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Arizona Corporation Commission

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BEFORE THE ARIZONA CORPORATION COMMISSION

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ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

COMMISSIONERS

- GARY PIERCE, Chairman
- BOB STUMP
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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 23rd day of August 2012.

18 ROSHKA DEWULF & PATTEN, PLC

19
20 By 
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22 Timothy J. Sabo
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25 Phoenix, Arizona 85004

Attorneys for Global Utilities

1 Original +13 copies of the foregoing
2 filed this 23rd day of August 2012, with:

3 Docket Control
4 Arizona Corporation Commission
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6 Phoenix, AZ 85007

7 Copies of the foregoing hand-delivered/mailed
8 this 23rd day of August 2012, to:

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14 Phoenix, AZ 85007

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17 Arizona Corporation Commission
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By Debbie Amund

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.

¹ As of 30 September 2010

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. 19th 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. Consumer-generated funds from the previous year in excess of \$50,000, if any, shall be deducted from the desired annual yield when determining the LIRT surcharge. 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.

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Disposition of Funds

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

Effective Date: 1 August 2011
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The annual report will be submitted on or before 30 April.

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
08/16/2012	Revisions (004)		KMD

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