

Cerbat Water Comp

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RECEIVED

Arizona Corporation Commission
Compliance Department
1200 W. Washington St.
Phoenix, AZ 85007

October 14th, 2014

2014 OCT 17 A 10:46

AZ CORP COMMISSION
DOCKET CONTROL

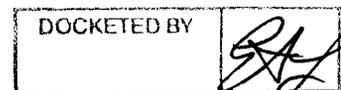
Arizona Corporation Commission
DOCKETED

Docket # W-02391A-13-0234
Decision # 74440

OCT 17 2014

ORIGINAL

Re: Water Loss Report and Reduction Plan



As ordered as a compliance item in this docket, Cerbat Water Company is reporting our water loss and filing a water loss reduction plan.

The 2014 water loss is 35.1% although we know this number is artificially high. There was a well meter issue that was not discovered for several months where one of the well meters was registering usage when the other well was running (due to both of them connecting to the same main line,) so the meter reads were showing more gallons pumped than actually were. Because we were not aware of this until after the fact, there was no reasonable way to estimate what the actual gallons pumped was for those months. Nonetheless, the water loss has been well over 15%, on average, regardless of this issue.

Although 99% of our meters have been changed over the last 10 years, we plan to remove and bench test around 10% of the meters to assess their accuracy. This will give us an indication as to what degree slow meters may be a contributing factor to the higher water loss this year. If these tests show that this is a significant issue, we will start installing the new meters with no moving parts which are supposed to be extremely accurate.

Our field employees will be completing a thorough survey of all of the main lines in the water system to look for any indication of undiscovered leaks.

There is now leak detection equipment on the market that a small water company may be able to afford. In an area where the soil can be sandy, it can take an extraordinary amount of water before an underground leak may become visible from the surface. Unknown leaks must be a factor in the higher water loss. We will research this new equipment to try to determine its accuracy and effectiveness. If it is determined that this leak detection equipment will work for our water system, then we will try to fit it into the budget for next year.

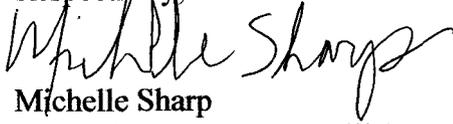
We will continue to try to locate and correct any causes of water loss.

Please contact me any time if you have any questions.

Cerbat Water Company

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Respectfully,

A handwritten signature in black ink that reads "Michelle Sharp". The signature is written in a cursive style with a large, prominent "M" and "S".

Michelle Sharp
(formerly Michelle Monzillo)
Manager

Cerbat Water Company Water Pumped and Sold

Year 2014

Docket No. W-02391A-13-0234 and Decision No. 74440

Month	Gal. Sold	Gal. Pumped	Gal. Lost	% Mth Loss	% Qtrly Loss	% Yrly Lost	# of Cust.
January	1,592,911	2,923,200	1,330,289	45.5%			293
February	1,537,359	2,296,000	758,641	33.0%			293
March	1,678,720	2,970,000	1,291,280	43.5%			296
1st Qrt	4,808,990	8,189,200	3,380,210			41.3%	
April	2,798,373	4,428,000	1,629,627	36.8%			293
May	2,024,878	3,974,000	1,949,122	49.0%			294
June	2,944,360	3,851,193	906,833	23.5%			290
2nd Qrt	7,767,611	12,253,193	4,485,582			36.6%	
July	2,405,825	3,300,292	894,467	27.1%			289
August	2,500,538	3,348,000	847,462	25.3%			290
September	2,127,869	3,136,000	1,008,131	32.1%			293
3rd Qrt	7,034,232	9,784,292	2,750,060			28.1%	
October							
November							
December							
	0	0	0				
Running Total=	19,610,833	30,226,685	10,615,852		Total Loss=	35.1%	