

NEW APPLICATION



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**COMMISSIONERS ORIGINAL**

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BRENDA BURNS  
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SUSAN BITTER SMITH

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ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

**BEFORE THE ARIZONA CORPORATION COMMISSION**

IN THE MATTER OF THE APPLICATION OF  
HASSAYAMPA UTILITIES COMPANY, INC.  
FOR A CERTIFICATE OF CONVENIENCE  
AND NECESSITY.

Docket No. SW-20422A-14-0110

**APPLICATION FOR A  
HOOK UP FEE TARIFF**

Hassayampa Utilities Company ("HUC") files the attached Hook Up Fee ("HUF") Tariff in accordance with Decision No. 74364 (February 26, 2014) and the Settlement Agreement approved therein.

RESPECTFULLY SUBMITTED this 28<sup>th</sup> day of March, 2014.

ROSKA DEWULF & PATTEN, PLC

By

Michael W. Patten  
Timothy J. Sabo  
One Arizona Center  
400 East Van Buren Street, Suite 800  
Phoenix, Arizona 85004

Original + 13 copies of the foregoing  
filed this 28<sup>th</sup> day of March 2014, with:

Docket Control  
ARIZONA CORPORATION COMMISSION  
1200 West Washington  
Phoenix, Arizona 85007

Arizona Corporation Commission

**DOCKETED**

MAR 28 2014

DOCKETED BY

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Copies of the foregoing hand-delivered/mailed  
this 28<sup>th</sup> day of March 2014, to:

Lyn A. Farmer, Esq.  
Chief Administrative Law Judge  
Hearing Division  
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1200 West Washington  
Phoenix, Arizona 85007

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By *Missie Armae*

**TARIFF SCHEDULE**

UTILITY: Global Water Resources, Inc.,  
Hassayampa Utilities Company  
DOCKET NO.: W-01212A-0309

DECISION NO. 74364  
EFFECTIVE DATE: Feb. 26, 2014

**OFF-SITE FACILITIES HOOK-UP FEE (WASTEWATER)****I. Purpose and Applicability**

The purpose of the off-site facilities hook-up fees payable to Global Water Resources, Inc., Hassayampa Utilities Company (“the Company”) pursuant to this tariff is to equitably apportion the costs of constructing additional off-site facilities necessary to provide wastewater treatment plant facilities among all new service laterals. These charges are applicable to all new service laterals established after the effective date of this tariff undertaken via Collection Main Extension Agreements or requests for service not requiring a Collection Main Extension Agreement. The charges are one-time charges and are payable as a condition to Company’s establishment of service, as more particularly provided below.

**II. Definitions**

Unless the context otherwise requires, the definitions set forth in R-14-2- 601 of the Arizona Corporation Commission’s (“Commission”) rules and regulations governing sewer utilities shall apply in interpreting this tariff schedule.

“Applicant” means any party entering into an agreement with Company for the installation of wastewater facilities to serve new service laterals, and may include Developers and/or Builders of new residential subdivisions and/or commercial and industrial properties.

“Company” means Global Water Resources, Inc., Hassayampa Utilities Company.

“Collection Main Extension Agreement” means any agreement whereby an Applicant agrees to advance the costs of the installation of wastewater facilities necessary to the Company to serve new service laterals within a development, or installs such wastewater facilities necessary to serve new service laterals and transfer ownership of such wastewater facilities to the Company, which agreement does not require the approval of the Commission pursuant to A.A.C. R-14-2-606, and shall have the same meaning as “Wastewater Facilities Agreement”.

“Off-site Facilities” means the wastewater treatment plant, sludge disposal facilities, effluent disposal facilities and related appurtenances necessary for proper operation, including engineering and design costs. Offsite facilities may also include lift stations, transportation mains and related appurtenances necessary for proper operation if these facilities are not for the exclusive use of the Applicant and benefit the entire wastewater system.

“Service Lateral” means and includes all service laterals for single-family residential, commercial, industrial or other uses.

### III. Off-Site Facilities Hook-up Fee

For each new service lateral, the Company shall collect an off-site facilities hook-up fee as listed in the following table:

OFF-SITE WASTEWATER HOOK-UP FEE TARIFF TABLE		
Service Lateral Size	Factor	Fee
4-inch	1	\$1,750.00
6-inch	2.25	\$3,937.50
8-inch	4	\$7,000.00
10-inch	6.25	\$10,937.50

### IV. Terms and Conditions

(A) Assessment of One Time Off-Site Facilities Hook-up Fee: The off-site facilities hook-up fee may be assessed only once per parcel, service lateral, or lot within a subdivision (similar to a service lateral installation charge).

(B) Use of Off-Site Facilities Hook-up Fee: Off-site facilities hook-up fees may only be used to pay for capital items of off-site facilities, or for repayment of loans obtained to fund the cost of installation of off-site facilities. Off-site hook-up fees shall not be used to cover repairs, maintenance, or operational costs.

(C) Time of Payment:

(1) For those requiring a Collection Main Extension Agreement: In the event that the Applicant is required to enter into a Collection Main Extension Agreement, whereby Applicant agrees to advance the costs of on-site improvements or construct such improvements, payment of the fees required hereunder shall be made by the Applicant when payment is made for the on-site improvements or 30 days after the Collection Main Extension Agreement is executed, whichever is later.

(2) For those connecting to an existing main: In the event that the Applicant is not required to enter into a Collection Main Extension Agreement, the hook-up fee charges hereunder shall be due and payable at the time wastewater service is requested for the property.

(D) Off-Site Facilities Construction by Developer: Company and Applicant may agree to construction of off-site facilities necessary to serve a particular development by Applicant, which facilities are then conveyed to Company. In that event, Company shall credit the total cost of such off-site facilities as an offset to off-site hook-up fees due under this Tariff. If the total cost of the off-site facilities constructed by Applicant and conveyed to Company is less than the applicable off-site hook-up fees under this Tariff, Applicant shall pay the remaining amount of off-site hook-up fees owed hereunder. If the total cost of the off-site facilities contributed by Applicant and conveyed to Company is more than the applicable off-site hook-up fees under this

Tariff, Applicant shall be refunded the difference upon acceptance of the off-site facilities by the Company.

(E) Failure to Pay Charges; Delinquent Payments: The Company will not be obligated to make an advance commitment to provide or to actually provide wastewater service to any Applicant in the event that the Applicant has not paid in full all charges hereunder. Under no circumstances will the Company connect service or otherwise allow service to be established if the entire amount of any payment due hereunder has not been paid.

(F) Large Subdivision and/or Development Projects: In the event that the Applicant is engaged in the development of a residential subdivision and/or development containing more than 150 lots, the Company may, in its discretion, agree to payment of off-site hook-up fees in installments. Such installments may be based on the residential subdivision and/or development's phasing, and should attempt to equitably apportion the payment of charges hereunder based on the Applicant's construction schedule and wastewater service requirements. In the alternative, the Applicant shall post an irrevocable letter of credit in favor of the Company in a commercially reasonable form, which may be drawn by the Company consistent with the actual or planned construction and hook up schedule for the subdivision and/or development.

(G) Off-Site Hook-Up Fees Non-refundable: The amounts collected by the Company as hook-up fees pursuant to the off-site facilities hook-up fee tariff shall be non-refundable contributions in aid of construction.

(H) Use of Off-Site Hook-Up Fees Received: All funds collected by the Company as off-site facilities hook-up fees shall be deposited into a separate interest bearing bank account and used solely for the purposes of paying for the costs of installation of off-site facilities, including repayment of loans obtained for the installation of off-site facilities.

(I) Off-Site Facilities Hook-up Fee in Addition to On-site Facilities: The off-site facilities hook-up fee shall be in addition to any costs associated with the construction of on-site facilities under a Collection Main Extension Agreement.

(J) Disposition of Excess Funds: After all necessary and desirable off-site facilities are constructed utilizing funds collected pursuant to the off-site facilities hook-up fees, or if the off-site facilities hook-up fee has been terminated by order of the Arizona Corporation Commission, any funds remaining in the bank account shall be refunded. The manner of the refund shall be determined by the Commission at the time a refund becomes necessary.

(K) Status Reporting Requirements to the Commission: The Company shall submit a calendar year Off-Site Facilities Hook-Up Fee status report each January 31<sup>st</sup> to Docket Control for the prior twelve (12) month period, beginning January 31, 2015, until the hook-up fee tariff is no longer in effect. This status report shall contain a list of all customers that have paid the hook-up fee tariff, the amount each has paid, the physical location/address of the property in respect of which such fee was paid, the amount of money spent from the account, the amount of interest earned on the funds within the tariff account, and a list of all facilities that have been installed with the tariff funds during the 12 month period.