

**Disposition of Funds**

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LIRT surcharge funds will be allocated on a monthly basis into a separate LIRT general ledger account. At the end of each calendar month, the Company will provide an equal match of the LIRT surcharge funds, not to exceed \$4167.00 per month. The combined LIRT surcharge funds and Company match will be transferred to the Arizona Community Action Association on a monthly basis, for distribution through qualified Community Action Programs.

The LIRP will be reviewed by the ACC during each subsequent rate filing made by Company.

### **Administration**

The Arizona Community Action Association (ACAA), a 501(c) 3 non-profit agency, will administer the Global Water Low Income Relief Program. The ACAA will coordinate the LIRP with the Community Action Program (CAP) Agencies that assist low income customers to benefit qualifying Global customers. All funds, less ACAA and CAP program administration fees, will be used directly by CAP agencies for bill assistance provided to qualifying Global Customers. The ACAA will work closely with Global Water to determine the appropriate budgets for each CAP agency.

ACAA will make distributions to CAP agencies at least every 6 months.

The available funds are distributed based on a first come, first served basis.

### **Reporting**

The ACAA will provide monthly reporting to Global Water including but not limited to the following:

- Total funds received from the Company
- Total funds distributed to CAP agencies
- The number of households receiving assistance in each Utility's service territory
- Demographics of the households receiving assistance
- Account Balance

The Company will provide annual reporting to the ACC including, but not limited to the following:

- Annual ACAA Report
- Total LIRT funds collected
- Total Company match

The annual report will be submitted on or before 30 April.

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Phoenix, AZ 85027  
623.580.9600

**Governance**

The Company-appointed LIRT Program Manager will regularly attend the ACAA Executive Committee meetings, to ensure fund investment and policy decisions are consistent with the initial intent of the LIRP program design.

**Qualifications**

The program is designed as a short-term relief program. The program provides assistance to residential customers in the Global Utilities' service areas for their primary legal residence only. To qualify, applicants must:

1. Have no history of utility tampering (cutting locks, water theft, etc.).
2. Have made a sincere effort to pay (payment plan in place).
3. Have household income equal to or less than 200% of the Federal Poverty Guidelines.

Benefit amounts are capped at \$250/year per customer. Funds may be used for any of the following fees incurred by the customer: deposits, late fees, reconnection fees, service fees, returned payment fees, after-hours service fees (where applicable).

**Notification**

Global Water will provide notification to customers about the LIRP through the following:

- Bill stuffers
- Messaging on the monthly billing statements
- Customer Service Representatives will recommend the program, based on customer requests for bill assistance (after the customer has used the two payment arrangements per twelve month period allowed for each account).

**REVISIONS**

Date	Revision Number	Revisions	OPI
08/13/2010	ORIGINAL (000)		KMD
10/17/2010	Revision (001)		KMD
11/08/2010	Revision (002)		KMD
07/19/2012	Revision (003)		KMD

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