

ORIGINAL



0000138283
Arizona Corporation Commission

BEFORE THE ARIZONA CORPORATION

RECEIVED

DOCKETED

JUL 31 2012

2012 JUL 31 P 2:17

COMMISSIONERS

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

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

DOCKETED BY *TJM*

1
2
3
4
5
6
7
8
9
10

IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS ANTHEM WATER DISTRICT AND ITS SUN CITY WATER DISTRICT, AND POSSIBLE RATE CONSOLIDATION FOR ALL OF ARIZONA-AMERICAN WATER WOMPANY'S DISTRICTS.

DOCKET NO. W-01303A-09-0343

DECISION NO. 72047

NOTICE OF COMPLIANCE FILING

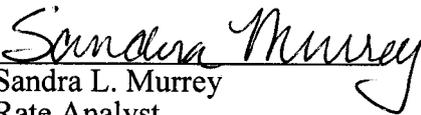
IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS ANTHEM/AGUA FRIA WASTEWATER DISTRICT, ITS SUN CITY WASTEWATER DITRICT, AND ITS SUN CITY WEST WASTEWATER DISTRICT,, AND POSSIBLE RATE CONSOLIDATION FOR ALL OF ARIZONA-AMERICAN WATER COMPANY'S DISTRICTS.

DOCKET NO. SW-01303A-09-0343

11
12
13
14
15
16
17
18
19

In compliance with Decision No. 72047, EPCOR Water Arizona, Inc. hereby files the attached Water Loss compliance report for the Sun City Water District. The decision orders the Company to reduce water loss in the Sun City Water district's PWS No. 07-099 to below 10 percent before it files its next rate case, CC&N, or financing application for the Sun City Water district and shall continue to track the water loss for three years and submit the data collected every six months. Please note the Company interprets the 10 percent water loss requirement in the standard manner of a 12 months rolling calculation. Therefore, the attached report is as of twelve months ended June 2012.

1 RESPECTFULLY SUBMITTED on July 31, 2012.
2
3

4 
5 Sandra L. Murrey
6 Rate Analyst
7 EPCOR Water Arizona, Inc.
8 2355 W. Pinnacle Peak Road, Suite 300
9 Phoenix, AZ 85027
10
11
12
13
14

15 Original and 13 copies **filed**
16 on July 31, 2012, with:

17
18 Docket Control
19 Arizona Corporation Commission
20 1200 West Washington
21 Phoenix, Arizona 85007
22

23 Copies of the foregoing **emailed**
24 on July 31, 2012, to:

25
26 Brian K. Bozzo
27 Compliance and Enforcement Manager
28 Utilities Division
29 1200 West Washington Street
30 Phoenix, AZ 85007
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52

EPCOR Water
Central Division - Sun City Water District
Unaccounted For Water - Rolling 12-Months Summary

Description		Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	TOTAL
A	Gallons Pumped													
	Water Treatment	0	0	0	0	0	0	0	0	0	0	0	0	0
	Wells	4,116,577	4,173,289	4,195,529	4,197,827	4,172,418	4,191,370	4,212,872	4,227,283	4,238,299	4,254,214	4,266,404	4,295,673	50,541,755
B	Gallons Purchased	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total Production	4,116,577	4,173,289	4,195,529	4,197,827	4,172,418	4,191,370	4,212,872	4,227,283	4,238,299	4,254,214	4,266,404	4,295,673	50,541,755

Authorized Unbilled/Consumption		Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	TOTAL
C	Authorized Unbilled/Consumption													
	In-Plant Usage	12,249	12,304	21,047	21,430	21,472	39,412	39,585	37,887	37,017	36,347	35,203	27,237	341,190
	Mixing Chemicals - Field	0	0	0	0	0	0	0	0	0	0	0	0	0
	Well Pumped Waste	8,527	8,617	8,670	8,670	8,627	1,261	1,415	1,499	1,119	1,300	1,592	1,931	53,228
	Flushing Mains	357	327	329	320	262	340	322	243	186	181	206	204	3,277
	Identified Fire Usage	0	0	0	0	0	0	0	0	0	0	0	0	0
	Vandalism	0	0	0	0	0	0	0	0	0	0	0	0	0
	Street Cleaning	16	16	10	10	10	7	2	2	2	2	4	4	85
	Draining Storage Tanks	2,950	2,950	2,950	2,950	2,950	0	0	0	0	0	0	0	14,750
	Online Analyzers & Chlorinators	5,075	5,075	5,075	5,075	5,075	5,076	5,076	5,076	5,076	5,076	5,076	5,076	60,907
	Field Meter Testing	0	0	0	0	0	0	0	0	0	0	0	0	0
	Fire Hydrant Maintenance	19	19	12	10	14	11	11	11	9	13	15	18	162
	Flushing Sewer Mains	8	8	6	6	6	20	20	20	20	20	0	0	134
	Total Authorized Unbilled/Consumption	29,201	29,316	38,099	38,471	38,416	46,127	46,431	44,738	43,429	42,939	42,096	34,470	473,733

D	Gallons Delivered	4,087,376	4,143,973	4,157,430	4,159,356	4,134,002	4,145,243	4,166,441	4,182,545	4,194,870	4,211,275	4,224,308	4,261,203	50,068,022
----------	--------------------------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	------------

Gallons Sold		Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	TOTAL
E	Gallons Sold													
	Residential	2,999,073	2,979,537	3,021,896	3,033,833	3,048,281	3,066,367	3,041,544	3,048,354	3,071,516	3,067,547	3,070,867	3,103,641	36,552,456
	Commercial	860,140	868,705	895,834	897,581	900,089	895,816	893,587	892,409	889,330	888,060	887,877	897,200	10,666,628
	Industrial	0	0	0	0	0	0	0	0	0	0	0	0	0
	Fire Service	0	0	0	0	0	0	0	0	0	0	0	0	0
	OPA	0	0	0	0	0	0	0	0	0	0	0	0	0
	Resale	0	0	0	0	0	0	0	0	0	0	0	0	0
	Miscellaneous	0	0	0	0	0	0	561	1,102	1,407	1,901	2,580	3,303	10,854
	Total Sales	3,859,213	3,848,242	3,917,730	3,931,414	3,948,370	3,962,183	3,935,692	3,941,865	3,962,253	3,957,508	3,961,324	4,004,144	47,229,938

Non-account Water		Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	TOTAL
F	Non-account Water													
	Gallons =D-E	228,163	295,731	239,700	227,942	185,632	183,060	230,749	240,680	232,617	253,767	262,984	257,059	2,838,084
	Percentage =(D-E)/D	5.58%	7.14%	5.77%	5.48%	4.49%	4.42%	5.54%	5.75%	5.55%	6.03%	6.23%	6.03%	5.67%

Negative numbers indicate quantity or percentage above production or 100%

1 Wastewater district that conform with those appearing in Hearing Exhibit S-7 at DMH-3, Figure 6
2 and DMH-4, Figure 7.

3
4 IT IS FURTHER ORDERED that Arizona-American Water Company shall file, within 60
5 days, or sooner if possible, for review by Staff, an application for approval of changes that generally
6 incorporate the program outlined in Exhibit B, to the Sun City Low Income Program in order to
7 extend the benefit of the Sun City Low Income Program to condominium and other multi-housing
8 dwellers.

9 IT IS FURTHER ORDERED that Staff shall review the Company's Sun City Low Income
10 Program filing and shall prepare and docket, within 60 days of the Company's filing, a
11 Recommended Order regarding the Company's proposed changes to the Sun City Low Income
12 Program.

13 IT IS FURTHER ORDERED that Arizona-American Water Company is hereby authorized to
14 continue the current high block funding mechanism for the Sun City Low Income Program.

15 IT IS FURTHER ORDERED that Arizona-American Water Company is hereby authorized to
16 establish a deferral account to allow it to defer tank maintenance expenses for the Anthem Water
17 district until the next rate case for the Anthem Water district, at which time Arizona-American Water
18 Company may present evidence in support of recovery of the deferred expense amounts for
19 consideration.

20 IT IS FURTHER ORDERED that Arizona-American Water Company shall reduce water loss
21 in the Sun City Water district's PWS No. 07-099 to below 10 percent before it files its next rate case,
22 CC&N, or financing application for the Sun City Water district, not including currently pending
23 cases, whichever comes first; and shall continue tracking the water loss for PWS No. 07-099 for three
24 years and submit the data collected every six months; and shall file within 180 days, with the
25 Commission's Docket Control, as a compliance item in this docket, the first water loss tracking
26 report for PWS No. 07-099.

27 IT IS FURTHER ORDERED that the 2007 and 2008 Pulte refund payments are included in
28 rate base.