

ORIGINAL **JOHNSON UTILITIES,**

5230 East Shea Boulevard * Scottsdale, Arizona
PH: (480) 998-3300; FAX: (480) 483-7908



0000148979

October 10, 2013

Mr. Brian Bozzo
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007

Arizona Corporation Commission
DOCKETED

OCT 17 2013

DOCKETED BY 

RE: Johnson Utilities, L.L.C.: Compliance with Decision No. 71854
RE: Semi-Annual CAGR D Fee Report & Proposed Adjuster Fee
Docket No. WS-02987A-08-0180

Dear Mr. Bozzo:

Pursuant to the above mentioned decision, Johnson Utilities hereby submits this compliance filing in accordance with the Commission's order to file a semi-annual status report and proposed adjuster fee on the CAGR D fees. Enclosed, please find the October 2013 report of CAGR D Account Activity attached hereto as Attachment 1. Calculation of the proposed adjuster fee for the Phoenix and Pinal AMA are attached hereto as Attachments 2 & 3 respectively. A redline copy of the proposed tariff filing is attached hereto as Attachment 4.

If you need any additional information in regards to this compliance item, please do not hesitate to contact me. Thank you for your time and consideration in this matter.

Sincerely,

Daniel Hodges

Cc: Docket Control , (17 copies)

RECEIVED
2013 OCT 17 A 10:28
AZ CORP COMMISSION
DOCKET CONTROL

Attachment 1

JOHNSON UTILITIES CO,LLC
 CENTRAL ARIZONA GROUND REPLENISHMENT DISTRICT FEE ACCOUNT ACTIVITY
 PERIOD ENDED: 09/30/13

Prepared: 10/1/2013

	Phx	Pinal	Total
CAGRD FEES COLLECTED:			
Beginning balance			
Apr 2013	\$ 279,085.05	\$ 4,543.59	\$ 283,628.64
May 2013	322,150.83	6,340.89	328,491.72
Jun 2013	283,808.86	8,875.71	292,684.57
Jul 2013	363,410.95	10,189.83	373,600.78
Aug 2013	474,995.49	8,615.61	483,611.10
Sep 2013	352,734.71	9,893.67	362,628.38
	<hr/>		
Six-Month Period to Date	\$2,076,185.89	\$48,459.30	\$2,124,645.19
LESS:			\$ -
PAYMENTS FOR:			\$ -
To CAGRD- Phoenix AMA			\$ -
To CAGRD- Pinal AMA			\$ -
Subtotal	\$2,076,185.89	48,459.30	\$ 2,124,645.19
LESS: Refund			\$ -
NET INCREASE FOR Six Month Period (DECREASE)	2,076,185.89	48,459.30	\$ 2,124,645.19
			\$ -
ADD: BEGINNING Liability as of March 31, 2013	\$ (446,771.55)	\$ 12,053.75	\$ (434,717.80)
			\$ -
ENDING BALANCE LIABILITY DUE	\$ 1,629,414.34	\$ 60,513.05	\$ 1,689,927.39
ADD: INTEREST EARNED	\$ 597.69	13.95	\$ 611.64
Ending Adjusted Checking a/c 131.31 Balance as of September 30, 2013	\$ 1,630,012.03	\$ 60,527.00	\$ 1,690,539.03

RECAP:

08/31/13 Balance Checking Account National Bank of Arizona	\$ 1,327,658.30
09/30/13 Interest Earned	252.35
09/30/13 Check/Transfer in Transit	362,628.38
9/30/13 Adjusted Balance	<u>1,690,539.03</u>

0048554
 JOHNSON UTILITIES LLC
 GEORGE H JOHNSON
 JANA S JOHNSON
 5230 E SHEA BLVD STE 200
 SCOTTSDALE AZ 85254-5750

2074-06-0000-NBA-PC0023-00002

DIRECT INQUIRIES TO:
 1 (800) 497-8168
 WWW.NBARIZONA.COM
 Central
 (602) 530-5880
 2929 N. Central Avenue Suite 120
 Phoenix, AZ 85012-0000

Tired of all the paper? Start receiving your statements electronically and view your account notices online.
 Sign up for Online Banking or login today at WWW.NBARIZONA.COM

IMPORTANT INFORMATION ABOUT YOUR ACCOUNT

Effective 11/4/2013, the fees assessed for using non-NB|AZ ATMs are being changed to the following:

- \$2 transaction fee for using any non-NB|AZ ATM
- 1% international transaction fee for any ATM or debit card transaction outside of the United States

If your account currently includes automatic rebates for using non-NB|AZ ATMs, the above mentioned fees will be rebated for the specified number of transactions indicated in your account documentation. To obtain updated account disclosures or a schedule of fees, please visit a branch or www.nbarizona.com

SUMMARY OF ACCOUNT BALANCE

<i>Account Type</i>	<i>Account Number</i>	<i>Checking/Savings Ending Balance</i>	<i>Outstanding Balances Owed</i>
Business Money Market Premium		\$1,327,910.65	

BUSINESS MONEY MARKET PREMIUM

922 2

<i>Previous Balance</i>	<i>Deposits/Credits</i>	<i>Charges/Debits</i>	<i>Checks Processed</i>	<i>Ending Balance</i>
373,407.27	954,503.38	0.00	0.00	1,327,910.65

3 DEPOSITS/CREDITS

<i>Date</i>	<i>Amount</i>	<i>Description</i>
09/03	470,639.93	DEPOSIT 7878106921
09/06	483,611.10	REMOTE DEPOSIT 7878059211
09/30	252.35	INTEREST PAYMENT 0118851035

0 CHARGES/DEBITS

There were no transactions this period.

0 CHECKS PROCESSED

There were no transactions this period.



MEMBER
FDIC

WWW.NBARIZONA.COM

.....
AGGREGATE OVERDRAFT AND RETURNED ITEM FEES

	<i>Total for This Period</i>	<i>Total Year-to-Date</i>
Total Overdraft Fees	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00

To learn more about our other products and services that may lower the cost of managing account overdrafts or to discuss removing overdraft coverage from your account, please contact Customer Service or visit your local branch.

.....
DAILY BALANCES

<i>Date.....</i>	<i>Balance</i>	<i>Date.....</i>	<i>Balance</i>	<i>Date.....</i>	<i>Balance</i>
09/03	844,047.20	09/06	1,327,658.30	09/30	1,327,910.65

.....
INTEREST

Interest Earned This Interest Period	\$252.35	Number Of Days This Interest Period	31
Interest Paid Year-To-Date 2013	\$362.92	Annual Percentage Yield Earned	0.25%

Current interest rate is 0.250% with no rate change this interest period



Attachment 2

Phoenix AMA

Adjuster Fee Calculation

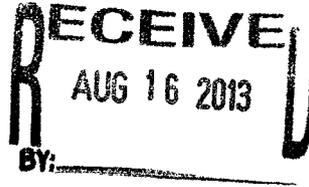
2011 CAGR D Invoice	3,070,866.12
Plus under collection from 2010	410,812.48
Amount to be recovered	<u>3,481,678.60</u>
Collections 10/1/12 to 9/30/13	3,257,768.25
Interest 10/1/12 to 9/30/13	597.69
Collection Total	<u>3,258,365.94</u>
2011 Over/(under) collected	(223,312.66)
2012 CAGR D Invoice	3,785,764.72
Plus undercollection from 2011	223,312.66
Amount to be recovered	<u>4,009,077.38</u>
Total kgal sold in 2012	2,275,283.67
Charge per kgal stating to December 1, 2013	1.76



Invoice

CAGRD

JOHNSON UTILITIES LLC
 GREG BROWN
 5230 E SHEA BLVD
 SUITE 200
 SCOTTSDALE, AZ 85254



Invoice 63504
 Customer Number 1286
 Billing Date 08/15/2013
 Due Date 10/15/2013

Remit To:
 CENTRAL ARIZONA GROUNDWATER REPLENISHMENT DISTRICT
 P.O. BOX 42447
 PHOENIX, AZ 85080-2447

Refer questions to Accounts Receivable: 623-869-2149 inquiries@cap-az.com

Description	Quantity	Unit Price	Extended Amount
REPLENISHMENT RESERVE	7127.06 a/f	58.00	413,369.48
INFRASTRUCTURE	7127.06 a/f	245.00	1,746,129.70
ADMIN COMPONENT	7127.06 a/f	45.00	320,717.70
WATER REPLENISHMENT	7127.06 a/f	160.00	1,140,329.60
ANNUAL MEMBERSHIP DUES	8228 ea	20.08	165,218.24

Total Amount Due \$3,785,764.72
 Payments and Credits 0.00

Pay This Amount \$3,785,764.72



Reference

2012 CAGRD MEMBER SERVICE AREA ANNUAL REPLENISHMENT TAX STATEMENT (26-400665)--- Note:
 Payments not postmarked or received by October 15, 2013 will incur an interest penalty pursuant to ARS 48-3782.A

610.20

REVISED



2012 ANNUAL REPORT - CAGRD

TO BE FILED BY MUNICIPAL WATER PROVIDERS WITH CAGRD MEMBER SERVICE AREAS

REPORTING PARTY (Water provider, Address)
Johnson Utilities, L.L.C.
5230 East Shea Boulevard, Ste. 200
Scottsdale, Arizona 85254
Attn: Greg Brown

AMA: Phoenix
AWS DESIGNATION #: 26-400665.0000

If any of the preprinted information provided on this report is incorrect, please make the necessary changes.

EXCESS GROUNDWATER DELIVERED TO MEMBER SERVICE AREA	1	TOTAL GROUNDWATER WITHDRAWN WITHIN THE MEMBER SERVICE AREA IN 2012* (Must equal the volume reported on Part 5.B.5 of the Assured Water Supply Supplement of the ADWR 2012 Annual Report)	1	7516	Acre-ft
	2	INCIDENTAL RECHARGE AS AWARDED BY ADWR FOR 2012	2	388.94	
	3	MINIMUM EXCESS GROUNDWATER FACTOR	3	1.0	
	4	REQUIRED MINIMUM AMOUNT OF EXCESS GROUNDWATER (Subtract line 2 from line 1 and multiply by line 3, but not less than zero)	4	7127.06	Acre-ft
	5	ADDITIONAL AMOUNT REPORTED AS EXCESS GROUNDWATER	5	0	Acre-ft
	6	TOTAL EXCESS GROUNDWATER (sum of lines 4 and 5, not to exceed line 1) (Must equal the volume reported on Part 5.B.6 of the Assured Water Supply Supplement of the ADWR 2012 Annual Report)	6	7127.06	Acre-ft
CONTRACT REPLENISHMENT ACCOUNT ACTIVITY	7	CONTRACT REPLENISHMENT ACCOUNT BALANCE AS OF JANUARY 1, 2012	7	0	Acre-ft
	8	CONTRACT REPLENISHMENT CREDITS ACCRUED IN 2012	8	0	
	9	VOLUME OF CONTRACT REPLENISHMENT CREDITS TO BE APPLIED TO REDUCE THE 2012 REPLENISHMENT OBLIGATION	9	0	
	10	CARRY FORWARD BALANCE IN THE CONTRACT REPLENISHMENT ACCOUNT (sum of lines 7 and 8 minus line 9)	10	0	
OBLIGATION	11	2012 CAGRD SERVICE AREA REPLENISHMENT OBLIGATION (subtract line 9 from line 6)	11	7127.06	Acre-ft
LONG TERM STORAGE CREDIT	12	DO YOU PLAN TO USE LONG-TERM STORAGE CREDITS TO OFFSET ALL OR PART OF THE CAGRD REPLENISHMENT TAX? Please mark box below. IF YES, PLEASE COMPLETE THE ATTACHED FORM (ATTACHMENT A). Yes <input type="checkbox"/> No <input type="checkbox"/>	12		

* If the basis for calculating the total groundwater reported on Line 1 is other than by meter, please attach a sheet describing the basis.

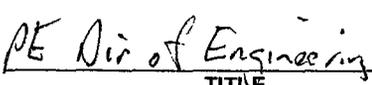
Mail or hand deliver the completed original of this Annual Report to the Central Arizona Project, 23636 North 7th Street, Phoenix, AZ 85024, and a copy to the Arizona Department of Water Resources, 3550 N. Central Avenue, Phoenix, AZ 85012-2105. If mailed, the report must be postmarked no later than March 31, 2013. If hand delivered, the report must be received by each entity listed above no later than 5:00 p.m. on March 31, 2013.

REPORTS FILED AFTER MARCH 31, 2013, ARE SUBJECT TO LATE FEES PURSUANT TO A.R.S. 48-3775.

**** Please enclose a copy of your 2012 ADWR Annual Withdrawal and Use Report (including the AWS Supplement) with this Report ****

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, correct and complete.


 AUTHORIZED SIGNATURE
 Gregory H. Brown
 PRINTED NAME


 TITLE
 E-MAIL ADDRESS: gbrown@gzvision.net

5/14/13
 DATE
 480 998-3700
 PHONE NUMBER

SCHEDULE F-1 PART 2

MUNICIPAL PROVIDER WATER DELIVERIES

ANNUAL REPORT 2012

PROVIDER NAME

JOHNSON UTILITIES LLC

RIGHT/PERMIT NO.

56-002346.0000

Total Production 7,516

Pursuant to the Third Management Plan (TMP) and the Groundwater Code, large water providers are required to supply the following information. Do not include direct use effluent on this schedule (please use Part 3 of Schedule F-1).

MONTH	DELIVERIES IN ACRE-FEET									
	RESIDENTIAL A		NON-RESIDENTIAL B							TOTAL
	Single Family	Multi-Family	Industrial	Commercial	Govt.	Turf Related Facilities *	Other Turf **	Construction	Other *** Flushing	
Jan	324.94		0.60	9.01	1.65	0	52.72	2.43	21.51	410.43
Feb	341.94		1.19	10.55	2.93	0	44.45	2.45	1.15	404.66
Mar	353.25		1.55	11.19	3.89	0	51.31	2.54	0.07	423.8
Apr	412.17		1.54	12.66	2.65	0	100.64	3.60	0.26	533.52
May	520.86		0.58	104.75	4.14	76.22	123.87	3.97	0.18	834.57
Jun	455.29		1.17	-76.88	5.56	103.00	216.38	4.60	0.08	709.20
Jul	483.06		1.13	13.99	5.23	122.00	236.15	3.64	0.15	865.35
Aug	504.28		1.29	13.75	9.60	29.81	203.87	5.63	0.37	768.60
Sep	486.90		0.92	12.45	5.52	0	154.83	5.94	1.19	667.75
Oct	413.71		1.20	11.92	4.97	0	189.98	5.83	0.08	627.69
Nov	542.37		0.85	10.86	4.00	0	123.14	4.45	0.22	685.89
Dec	319.20		1.14	9.53	-1.71	0	75.28	3.97	0.07	407.48
Total Deliveries	2 5157.97	3	4 13.16	5 143.78	6 48.43	7 331.03	8 1572.62	9 49.05	10 25.33	11 7338.94
Total Active Connections	12 19735	13	14 2	15 72	16 25	17 2	18 329	19 7	20	21 20,172

* Turf Related Facilities includes turf-related facilities (10 or more acres of turf or other high water use landscaping) and landscaped public rights-of-way identified as Individual Users.

** Other Turf includes water delivered to other turf areas that are less than 10 acres.

*** Other includes unmetered deliveries. Unmetered deliveries must be calculated using a generally accepted method of estimating water use. Explain in a separate letter how any unmetered deliveries were calculated and to which category it would belong if it were metered. e.g. Industrial, Commercial, etc.

7338.94 Please contact your local Active Management Area if you need assistance completing this form.

-331.03 CAP Water - Column 7

(602) 771-8585

-25.33 Flushing - Column 10

6982.58 2012 Sales

Attachment 3

Pinal AMA

Adjuster Fee Calculation

2011 CAGRD Invoice	72,995.62
Plus under collection from 2010	2,561.59
<hr/> Amount to be recovered	<hr/> 75,557.21
Collections 10/1/12 to 9/30/13	78,088.33
Interest 10/1/12 to 9/30/13	13.95
<hr/> Collection Total	<hr/> 78,102.28
2011 Over/(under) collected	2,545.07
2012 CAGRD Invoice	117,186.64
Plus excess collection from 2011	(2,545.07)
<hr/> Amount to be recovered	<hr/> 114,641.57
Total kgal sold in 2012	266,184.77
Charge per kgal stating to December 1, 2013	0.43



Invoice

CAGRD

JOHNSON UTILITIES LLC
 GREG BROWN
 5230 E SHEA BLVD
 SUITE 200
 SCOTTSDALE, AZ 85254

RECEIVED
 AUG 16 2013
 BY: _____

Invoice 63505
 Customer Number 1286
 Billing Date 08/15/2013
 Due Date 10/15/2013

Remit To:
 CENTRAL ARIZONA GROUNDWATER REPLENISHMENT DISTRICT
 P.O. BOX 42447
 PHOENIX, AZ 85080-2447

Refer questions to Accounts Receivable: 623-869-2149 inquiries@cap-az.com

Description	Quantity	Unit Price	Extended Amount
ADMIN COMPONENT	209.44 a/f	45.00	9,424.80
WATER REPLENISHMENT	209.44 a/f	140.00	29,321.60
INFRASTRUCTURE	209.44 a/f	245.00	51,312.80
REPLENISHMENT RESERVE	209.44 a/f	65.00	13,613.60
ANNUAL MEMBERSHIP DUES	673 ea	20.08	13,513.84

Total Amount Due \$117,186.64
 Payments and Credits 0.00
Pay This Amount \$117,186.64



Reference

2012 CAGRD MEMBER SERVICE AREA ANNUAL REPLENISHMENT TAX STATEMENT (26-401382.0000)--Note:
 Payments not postmarked or received by October 15, 2013 will incur an interest penalty pursuant to ARS 48-3782.A



2012 ANNUAL REPORT - CAGRD

TO BE FILED BY MUNICIPAL WATER PROVIDERS WITH CAGRD MEMBER SERVICE AREAS

REPORTING PARTY (Water provider, Address) Johnson Utilities, L.L.C. 5230 East Shea Boulevard, Ste. 200 Scottsdale, Arizona 85254 Attn: Greg Brown
--

AMA:	Pinal
AWS DESIGNATION #:	26-401382.0000

If any of the preprinted information provided on this report is incorrect, please make the necessary changes.

EXCESS GROUNDWATER DELIVERED TO MEMBER SERVICE AREA	1	TOTAL GROUNDWATER WITHDRAWN WITHIN THE MEMBER SERVICE AREA IN 2012* (Must equal the volume reported on Part 5.B.5 of the Assured Water Supply Supplement of the ADWR 2012 Annual Report)	1	929.8	Acre-ft
	2	INCIDENTAL RECHARGE AS AWARDED BY ADWR FOR 2012	2	38.77	
	3	ANNUAL ALLOWABLE GROUNDWATER AVAILABLE WITHIN THE MEMBER SERVICE AREA IN 2012	3	578.44	
	4	MINIMUM EXCESS GROUNDWATER FACTOR	4	0.67	
	5	REQUIRED MINIMUM AMOUNT OF EXCESS GROUNDWATER (Subtract lines 2 and 3 from line 1 and multiply by line 4, but not less than zero)	5	209.44	Acre-ft
	6	ADDITIONAL AMOUNT REPORTED AS EXCESS GROUNDWATER	6	--	Acre-ft
	7	TOTAL EXCESS GROUNDWATER (sum of lines 5 and 6, not to exceed line 1) (Must equal the volume reported on Part 5.B.6 of the Assured Water Supply Supplement of the ADWR 2012 Annual Report)	7	209.44	Acre-ft
CONTRACT REPLENISHMENT ACCOUNT ACTIVITY	8	CONTRACT REPLENISHMENT ACCOUNT BALANCE AS OF JANUARY 1, 2012	8	0	Acre-ft
	9	CONTRACT REPLENISHMENT CREDITS ACCRUED IN 2012	9	0	
	10	VOLUME OF CONTRACT REPLENISHMENT CREDITS TO BE APPLIED TO REDUCE THE 2012 REPLENISHMENT OBLIGATION	10	0	
	11	CARRY FORWARD BALANCE IN THE CONTRACT REPLENISHMENT ACCOUNT (sum of lines 8 and 9 minus line 10)	11	0	
OBLIGATION	12	2012 CAGRD SERVICE AREA REPLENISHMENT OBLIGATION (subtract line 10 from line 7)	12	209.44	Acre-ft
LONG TERM STORAGE CREDITS	13	DO YOU PLAN TO USE LONG-TERM STORAGE CREDITS TO OFFSET ALL OR PART OF THE CAGRD REPLENISHMENT TAX? <i>Please mark box below.</i> IF YES, PLEASE COMPLETE THE ATTACHED FORM (ATTACHMENT A) Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	13		

* If the basis for calculating the total groundwater reported on Line 1 is other than by meter, please attach a sheet describing the basis.

Mail or hand deliver the completed original of this Annual Report to the Central Arizona Project, 23636 North 7th Street, Phoenix, AZ 85024, and a copy to the Arizona Department of Water Resources, 3550 N. Central Avenue, Phoenix, AZ 85012-2105. If mailed, the report must be postmarked no later than March 31, 2013. If hand delivered, the report must be received by each entity listed above no later than 5:00 p.m. on March 31, 2013.

REPORTS FILED AFTER MARCH 31, 2013, ARE SUBJECT TO LATE FEES PURSUANT TO A.R.S. 48-3775.

**** Please enclose a copy of your 2012 ADWR Annual Withdrawal and Use Report (including the AWS Supplement) with this Report ****

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, correct and complete.

 <hr/> AUTHORIZED SIGNATURE Greg H. Brown <hr/> PRINTED NAME	P.E., Dir. of Engineering <hr/> TITLE GBrown@azvision.net <hr/> E-MAIL ADDRESS	3-29-13 <hr/> DATE 480-998-3300 <hr/> PHONE NUMBER
--	---	---

SCHEDULE F-1 PART 2

MUNICIPAL PROVIDER WATER DELIVERIES

ANNUAL REPORT 2012

1

PROVIDER NAME

JOHNSON UTILITIES

RIGHT/PERMIT NO.

56-001538.0000

Total Production 928.8

Pursuant to the Third Management Plan (TMP) and the Groundwater Code, large water providers are required to supply the following information. Do not include direct use effluent on this schedule (please use Part 3 of Schedule F-1).

MONTH	DELIVERIES IN ACRE-FEET									
	RESIDENTIAL A		NON-RESIDENTIAL B							TOTAL
	Single Family	Multi-Family	Industrial	Commercial	Govt.	Turf Related Facilities *	Other Turf **	Construction	Other*** Flushing	
Jan	27.20		1.73	2.97	0.11		9.84	0.35	0	42.20
Feb	29.76		2.27	4.64	0.30		10.06	0.32	0.03	47.38
Mar	33.88		2.70	3.79	0.31		15.66	0.26	0.02	56.62
Apr	34.91		2.32	4.63	0.21		20.29	0.12	4.71	67.19
May	37.41		1.67	5.51	0.36		56.28	0.22	0.50	101.95
Jun	38.74		2.17	6.17	0.17		10.04	0.38	0.08	57.75
Jul	39.27		2.35	6.21	0.07		42.02	0.61	0.17	90.70
Aug	40.74		2.34	6.78	0.41		33.28	0.23	3.25	87.03
Sep	40.24		1.37	5.21	0.42		28.05	0.28	9.82	85.39
Oct	35.88		0.78	3.47	0.22		28.79	0.24	7.96	76.84
Nov	38.37		0.52	5.30	0.42		30.10	0.10	0.09	74.90
Dec	33.02		0.99	3.99	0.35		17.05	0.17	0.03	55.60
Total Deliveries	2 428.92	3	4 21.21	5 58.67	6 3.35	7	8 301.46	9 3.28	10 26.66	11 843.55
Total Active Connections	12 1,903	13	14 1	15 22	16 2	17	18 70	19 1	20	21 1,999

* Turf Related Facilities includes turf-related facilities (10 or more acres of turf or other high water use landscaping) and landscaped public rights-of-way identified as Individual Users.

** Other Turf includes water delivered to other turf areas that are less than 10 acres.

*** Other includes unmetered deliveries. Unmetered deliveries must be calculated using a generally accepted method of estimating water use. Explain in a separate letter how any unmetered deliveries were calculated and to which category it would belong if it were metered. e.g. Industrial, Commercial, etc.

Please contact your local Active Management Area if you need assistance completing this form.

843.55

-26.66 Flushing - Column 10

816.89 2012 Sales

(602) 771-8585

Attachment 4

PART ONE

STATEMENT OF RATES AND CHARGES—WATER DIVISION

E. Central Arizona Groundwater Replenishment District Adjustor Charge.

1. CAGRD Adjustor Mechanism. In Decision No. 71854 dated August 24, 2010, the Arizona Corporation Commission authorized the Company to implement a Central Arizona Groundwater Replenishment District ("CAGRD") adjustor mechanism to recover the annual tax assessments imposed upon the Company by the CAGRD as a result of the Company's membership in the CAGRD. Accordingly, in addition to all other applicable rates and charges in this tariff, each customer shall pay a monthly CAGRD adjustor charge per thousand gallons of water delivered, as set forth below, effective for all water service rendered in all water service areas for all classes of service on and after June 1, 2010, in accordance with all conditions set forth in Decision No. 71854. The CAGRD adjustor fee shall be calculated as follows: The total CAGRD fees for the most current year in the Phoenix Active Management Area ("Phoenix AMA") shall be divided by the gallons sold in that year to determine a CAGRD fee per 1,000 gallons delivered to customers in the Phoenix AMA. Similarly, the total CAGRD fees for the most current year in the Pinal Active Management Area ("Pinal AMA") shall be divided by the gallons sold in that year to determine a CAGRD fee per 1,000 gallons delivered to customers in the Pinal AMA. By August 25th of each year, the Company shall submit for Commission consideration its proposed CAGRD adjustor fees for the Phoenix AMA and the Pinal AMA, along with the calculations and documentation from the relevant state agencies to support the data used in the calculations. The Commission-approved CAGRD fees shall become effective on October 1 and shall remain in effect until the next CAGRD fee is calculated and approved. To prevent over or under recovery of CAGRD assessments, an annual true-up shall be performed at the time the Company submits its proposed CAGRD adjustor to the Commission. Any over or under recovery of CAGRD fees shall be included in the next year's computation.

2. CAGRD Adjustor Fees. A CAGRD adjustor fee shall be applicable to each thousand gallons of water sold, as follows:

<u>AMA Where Customer Resides:</u>	<u>Rate Per Thousand Gallons of Water Delivered:</u>
Phoenix AMA	\$1.7654
Pinal AMA	\$0.4334

Issued: October 25, 20132

Effective: December 1, 20132

ISSUED BY:

George H. Johnson, Managing Member
Johnson Utilities Company
5320 E. Shea Blvd.
Scottsdale, AZ 85254