

ORIGINAL



0000149043

BEFORE THE ARIZONA CORPORATION C

**COMMISSIONERS**

BOB STUMP - Chairman  
GARY PIERCE  
BRENDA BURNS  
BOB BURNS  
SUSAN BITTER SMITH

RECEIVED  
AZ CORP COMMISSION  
DOCKET CONTROL

2013 OCT 21 PM 12 53

IN THE MATTER OF THE APPLICATION OF LITCHFIELD PARK SERVICE COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANTS AND PROPERTY AND FOR INCREASES IN ITS WASTEWATER RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE.

DOCKET NO. SW-01428A-13-0042

IN THE MATTER OF THE APPLICATION OF LITCHFIELD PARK SERVICE COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANTS AND PROPERTY AND FOR INCREASES IN ITS WATER RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE.

DOCKET NO. W-01427A-13-0043

**STAFF NOTICE OF ERRATA**

The Utilities Division ("Staff") of the Arizona Corporation Commission ("ACC") files this notice of errata regarding the Staff rate design testimony filed, October 4, 2013. Please disregard the previously filed notice of errata dated October 15, 2013. Staff's service charges, as filed in its rate design direct testimony, as well as some aspects of Staff's rate design were incorrect. Attached is a revised Schedule 4 with corrected rates and service charges.

RESPECTFULLY SUBMITTED this 21<sup>st</sup> day of October, 2013.

Arizona Corporation Commission

**DOCKETED**

OCT 21 2013

DOCKETED BY

Robin R. Mitchell, Staff Attorney  
Matthew Laudone, Staff Attorney  
Legal Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007  
(602) 542-3402

1 Original and thirteen (13) copies  
2 of the foregoing filed this  
3 21<sup>st</sup> day of October, 2013 with:

4 Docket Control  
5 Arizona Corporation Commission  
6 1200 West Washington Street  
7 Phoenix, AZ 85006

8 Copy of the foregoing mailed and/or emailed  
9 this 21<sup>st</sup> day of October, 2013 to:

10 Jay L. Shapiro  
11 Todd C. Wiley  
12 FENNEMORE CRAIG, P.C.  
13 2394 E. Camelback Road, Ste. 600  
14 Phoenix, AZ 85016  
15 Attorneys for LPSCO

16 Daniel Pozefsky  
17 Chief Counsel  
18 Residential Utility Consumer Office  
19 1110 W. Washington Street, Suite 220  
20 Phoenix, AZ 85007

21 Olivia Burnes  
22 356 N. Cloverfield Circle  
23 Litchfield Park, AZ 85340  
24  
25  
26  
27  
28

---

Monthly Usage Charge	Present	Company Proposed Rates	Staff Recommended Rates
<b>Meter Size (All Classes):</b>			
5/8 x 3/4 Inch	\$ 10.20	\$ 14.50	\$ 10.00
3/4 Inch - Residential	10.20	14.50	10.00
3/4 Inch	10.20	14.50	10.00
1 Inch - Residential	22.95	32.75	25.00
1 Inch	25.50	36.25	27.68
1 1/2 Inch	51.00	72.50	50.00
2 Inch	81.60	116.00	80.00
3 Inch	163.20	232.00	160.00
4 Inch	255.00	362.50	250.00
6 Inch	510.00	725.00	500.00
8 Inch - Bulk Water Only	501.00	575.00	500.00
8 Inch	841.50	1,160.00	800.00
10 Inch	1,173.00	1,667.50	1,150.00
12 Inch	2,193.00	3,117.50	2,150.00
<b>Commodity Charge - Per 1,000 Gallons</b>			
<b>5/8" x 3/4" Meter and 3/4" (Residential)</b>			
First 3,000 gallons	\$ 1.00	N/A	N/A
3,001 to 9,000 gallons	\$ 1.91	N/A	N/A
Over 9,000 gallons	\$ 3.03	N/A	N/A
First 3,000 gallons	N/A	\$ 1.00	N/A
3,001 to 11,000 gallons	N/A	\$ 2.00	N/A
11,001 to 30,000 gallons	N/A	\$ 3.05	N/A
Over 30,000 gallons	N/A	\$ 3.66	N/A
First 3,000 gallons	N/A	N/A	\$ 0.75
3,001 to 9,000 gallons	N/A	N/A	\$ 1.75
9,001 to 20,000 gallons	N/A	N/A	\$ 3.55
Over 20,000 gallons	N/A	N/A	\$ 4.00
<b>5/8" x 3/4" and 3/4" Meter (Commercial &amp; Irrigation)</b>			
First 9,000 gallons	\$ 1.91	\$ 2.00	N/A
Over 9,000 gallons	\$ 3.03	\$ 3.66	N/A
First 9,000 gallons	N/A	N/A	\$ 1.75
Over 9,000 gallons	N/A	N/A	\$ 4.00
<b>1" Meter (Residential)</b>			
First 5,000 gallons	\$ 1.00	N/A	N/A
5,001 to 20,000 gallons	\$ 1.91	N/A	N/A
Over 20,000 gallons	\$ 3.03	N/A	N/A
First 5,000 gallons	N/A	\$ 1.00	N/A
5,001 to 20,000 gallons	N/A	\$ 2.00	N/A
20,001 to 40,000 gallons	N/A	\$ 3.05	N/A
Over 40,000 gallons	N/A	\$ 3.66	N/A
First 3,000 gallons	N/A	N/A	\$ 0.75
3,001 to 20,000 gallons	N/A	N/A	\$ 1.75
20,001 to 37,000 gallons	N/A	N/A	\$ 3.55
Over 37,000 gallons	N/A	N/A	\$ 4.00
<b>1" Meter (Commercial &amp; Irrigation)</b>			
First 20,000 gallons	\$ 1.91	\$ 2.00	N/A
Over 20,000 gallons	\$ 3.03	\$ 3.66	N/A
First 25,000 gallons	N/A	N/A	\$ 1.75
Over 25,000 gallons	N/A	N/A	\$ 4.00
<b>1 1/2" Meter (All Classes)</b>			
First 40,000 gallons	\$ 1.91	\$ 2.00	N/A
Over 40,000 gallons	\$ 3.03	\$ 3.66	N/A
First 37,000 gallons	N/A	N/A	\$ 1.75
Over 37,000 gallons	N/A	N/A	\$ 4.00
<b>2" Meter (All Classes)</b>			
First 60,000 gallons	\$ 1.91	\$ 2.00	N/A
Over 60,000 gallons	\$ 3.03	\$ 3.66	N/A
First 52,000 gallons	N/A	N/A	\$ 1.75
Over 52,000 gallons	N/A	N/A	\$ 4.00
<b>3" Meter (All Classes)</b>			
First 120,000 gallons	\$ 1.91	\$ 2.00	N/A
Over 120,000 gallons	\$ 3.03	\$ 3.66	N/A
First 94,000 gallons	N/A	N/A	\$ 1.75
Over 94,000 gallons	N/A	N/A	\$ 4.00
<b>4" Meter (All Classes)</b>			
First 180,000 gallons	\$ 1.91	\$ 2.00	N/A
Over 180,000 gallons	\$ 3.03	\$ 3.66	N/A
First 140,000 gallons	N/A	N/A	\$ 1.75
Over 140,000 gallons	N/A	N/A	\$ 4.00
<b>6" Meter (All Classes)</b>			
First 360,000 gallons	\$ 1.91	\$ 2.00	N/A
Over 360,000 gallons	\$ 3.03	\$ 3.66	N/A
First 270,000 gallons	N/A	N/A	\$ 1.75
Over 270,000 gallons	N/A	N/A	\$ 4.00
<b>8" Meter (Bulk Resale)</b>			
All Classes	\$ 1.50	\$ 1.65	\$ 1.65
<b>8" Meter (All Classes)</b>			
First 650,000 gallons	\$ 1.91	\$ 2.00	N/A
Over 650,000 gallons	\$ 3.03	\$ 3.66	N/A
First 430,000 gallons	N/A	N/A	\$ 1.75
Over 430,000 gallons	N/A	N/A	\$ 4.00

<b>10" Meter (All Classes)</b>		
First 940,000 gallons	1.91	2.00
Over 940,000 gallons	3.03	3.66
First 600,000 gallons	N/A	N/A
Over 600,000 gallons	N/A	N/A
<b>12" Meter (All Classes)</b>		
First 1,248,000 gallons	2.92	N/A
Over 1,248,000 gallons	3.64	N/A
First 1,000,000 gallons	N/A	N/A
Over 1,000,000 gallons	N/A	N/A
<b>Construction Hydrants</b>		
All Gallons	3.03	3.66
<b>Other Service Charges</b>		
Establishment (Regular Hours) per Rule R14-2-403D (a)	\$ 20.00	\$ 20.00
**Establishment (After Hours) per Rule R14-2-403D (a)**	**40.00**	**40.00**
Re-establishment of Service per Rule R14-2-403D (a)	(b)	(b)
Reconnection (Regular Hours) per Rule R14-2-403D (a)	\$ 50.00	\$ 50.00
**Reconnection (After Hours) per Rule R14-2-403D (a)**	**65.00**	**65.00**
Meter Test (if correct) per Rule R14-2-408F	\$ 25.00	\$ 25.00
Meter Reread per Rule R14-2-408C (if correct)	\$ 5.00	\$ 5.00
Fire Hydrant Meter Relocation	NT	\$ 50.00
Fire Hydrant Meter Repair	NT	Cost
NSF Check per Rule R14-2-409F (a)	\$ 25.00	\$ 25.00
Deferred Payment, Per Month	1.50%	1.50%
Late Charge	(c)	(c)
**Service Calls - Per Hour/After Hours**	**40.00**	**40.00**
After Hours Service Charge (d)	NT	\$ 40.00
Deposit Requirements	(e)	(e)
Deposit Interest	3.50%	3.50%
**Meter and Service lines**	**See Below**	**See Below**
Main Extension Tariff	NT	at Cost

- (a) Charges applicable to water service.  
 (b) Minimum charge times number of full months off the system, per Rule R14-2-403(D).  
 (c) Greater of \$5.00 or 1.5% of unpaid balance.  
 (d) An After Hours Service Charge is appropriate when it is at the customer's request or convenience. It compensates the utility for additional expenses incurred from providing after-hours services. It is appropriate to apply this charge in addition to the charge for any utility service provided after hours at the customer's request or for the customer's convenience.  
 (e) Per ACC Rules R14-2-403(B) Residential - two times the average bill. Commercial - two and one-half times the average bill.

NT = No tariff

**Refundable Meter and Service Line Charges**

	Present Service Line Charge	Present Meter Installation Charge	Total Present Charge	Proposed Service Line Charge	Proposed Meter Installation Charge	Total Proposed Charge	Recommended Service Line Charge	Recommended Meter Installation Charge	Total Recommended Charge
5/8 x 3/4 Inch	\$ 385.00	\$ 135.00	\$ 520.00	\$ 385.00	\$ 135.00	\$ 520.00	\$ 385.00	\$ 135.00	\$ 520.00
3/4 Inch	\$ 385.00	\$ 215.00	\$ 600.00	\$ 385.00	\$ 215.00	\$ 600.00	\$ 385.00	\$ 215.00	\$ 600.00
1 Inch	\$ 435.00	\$ 255.00	\$ 690.00	\$ 435.00	\$ 255.00	\$ 690.00	\$ 435.00	\$ 255.00	\$ 690.00
1 1/2 Inch	\$ 470.00	\$ 465.00	\$ 935.00	\$ 470.00	\$ 465.00	\$ 935.00	\$ 470.00	\$ 465.00	\$ 935.00
2 Inch / Turbine	\$ 630.00	\$ 965.00	\$ 1,595.00	\$ 630.00	\$ 965.00	\$ 1,595.00	\$ 630.00	\$ 965.00	\$ 1,595.00
2 Inch / Compound	\$ 630.00	\$ 1,690.00	\$ 2,320.00	\$ 630.00	\$ 1,690.00	\$ 2,320.00	\$ 630.00	\$ 1,690.00	\$ 2,320.00
3 Inch / Turbine	\$ 805.00	\$ 1,470.00	\$ 2,275.00	\$ 805.00	\$ 1,470.00	\$ 2,275.00	\$ 805.00	\$ 1,470.00	\$ 2,275.00
3 Inch / Compound	\$ 845.00	\$ 2,265.00	\$ 3,110.00	\$ 845.00	\$ 2,265.00	\$ 3,110.00	\$ 845.00	\$ 2,265.00	\$ 3,110.00
4 Inch / Turbine	\$ 1,170.00	\$ 2,350.00	\$ 3,520.00	\$ 1,170.00	\$ 2,350.00	\$ 3,520.00	\$ 1,170.00	\$ 2,350.00	\$ 3,520.00
4 Inch / Compound	\$ 1,230.00	\$ 3,245.00	\$ 4,475.00	\$ 1,230.00	\$ 3,245.00	\$ 4,475.00	\$ 1,230.00	\$ 3,245.00	\$ 4,475.00
6 Inch / Turbine	\$ 1,730.00	\$ 4,545.00	\$ 6,275.00	\$ 1,730.00	\$ 4,545.00	\$ 6,275.00	\$ 1,730.00	\$ 4,545.00	\$ 6,275.00
6 Inch / Compound	\$ 1,770.00	\$ 6,280.00	\$ 8,050.00	\$ 1,770.00	\$ 6,280.00	\$ 8,050.00	\$ 1,770.00	\$ 6,280.00	\$ 8,050.00
8 Inch & Larger	At Cost	At Cost	At Cost	At Cost	At Cost	At Cost	At Cost	At Cost	At Cost

  

	Present Charge	Proposed Charge	Proposed Charge
<b>Hydrant Meter Deposit*</b>			
5/8 x 3/4 Inch	\$ 135.00	\$ 135.00	\$ 135.00
3/4 Inch	\$ 215.00	\$ 215.00	\$ 215.00
1 Inch	\$ 255.00	\$ 255.00	\$ 255.00
1 1/2 Inch	\$ 465.00	\$ 465.00	\$ 465.00
2 Inch / Turbine	\$ 965.00	\$ 965.00	\$ 965.00
2 Inch / Compound	\$ 1,690.00	\$ 1,690.00	\$ 1,690.00
3 Inch / Turbine	\$ 1,470.00	\$ 1,470.00	\$ 1,470.00
3 Inch / Compound	\$ 2,265.00	\$ 2,265.00	\$ 2,265.00
4 Inch / Turbine	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00
4 Inch / Compound	\$ 3,245.00	\$ 3,245.00	\$ 3,245.00
6 Inch / Turbine	\$ 4,545.00	\$ 4,545.00	\$ 4,545.00
6 Inch / Compound	\$ 6,280.00	\$ 6,280.00	\$ 6,280.00
8 Inch & Larger	At Cost	At Cost	At Cost

\* Shall have a non-interest bearing deposit of the amount indicated, refundable in its entirety upon return of the meter in good condition and payment of the final bill.

\*\*These line items should be removed from new tariff.

Note that a low income tariff is available. See the low income tariff for more information.

Monthly Charge for:	Present	Company Proposed Rates	Staff Recommended Rates
Monthly Residential Service	\$ 38.99	\$ 41.62	38.78
Low Income Residential Service	33.14	35.38	32.96
Multi-Unit Housing - Monthly per Unit	36.19	38.63	35.99
Commercial:			
Small Commercial - Monthly Service	65.93	70.37	65.56
Measured Service:			
Regular Domestic:	36.91	39.40	36.71
Monthly Service Charge	3.22	3.44	3.21
Commodity Charge per 1,000 gallons			
Restaurant, Motels, Grocery Stores & Dry Cleaning Estab.1			
Monthly Service Charge	36.91	39.40	36.71
Commodity Charge per 1,000 gallons	4.30	4.59	4.28
Wigwam Resort:			
Monthly Rate - Per Room	36.19	39.40	35.99
Main Hotel Facilities - Per Month	1,433.30	1,529.90	1,425.41
Schools - Monthly Service Rates:			
Elementary Schools	974.64	1,040.33	969.28
Middle Schools	1,146.64	1,223.92	1,140.33
High Schools	1,146.64	1,223.92	1,140.33
Community College	1,777.29	1,897.08	1,767.51
Effluent2:			
1 Motels without restuarants charged multi-unit monthly rate.			
2 Market Rate - Maximum effluent rate shall not exceed \$430 per acre foot based on a potable water rate of \$1.32 per thousand gallons.			
Late Payment Penalty			
Other Service Charges:			
Establishment (Regular Hours) per Rule R14-2-603D (a)	\$ 20.00	\$ 20.00	\$ 20.00
**Establishment (After Hours) per Rule R14-2-603D (a)**	**40.00**	**40.00**	**NT**
Re-Establishment of Service per Rule R14-2-603D (a)	(b)	(b)	(b)
Reconnection (Regular Hours) per Rule R14-2-603D (a)	\$ 50.00	\$ 50.00	\$ 20.00
**Reconnection (After Hours) per Rule R14-2-603D (a)**	**65.00**	**65.00**	**NT**
NSF Check, per Rule R14-2-608E (a)	\$ 25.00	\$ 25.00	\$ 25.00
Deferred Payment, Per Month	1.50%	1.50%	1.50%
Late Charge	(c)	(c)	(c)
**Service Calls - Per Hour/After Hours**	**40.00**	**40.00**	**NT**
After Hours Service Charge (d)	NT	NT	\$ 40.00
Deposit Requirement	(e)	(e)	(e)
Deposit Interest	3.50%	3.50%	6.00%
Service Lateral Connection Charge- All Sizes	(f)	(f)	(f)
Main Extension Tariff, per Rule R14-2-606B	(g)	(g)	(g)

- (a) Charges applicable to wastewater service.
- (b) Minimum charge times number of full months off the system. per Rule R14-2-603D.
- (c) Greater of \$5.00 or 1.5% of unpaid balance.
- (d) An After Hours Service Charge is appropriate when it is at the customer's request or convenience. It compensates the utility for additional expenses incurred from providing after-hours services. It is appropriate to apply this charge in addition to the charge for any utility service provided after hours at the customer's request or for the customer's convenience.
- (e) Per ACC Rules R14-2-603B Residential - two times the average bill. Non-residential - two and one-half times the average bill.
- (f) At cost. Customer/Developer shall install or cause to be installed all Service Laterals as a non-refundable contribution-in-aid of construction..
- (g) All Main Extensions shall be completed at cost and shall be treated as non-refundable contribution-in-aid of construction.

NT = No Tariff

\*\*These line items should be removed from new tariff.

Note that a low income tariff is available. See the low income tariff for more information.