



0000165812

Parker Springs Water Company

Parker Lakeview Estates Homeowners Association, Inc

7947 So. Coronado Trail, HC1 Box 474, Elgin, AZ 85611

Phone 520 455-9345

August 15, 2015

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

ORIGINAL

Docket No. W-01853A-15-0145

Enclosed are documents for consideration in the above docket.

Sincerely,

Gail Spain
Secretary/Treasurer

Arizona Corporation Commission
DOCKETED

AUG 18 2015

DOCKETED BY

Mr. Thomas M Broderick
Director, Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Ms. Janice M. Alward
Chief, Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Mr. Dwight Nodes
Acting Chief, Hearing Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

AZ CORP COMMISSION
DOCKET CONTROL

2015 AUG 18 A 9:25

RECEIVED

Staff Recommends

- | | |
|---|--|
| 1 Schedule JLK-4 | We don't recall requesting the increase noted on this schedule. |
| 2 Combine Surcharge and & Base Charge | Included here are the results of models of various rate scenarios. We still believe we should wait a year or two before subjecting our customers to another rate hike. |
| 3 Refile tariff schedule | Only if the Commissioners insists on raising our rate. |
| 4 Monitor losses, make repairs | We will continue |
| 5 quantify & record water consumed during maintenance | This will be difficult, but we can estimate maintenance water usage by calculating water in pipes and using a portable meter when we use the blow-offs. |
| 6 Depreciation Rates | We have previously adopted and continue to use the recommended depreciation rates. Any anomalies in the past six years have been caused by Staff adjustments |
| 7 BMP | We reject this order. The BMPs noted might be good for a large water supplier with a customer base of primary home occupation. We are very small and most of our residents are part time and are inundated with paper already. |

Page 2 We notified our customers that we were preparing a mandatory rate review. Of course there were no complaints when we were not asking for an increase.

Page 3 ADEQ's contention that our well was being infiltrated by surface water was the larger impetus for our member/customers' approval of seeking a WIFA loan. Decision 72638 ordered that we file a rate application. There is nothing in the Decision or on the rate application form that says we are requesting a "permanent rate increase." The Company DID NOT apply for a rate increase. If Staff had recommended an adequate surcharge in 2010 we would not be back here irritating our customers.

Page 4 CONSUMER SERVICES: Again, the Company is not requesting a rate increase which explains why no customers complained in opposition.

Page 4 RATE BASE: We do not agree with adjustments made. Schedule JLK-2 Page 2. Staff moved \$1102 from an expensed item to 307 Wells & Springs without discussion with the Company. They based this on an invoice covering maintenance done by an outside contractor. It did include the cost of installing a radio receiver at a cost of less than \$300. This item will not have a 30 year life. It might be more appropriately be categorized as 310 or 311. In any event, it is certainly unnecessary to acquire more capital to increase our rate base. On page 3 of that schedule Staff adjusted Accumulated Depreciation by \$864.00 citing early retirement and salvage value of assets. The Company has already adjusted Accumulated Depreciation to reflect those issues.

- Page 5 **ADVANCES IN AID OF CONSTRUCTION:** We disagree with the Staff increase. The AIAC reported on the Test Year ended 10-31-2010 was \$945. The schedule provided in the Test Year ended 12-31-2014 properly reduces the balance to \$140. See included schedule for clarification. (1)
- Page 5 **WORKING CAPITAL:** I am curious to know where in the rate application there is a place to request an Allowance for Working Capital
- Page 5 **DEPRECIATION EXPENSE:** We reject this increase. First we reject the change noted on page 4. Even if \$1102 is depreciated over 30 years the change would be an increase of \$37. Second, there was no error in the depreciation rate for 320.2 (20%). In May, 2011 Staff adjusted accumulated depreciation for 320.2 to \$325 (\$108 more than it should have been) We took that depreciation and adjusted the final year depreciation to \$109 so that the OCLD would equal the OC. Our depreciation was reported correctly on the latest application. The piece of equipment in question (\$1084) fully depreciated in 2014.
- Page 5 **PROPERTY TAX EXPENSE:** Staff increases property tax expense by \$560. It is difficult to understand how they have come up with this conclusion. The Company is a Centrally Valued Property. Included is a schedule indicating a more proper calculation. (2)
- Page 6 **REVENUE REQUIREMENT:** We have modeled 2016 using current rates and our cash flow is more hopeful than that used by Staff. We do admit that our debt ratio is a little low, but believe (if one considers the reserve funds to be more of a savings than a payment) it is near enough to allow us to function for another year or two before seeking another increase. (3)
- Page 6 **RATE DESIGN:** We believe a 14.3% increase is excessive. Any increase at all may cause us to lose at least two customers. The water bill for a full year would increase from \$774.60 to \$882.72. Although the Commissioners may have the opinion that these are luxury homes, that is not true. Many of our customers are stretched to keep a second home. We have found that when customers can no longer afford water, the property suffers from neglect.
- Page 14 We reject all of the suggested and available BMPs. Please see the Included BMPs and comments.



PARKER LAKEVIEW WEST HOA, INC. dba PARKER SPRINGS WATER COMPANY

Docket No. W-01853-A-15-0145 Refer Staff Report Page 5. Staff has erred in their assumptions.

Year installed	Lot	A/IAC	Reconnection fees	Uncollected Establishment Fees applied to A/IAC	Jan-01	Nov-02	Nov-03	Nov-04	Nov-05	Nov-06	Nov-07	Nov-08	Nov-09	Nov-10	Nov-11	Nov-12	Nov-13	Nov-14	Nov-15
1993	052*	350		-30	-250	-35	-35												
1994	056**	350	-297	-30	-23	0	0												
1994	002*	350		-15	-265	-35	-35												
1996	093*	350		-15	-195	-35	-35	-35											
1996	012*	350		-15	-195	-35	-35	-35											
1997	111*	350		-15	-160	-35	-35	-35	-35										
1997	042*	350		-15	-160	-35	-35	-35	-35										
1999	085*	350		-30	-75	-35	-35	-35	-35	-35									
1999	110*	350		-15	-90	-35	-35	-35	-35	-35									
2000	032*	350		-15	-55	-35	-35	-35	-35	-35									
2001	107*	350		-15	0	-20	-35	-35	-35	-35	-35								
2002	046	350				-35	-35	-35	-35	-35	-35								
2003	006	350					-35	-35	-35	-35	-35	-35							
2003	001***	350					-35	-35	-35	-35	-35	-35	-35						
2004		0																	
2005	037	350						-35	-35	-35	-35	-35	-35	-35					
2009	064	350							-35	-35	-35	-35	-35	-35	-35				
2009	045****	350								-35	-35	-35	-35	-35	-280				
Total deductions			-297	-210	-1468	-370	-420	-385	-420	-350	-280	-280	-280	-245	-490	-140	-105	-70	
Yearly Balance				1875	1855	1785	1750	1680	1330	1050	770	1190	945	455	210	140			

*Previous Management did not collect Establishment Fees and also did not realize that the AIAC should have been returned as a credit annually. Accounts were reconciled in 2001

**Customer opted out of the system for 11 months.

***Meter installed after AIAC credits in 2003

****Customer cancelled service May, 2011, transferred \$280 to CIAC

PARKER LAKEVIEW EST. HOA, INC. dba PARKER SPRINGS WATER COMPANY
 Docket No. W-01853A-15-0145 Page 5

Schedule JLK-3 Page 4 - Staff assumptions are wrong. These are the actual amounts as applied by Cochise County.

	Value \$	Asst %	Assessed \$	Tax Rate 2014*	Tax	Total
LIMITED LAND, BLDG	\$ 9,000	19.0%	\$ 1,710	7.2817%	\$ 125	
LIMITED PERSONAL PROP	\$ 47,949	19.0%	\$ 9,110	7.2817%	\$ 663	
TOTAL	\$ 56,949		\$ 10,820		\$ 788	
FULL CASH LAND	\$ 9,000	19.0%	\$ 1,710	0.5048%	\$ 9	
FULL CASH BLDG	\$ -	19.0%	\$ -			
FULL CASH PERSONAL PROPERTY	\$ 47,949	19.0%	\$ 9,110	0.2451%	\$ 22	
TOTAL	\$ 56,949		\$ 10,820		\$ 31	\$ 819

* Tax Rates for 2015 have not been published by Cochise County as yet.

Tax Year:	2014	2015	2016	2017	2018
CVP	\$ 40,500	\$ 44,805	\$ 51,305	\$ 54,605	\$ 56,949
Tax \$	\$ 584	\$ 645	\$ 738	\$ 785	\$ 819
FY:	2011	2012	2013	2014	2015 Est
Sales Total:	\$ 17,429	\$ 22,228	\$ 27,550	\$ 27,179	\$ 27,179
				2016 ACC Est	\$ 31,066

PARKER SPRINGS WATER CO.

DOCKET W-01853A-15-0145

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Acct No.	DESCRIPTION	Total
135	WIFA ACCG TRANS TO WIFA CHECKING 5137	18,360.00
135 Sum		18,360.00
408.11	REAL ESTATE TAX FULL YEAR	800.00
408.11 Sum		800.00
616	NO PROPANE PURCHASE ANTICIPATED 2015-16 SINCE USE OF WELL NO 1 WILL B	-
616 Sum		-
618	CHLORINE	56.65
618 Sum		56.65
620	HOSE NOZZLE & VALVE BOX REPLACEMENT PART FOR #2 CHLORINATOR PARTS FOR WELL #1 PLUMBING PARTS CHLORINATOR WELL #2 MORE ROBUST VALVE INSIDE WELL #2 PIT FILTER FOR CHLORINATOR BACKFLOW FILTER INSTALLATION CHLORINATOR REPAIR MARKING PAINT FOR BLUE STAKE	30.61 376.38 60.52 12.59 14.07 80.38 11.81 37.46 5.68 629.50
620 Sum		629.50
621	FILE ANNUAL REPORT MEMBERSHIP DUES STAMPS ENVELOPES MAIL YEAR END REPORTS MAIL INSURANCE PAPERS PAPER & TONER MAIL DOCKET WIFA BANK ACCT RETURN TO HUTCHINGS MAIL TPT LICENSE RENEWAL	10.00 94.80 220.50 10.77 2.59 6.98 139.97 13.15 4.09 7.19
621 Sum		510.00
630	OPERATOR SERVICE FEE LEAK DETECTION - INSTALL METER ON MAINLINE	2,100.00 779.09
630 Sum		2,879.09
635	MONITOR SYSTEM DURING SPAIN ABSENCE, REPLACE 1 METER, REPAIR 3 LEAKS COLIFORM TEST DISINFECTION BYPRODUCTS TTHNS & HAAS LEAD COPPER MAP PROGRAM 2016	1,525.99 4,404.68 300.00 300.00 200.00 342.52
635 Sum		6,873.19
641	USDA FS PERMIT PROPANE TANK RENTAL	126.00 59.32
641 Sum		185.32
657	GLATFELTER INSURANCE PKG, COMMERCIAL GENERAL LIABILITY & PROPERTY	750.00
657 Sum		750.00
Grand Total		26,838.71

Difference

Companly Projected

ACC Estimate

889.00

18,360.00

17,471.00

(344.00)

800.00

1,144.00

(444.00)

57.00

57.00

630.00

630.00

509.00

150.00

4,405.00

4,405.00

1,143.00

1,143.00

186.00

186.00

750.00

750.00

26,841.00

26,762.00

79.00

The Cigar Box Method

	2013	2014	2015	2016
Cash on Hand \$60.84 base				
Checking:	1115.01	548.63	216.22	840.18
Savings:	1457.93	1658.57	1559.19	759.83
WIFA dedicated:	2966.31	3278.38	3308.41	3331.77
Total Cash on hand:	5539.25	5485.58	5083.82	4931.78
Shrinkage		53.67	401.76	152.04
Projected Cash on Hand with increases				607.47
Base:	\$61.04	69.33	minus 1	69.33
Checking:	931.59	4732.39	3849.23	2966.51
Savings:	759.83	759.83	759.83	759.83
WIFA dedicated:	3331.77	3331.77	3331.77	3331.77
Total Cash on hand:	5023.19	8823.99	7940.83	7058.11

We understand that we would have more money with an increase. Besides the two that we believe would drop the water service there are several families going through stressful times. As a non-profit corporation we are dedicated to providing excellent service at as small a cost to the customer as possible.

These models assume a smaller water usage than normal and higher 620 & 630 amounts. The assumption is that accounts are paid in a manner consistent with our history.

Our model expenditures are a blend of ACC recommendations and projections from our experience. We ended up with only \$607 less cash on hand from 2013 to 2016.

Our business model keeps enough cash to cover at least one extra WIFA payment and enough cash to cover any customer prepayments and deposits.

Since we went to mainly solar power our generator repairs and propane costs have been drastically reduced. We have been spending some cash on leak detection. We hope to have water loss under control by the end of 2016.

675 Misc is an adjustment, not a real outlay

Parker Springs Water Company already actively monitors meter integrity and water loss. We experienced a spike in water loss a few years ago and have brought the percentage of loss down through monitoring and repair. We agree with the practice of recording legitimate water loss issues; if we had done that during the Test Year we would likely already be below the 10% loss target.

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We do not believe that the extra expense of having the paperwork available for the ACC will benefit our customers or the environment.

Leak Detection Program Tariff – BMP 4.1

PURPOSE

A program for the Company to systematically evaluate its water distribution system to identify and repair leaks (Modified Non-Per Capita Conservation Program Best Management Practice Category 4: Physical System Evaluation and Improvement 4.1 Leak Detection Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Company shall implement a comprehensive leak detection and repair program to attain and maintain a less than 10 percent unaccounted for water loss in its system(s). The program must include auditing procedures, in-field leak detection and repair efforts. The Company shall take whatever steps are necessary to ensure that its water system is operating at optimal efficiency.
2. On a systematic basis, at least every two years (annually for smaller systems), the Company shall inspect its water distribution system (to include hydrants, valves, tanks, pumps, etc. in the distribution system) to identify and repair leaks. Detection shall be followed by repair or in some cases replacement. Repair vs. replacement will depend upon site-specific leakage rates and costs.
3. Leak Detection efforts should focus on the portion of the distribution system with the greatest expected problems, including:
 - a. areas with a history of excessive leak and break rates;
 - b. areas where leaks and breaks can result in the heaviest property damage;
 - c. areas where system pressure is high;
 - d. areas exposed to stray current and traffic vibration;
 - e. areas near stream crossings; and,
 - f. areas where loads on pipe may exceed design loads.
4. The Company shall keep accurate and detailed records concerning its leak detection and repair/rehabilitation program and the associated costs. Records of repairs shall include: possible causes of the leak; estimated amount of water lost; and date of repair. These records shall be made available to the Commission upon request.
5. The Company shall maintain a complete set of updated distribution system maps.
6. The Company shall ensure that properly functioning (accurate) and appropriately sized meters are installed on all service and source connections. All meters 1-inch and smaller shall be inspected at least once every ten years or upon registering 1,000,000 gallons of

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usage, whichever comes first. Meters larger than 1-inch shall be inspected at least once every five years or upon registering 1,000,000 gallons of usage, whichever comes first.

7. The inspection will be accomplished by having the meter pulled and having a Company Technician physically inspect each meter and its fittings for leaks, registers which may have become loose or are not properly attached to the meter and could be under-registering or other broken parts which need repair. In addition, meters shall be randomly selected for flow testing to identify potentially under-registering meters.
8. The Company shall conduct a water audit annually which includes the following steps to determine how efficient each water system is operating and where the losses might be.
 - a. Use coordinated monthly source and service meter readings to calculate how much water enters and leaves the system during the 12 month review period.
 - b. Track and estimate any unmetered authorized uses.
 - c. Calculate the total amount of leakage using the following formula:
$$\text{Unaccounted for water (\%)} = \left[\frac{\text{(Production and/or purchased water minus metered use \& estimated authorized un-metered use)}}{\text{(Production and/or purchased water)}} \right] \times 100$$
 - d. Authorized un-metered uses may include firefighting, main flushing, process water for water treatment plants, etc. Water losses include all water that is not identified as authorized metered water use or authorized un-metered use.
 - e. Determine possible reasons for leakage, including physical leaks and unauthorized uses.
 - f. Analyze results to determine the improvements needed, such as, better accounting practices, leak survey or replacing old distribution pipes.
9. The Company shall keep accurate and detailed records concerning its annual water audit results. These records shall be made available to the Commission upon request.

Leak Detection Program Tariff – BMP 4.1**PURPOSE**

A program for the Company to systematically evaluate its water distribution system to identify and repair leaks (Modified Non-Per Capita Conservation Program Best Management Practice Category 4: Physical System Evaluation and Improvement 4.1 Leak Detection Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Company shall implement a comprehensive leak detection and repair program to attain and maintain a less than 10 percent unaccounted for water loss in its system(s). The program must include auditing procedures, in-field leak detection and repair efforts. The Company shall take whatever steps are necessary to ensure that its water system is operating at optimal efficiency.
2. On a systematic basis, at least every two years (annually for smaller systems), the Company shall inspect its water distribution system (to include hydrants, valves, tanks, pumps, etc. in the distribution system) to identify and repair leaks. Detection shall be followed by repair or in some cases replacement. Repair vs. replacement will depend upon site-specific leakage rates and costs.
3. Leak Detection efforts should focus on the portion of the distribution system with the greatest expected problems, including:
 - a. areas with a history of excessive leak and break rates;
 - b. areas where leaks and breaks can result in the heaviest property damage;
 - c. areas where system pressure is high;
 - d. areas exposed to stray current and traffic vibration;
 - e. areas near stream crossings; and,
 - f. areas where loads on pipe may exceed design loads.
4. The Company shall keep accurate and detailed records concerning its leak detection and repair/rehabilitation program and the associated costs. Records of repairs shall include: possible causes of the leak; estimated amount of water lost; and date of repair. These records shall be made available to the Commission upon request.
5. The Company shall maintain a complete set of updated distribution system maps.
6. The Company shall ensure that properly functioning (accurate) and appropriately sized meters are installed on all service and source connections. All meters 1-inch and smaller shall be inspected at least once every ten years or upon registering 1,000,000 gallons of usage, whichever comes first. Meters larger than 1-inch shall be inspected at least once every five years or upon registering 1,000,000 gallons of usage, whichever comes first.
7. The inspection will be accomplished by having the meter pulled and having a Company Technician physically inspect each meter and its fittings for leaks, registers which may have become loose or are not properly attached to the meter and could be under-registering or other broken parts which need repair. In addition, meters shall be randomly selected for flow testing to identify potentially under-registering meters.

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- Use coordinated monthly source and service meter readings to calculate how much water enters and leaves the system during the 12 month review period.
 - Track and estimate any unmetered authorized uses.
 - Calculate the total amount of leakage using the following formula:

$$\text{Unaccounted for water (\%)} = [(\text{Production and/or purchased water minus metered use \& estimated authorized un-metered use}) / (\text{Production and/or purchased water})] \times 100$$
 - Authorized un-metered uses may include firefighting, main flushing, process water for water treatment plants, etc. Water losses include all water that is not identified as authorized metered water use or authorized un-metered use.
 - Determine possible reasons for leakage, including physical leaks and unauthorized uses.
 - Analyze results to determine the improvements needed, such as, better accounting practices, leak survey or replacing old distribution pipes.
9. The Company shall keep accurate and detailed records concerning its annual water audit results. These records shall be made available to the Commission upon request.

Parker Springs Water Company is managed by a small volunteer group. We have had water loss issues which we have addressed and have improved. In 2009 we received a WIFA grant for performing a "study." The only value the company actually got was the opportunity to apply for a WIFA loan. If the grant had actually paid for work to find the leaks we would all be money ahead.

ACC is extremely concerned with *percentage of loss* and that concerns us as well. It should be noted, however, that the actual loss is not a large numbers since our water usage is very low.

We don't believe that the expensive application of paperwork will benefit our customers or the environment, but could result in extra costs to our customers and stress volunteers to the point of quitting. A management company, again, would be expensive for the customer base.

The current volunteer management has brought the company to a level of professionalism that rivals other larger water providers. This is from a comment made by a WIFA representative.

WATER SYSTEM TAMPERING TARIFF – BMP 5.2

PURPOSE

The purpose of this tariff is to promote the conservation of groundwater by enabling the Company to bring an action for damages or to enjoin any activity against a person who tampers with the water system.

REQUIREMENTS:

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission, specifically Arizona Administrative Code ("AAC") R14-2-410 and the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. In support of the Company's water conservation goals, the Company may bring an action for damages or to enjoin any activity against a person who: (1) makes a connection or reconnection with property owned or used by the Company to provide utility service without the Company's authorization or consent; (2) prevents a Company meter or other device used to determine the charge for utility services from accurately performing its measuring function; (3) tampers with property owned or used by the Company; or (4) uses or receives the Company's services without the authorization or consent of the Company and knows or has reason to know of the unlawful diversion, tampering or connection. If the Company's action is successful, the Company may recover as damages three times the amount of actual damages.
2. Compliance with the provisions of this tariff will be a condition of service.
3. The Company shall provide to all its customers, upon request, a complete copy of this tariff and AAC R14-2-410. The customers shall follow and abide by this tariff.
4. If a customer is connected to the Company water system and the Company discovers that the customer has taken any of the actions listed in No. 1 above, the Company may terminate service per AAC R14-2-410.
5. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

AAC R13-2-410 should be adequate to protect the water company. The tariff is extra paperwork that only raises the cost to the water company and eventually to the customers.

Customer High Water Use Inquiry Resolution Tariff – BMP 3.6

PURPOSE

A program for the Company to assist its customers with their high water-use inquiries and complaints (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.6: Customer High Water Use Inquiry Resolution).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Company shall handle high water use inquiries as calls are received.
2. Calls shall be taken by a customer service representative who has been trained on typical causes of high water consumption as well as leak detection procedures that customers can perform themselves.
3. Upon request by the customer or when the Company determines it is warranted, a trained Field Technician shall be sent to the customer's residence to conduct a leak detection inspection and provide the customer with water conservation measures. The leak detection inspection may consist of a meter read check for flow verification. If the on-site inspection is requested by the customer, the Commission approved meter re-read tariff fee shall apply.
4. The Company shall follow up in some way on every customer inquiry or complaint and keep a record of inquiries and follow-up activities.

Parker Springs Water Company is run by volunteer management. Paying for trained customer service representatives and trained field technicians is far beyond any amount of money we would ever be able to charge our customer base.

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Public Education Program Tariff

PURPOSE

A program for the Company to provide free written information on water conservation measures to its customers and to remind them of the importance of conserving water (Required Public Education Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Company shall provide two newsletters to each customer; one to be provided in the spring, the other in the fall. The goal of the letters is to provide timely information to customers in preparation of the hot summer months, and the cold winter months, in regards to their water uses. The Company shall remind customers of the importance of water conservation measures and inform them of the information available from the Company.
2. Information in the newsletters shall include water saving tips, home preparation recommendations for water systems/pipes, landscape maintenance issues for summer and winter, water cistern maintenance reminders and additional pertinent topics. Where practical, the Company shall make this information available in digital format which can be e-mailed to customers upon request or posted on the Company's website.
3. Communication channels shall include one or more of the following: water bill inserts, messages on water bills, Company web page, post cards, e-mails and special mailings of print pieces, whichever is the most cost-effective and appropriate for the subject at hand.
4. Free written water conservation materials shall be available in the Company's business office and the Company shall send information to customers on request.
5. The Company may distribute water conservation information at other locations such as libraries, chambers of commerce, community events, etc., as well.
6. The Company shall keep a record of the following information and make it available to the Commission upon request.
 - a. A description of each communication channel (i.e., the way messages will be provided) and the number of times it has been used.
 - b. The number of customers reached (or an estimate).
 - c. A description of the written water conservation material provided free to customers.

Parker Springs Water Company actively promotes good practices which protect the water system. "Newsletters" are sent with the water bill and by email to customers who have that option. Our systems serves secondary homes and it is likely that customers already receive a ton of paper from their primary water suppliers. We are a voluntary staff; forcing us to do the record keeping required in this tariff stresses our good will. If a voluntary staff is no longer available, a management company would greatly increase the cost of water to our individual customers. Customers might follow the example of others who have drilled their own wells or have opted not to have water service. Each lost customer increases the burden on the remaining customers. We lost 5 customers to the last rate increase (2 wells and 1 other opt out).

Revised 4-15-10

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Meter Repair and/or Replacement Tariff – BMP 4.2

PURPOSE

A program for the Company to systematically assess all in-service water meters (including Company production meters) in its water service area to identify under-registering meters for repair or replacement (Modified Non-Per Capita Conservation Program Best Management Practice Category 4: Physical System Evaluation and Improvement 4.2 Meter Repair and/or Replacement Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. On a systematic basis, the Company will inspect 100 percent of its 1-inch and smaller in-service water meters at least once every ten years for one of the following reasons (whichever occurs first):
 - a. A meter reading complaint is filed with the Company by a customer or Arizona Corporation Commission Staff,
 - b. A meter has registered 1,000,000 gallons of usage,
 - c. A meter has been in service for ten years.
2. Meters larger than 1-inch shall be inspected for one of the following reasons:
 - a. A meter reading complaint is filed with the Company by a customer or Arizona Corporation Commission Staff,
 - b. A meter has been in service for five years.
3. The inspection will be accomplished by having the meter pulled and having a Company Technician physically inspect each meter and its fittings for leaks, registers which may have become loose or are not properly attached to the meter and could be under-registering or other broken parts which need repair. In addition, meters shall be randomly selected for flow testing to identify potentially under-registering meters.
4. The Company shall also replace or reprogram any water meters that do not register in gallons. Upon the effective date of this tariff, the Company shall install all replacement meters with new:
 - a. 1-inch and smaller meters that register in 1 gallon increments,
 - b. 1-1/2-inch through 4-inch meters that register in 10 gallon increments, and
 - c. 6-inch and larger meters that register in 100 gallon increments.
5. The Company shall keep records of all inspected and replacement meters and make this information available to the Commission upon request.

Parker Springs Water Company has only 36 5/8x3/4" metered customers with median monthly usage of less than 400 gallons. RWAA showed us how to use a 5 gallon bucket to measure under-recording meters. So far we have replaced one meter using this method. We reject the notion that we should have to keep records for the Commission. Again, we are a volunteer staff already stressed by the amount of paperwork required to satisfy the ACC, ADEQ, USDA, WIFA, and Cochise County.

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Customer High Water Use Notification Tariff – BMP 3.7

PURPOSE

A program for the Company to monitor and notify customers when water use seems to be abnormally high and provide information that could benefit those customers and promote water conservation (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services Program 3.7: Customer High Water Use Notification).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Company shall track water usage for each customer and notify the customer if water use seems excessive for that particular billing for that time of the year.
2. The Company shall identify customers with high consumption and investigate each instance to determine the possible cause.
3. The Company shall contact the high water use customers via telephone, email, by mail or in person. The Company shall contact the customer as soon as practical in order to minimize the possible loss of water. The customer will not be required to do anything to receive this notification.
4. In the notification the Company shall explain some of the most common water usage problems and common solutions and points of contact for dealing with the issues.
5. In the notification, the customer will be reminded of at least the following water-saving precautions:
 - a. Check for leaks, running toilets, or valves or flappers that need to be replaced.
 - b. Check landscape watering system valves periodically for leaks and keep sprinkler heads in good shape.
 - c. Adjust sprinklers so only the vegetation is watered and not the house, sidewalk, or street, etc.
 - d. Continue water conservation efforts with any pools such as installing covers on pools and spas and checking for leaks around pumps.
6. In the notification, the customer will also be reminded of at least the following ordinary life events that can cause a spike in water usage:
 - a. More people in the home than usual taking baths and showers.
 - b. Doing more loads of laundry than usual.
 - c. Doing a landscape project or starting a new lawn.
 - d. Washing vehicles more often than usual.
7. The Company shall provide water conservation information that could benefit the customer, such as, but not limited to, audit programs, publications, and rebate programs.
8. The Company shall assist the customer in a self-water audit and assist the customer in determining what might be causing the high water usage as well as supply

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customer with information regarding water conservation and landscape watering guidelines. As part of the water audit the Company shall confirm the accuracy of the customer meter if requested to do so by the customer (applicable meter testing fees shall apply).

9. The type of notification, the timing of the notification (i.e., how long after high water use was discovered by the Company), and the criteria used for determining which customers are notified shall be recorded and made available to the Commission upon request.

There have been occasions when customers have small or large leaks. The small leaks are noted when meters are read and are out of line. Of course, we notify our neighbors of the possible problem. The large leaks are likely to empty our storage tank and are, of course, addressed immediately. Customers are encouraged to turn their meters off during periods of extended absence. Parker Springs Water Company might benefit from a tariff which requires customers to turn off meters or provide on-site monitoring during periods of absence longer than a week.

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Xeriscape Demonstration Garden Tariff – BMP 2.4

PURPOSE

A program for the Company to install and maintain a water efficient demonstration garden for the purpose of educating its customer base on low water-use landscaping (Modified Non-Per Capita Conservation Program BMP Category 2: Conservation Education and Training 2.4: Xeriscape Demonstration Garden).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Company shall design, construct and maintain a demonstration garden that shall include a large variety of low water use and native plants, shrubs and shade trees.
2. The demonstration garden shall include a walkway throughout the site and include interpretive signage and literature about low water use plants and water efficient landscape techniques.
3. The demonstration garden shall be open, free of charge, to the public during normal business hours and the _____ Saturday of each month.
4. Maps providing driving directions to the demonstration garden shall be available at the Company office, on the Company web-site, and shall be provided to each new customer upon establishment of service.
5. The Company shall work with the schools, including the universities, to continually upgrade the site with additional technologies and techniques.

This is so far beyond the resources of Parker Springs Water Company as to be laughable.

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Landscape Consultation (Residential and/or Non-residential) **Tariff – BMP 3.2**

PURPOSE

A program for the Company to promote water conservation by providing landscape consultation services to residential and non-residential customers (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.2: Landscape Consultations (Residential and/or Non-residential)).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Company or its designated provider shall offer landscape consultations to residential and non-residential customers. The consultations shall include, but are not limited to the following:
 - a. Irrigation system evaluation.
 - b. Controller programming/irrigation scheduling.
 - c. Information about low water use plants, trees, and shrubs.
 - d. Information about converting to xeriscape/turf conversion possibilities.
 - e. Information about related programs (i.e., rebates for turf removal/ converting to xeriscape) if available will be offered during the consultation.
 - f. As part of the consultation, and if requested to do so by the customer, the Company shall confirm the accuracy of the customer meter (applicable meter testing fees shall apply).
2. During the consultation, the Company or its designated provider shall provide either on-site written suggestions or on-site verbal suggestions with written follow-up.
3. The Company shall keep a record of the following information and make it available to the Commission upon request.
 - a. A description of the landscape consultation information provided to customers.
 - b. The number of landscape consultations provided to customers.
 - c. Costs of the Landscape Consultation Program.

Considering the size of Parker Springs Water Company and the limited resources available this is not a viable program. Customers have maintained a mostly natural landscape. Management has encouraged limbing-up trees and brush removal for fire suppression.