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Phoenix, Arizona 85020
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4 Attorney for Turner Ranches Water and Sanitation Company

6 **BEFORE THE ARIZONA CORPORATION COMMISSION**

8 IN THE MATTER OF THE APPLICATION
9 OF TURNER RANCHES WATER AND
SANITATION COMPANY FOR
10 AUTHORITY TO (1) ISSUE EVIDENCE OF
INDEBTEDNESS IN AN AMOUNT NOT TO
11 EXCEED \$450,000 IN CONNECTION WITH
CAPITAL IMPROVEMENTS; AND (2)
12 ENCUMBER ITS REAL PROPERTY AND
PLANT AS SECURITY FOR SUCH
13 INDEBTEDNESS.

DOCKET NO: W-01677A-16-0074

Arizona Corporation Commission

DOCKETED

OCT 06 2016

DOCKETED BY *[Signature]*

14 IN THE MATTER OF THE APPLICATION
15 OF TURNER RANCHES WATER AND
SANITATION COMPANY, AN ARIZONA
16 CORPORATION, FOR A
DETERMINATION OF THE FAIR VALUE
17 OF ITS UTILITY PLANTS AND
PROPERTY AND FOR INCREASES IN ITS
18 WATER RATES AND CHARGES FOR
UTILITY SERVICE BASED THEREON.

DOCKET NO: W-01677A-16-0076

NOTICE OF COMPLIANCE

20 Turner Ranches Water and Sanitation Company ("Company") hereby files this
21 Notice of Compliance pursuant to Decision No. 75746 (September 19, 2016).

22 On September 30, 2016, the Company mailed to its customers the notice setting forth
23 the authorized rates and charges, and generally explaining the loan surcharge. The Affidavit
24 of Judy A. Lopez is attached as **Exhibit A**.

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RESPECTFULLY SUBMITTED this 6th day of October, 2016.

SHAPIRO LAW FIRM, P.C.

By: _____


Jay L. Shapiro
1819 E. Morten Avenue, Suite 280
Phoenix, AZ 85020
jay@shapslawaz.com

ORIGINAL and one (1) copy
of the foregoing were delivered
this 6th day of October, 2016, to:

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

COPY of the foregoing was hand-delivered
this 6th day of October, 2016, to:

Scott Hesla, ALJ
Hearing Division
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007

COPY of the foregoing was emailed & hand-delivered
this 6th day of October, 2016, to:

Charles Hains
Matthew Laudone
Legal Division
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007
chains@azcc.gov
mlaudone@azcc.gov

By: Whitney Bink

EXHIBIT A

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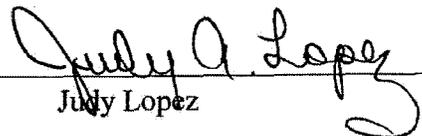
AFFIDAVIT OF JUDY A. LOPEZ

Judy A. Lopez, being duly sworn, deposes and says:

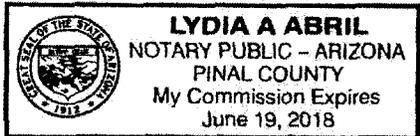
1. I am a resident of Maricopa County, over 18 years of age, and make this affidavit based on my own personal knowledge.

2. I am President and General Manager of First National Management, Inc., which manages Turner Ranches Water and Sanitation Company ("Turner Ranches" or "Company").

3. Pursuant to Decision No. 75746 (September 19, 2016), on September 30, 2016 Turner Ranches mailed to its customers, CF Superstition Springs Arcis LLC c/o Superstition Springs Golf Club, Leisure World Community Association (Attn. Accounting Finance), Mariposa Gardens/0236, Mariposa Gardens Memorial Park, Superstition Springs – Community Master Association, and Superstition Springs Corporate Office, the notice regarding the authorized rates and charges for Turner Ranches and their effective date, and generally explaining the loan surcharge, which is estimated to be \$5.70 per customer per month with an anticipated effective date of approximately January 1, 2017. The notice, previously approved by Staff, is attached as **Exhibit 1.**


Judy Lopez

SUBSCRIBED and sworn to before me this 6 day of October, 2016.




Notary Public

My Commission Expires: June 19, 2018

EXHIBIT 1

TURNER RANCHES WATER AND SANITATION COMPANY

Docket Nos. W-01677A-16-0074 and W-01677A-16-0076 (consolidated)

NEW RATES

Effective October 1, 2016

On March 2, 2016, Turner Ranches Water and Sanitation Company (the "Company") filed a rate application with the Arizona Corporation Commission ("Commission"). The Company requested a rate increase that would produce a just and reasonable rate of return. The Company also filed a financing application, and in the rate proceeding sought approval of a debt surcharge recovery mechanism to provide the funds necessary to repay the debt service on a loan of \$450,000. At the conclusion of the rate proceeding, the Commission issued Decision No. 75746, authorizing rate increases for the Company as set forth herein and granting the Company's request for a loan surcharge. **Before the loan surcharge, the monthly bill for the typical unmetered residential irrigation customer will increase by \$4.40, from \$22.14 to \$26.54, for an increase of 19.87 percent.**

Loan Surcharge

The Company will apply to the Commission to implement a loan surcharge to generate sufficient cash flow for the Company to meet its financial obligation under the terms of the loan. The surcharge is expected to go into effect on approximately January 1, 2017, and is **estimated** to be \$5.70 per customer per month. Upon application by the Company, the surcharge amount will be calculated based on the actual terms of the loan at closing. Once the Commission approves the surcharge amount it will be added to each customer bill each month on a going forward basis.

The following schedule of rates and charges is effective October 1, 2016:

<u>UNMETERED IRRIGATION SERVICE</u>	
	<u>Charge</u>
Residential Irrigation Service – Flat Rate – Per Month	\$26.54
Residential Irrigation Service – Per Acre – Per Year	\$936.77
<u>Private Fire Protection</u>	
Flat Rate Per Inch in Diameter of Service Connection – Per Month	\$22.18

<u>METERED IRRIGATION SERVICE</u>	
	<u>Monthly Usage Charge</u>
1 1/2" Meter	\$133.17
2" Meter	\$133.17
3" Meter	\$133.17
4" Meter	\$133.17
6" Meter	\$133.17
8" Meter	\$133.17
10" Meter	\$133.17
Commodity Charge (per 1,000 gallons)	\$0.98

<u>METERED CONSTRUCTION WATER</u>	
	<u>Monthly Usage Charge</u>
1" Meter	\$39.61
2" Meter	\$115.48
Commodity Charge (per 1,000 gallons)	\$2.03

TURNER RANCHES WATER AND SANITATION COMPANY

Docket Nos. W-01677A-16-0074 and W-01677A-16-0076 (consolidated)

NEW RATES

Effective October 1, 2016

MONTHLY LOAN SURCHARGE (All Customers)	To Be Determined
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SERVICE LINE AND METER INSTALLATION CHARGES (Refundable pursuant to A.A.C. R14-2-405)		
	<u>Service Line</u> <u>Charges</u>	<u>Meter Installation</u> <u>Charges</u>
5/8" x 3/4" Meter	At Cost	At Cost
3/4" Meter	At Cost	At Cost
1" Meter	At Cost	At Cost
1 1/2" Meter	At Cost	At Cost
2" Meter (Turbo & Compound)	At Cost	At Cost
3" Meter (Turbo & Compound)	At Cost	At Cost
4" Meter (Turbo & Compound)	At Cost	At Cost
6" Meter (Turbo & Compound)	At Cost	At Cost
8" Meter & Larger	At Cost	At Cost

OTHER SERVICE CHARGES	
Establishment	\$20.00
Reconnection (Delinquent)	20.00
Meter Test (if correct)	25.00
Deposit	*
Deposit Interest	*
Re-establishment (within 12 months)	**
NSF Check	\$15.00
Deferred Payment	***
Meter Re-Read (if correct)	\$15.00
Late Payment Penalty	1.50%
After Hours Service Charge (customer request)	\$50.00
Moving Customer Meter (customer request)	At Cost
* Per A.A.C R14-2-403(B). ** Months off system times monthly minimum charge per A.A.C. R14-2-403(D). ***2.00% of monthly minimum for the comparable sized meter connection, but no less than \$10.00 per month. The service charge for fire sprinklers is only applicable for service lines separate and distinct from the primary water service line.	

In addition to the collection of its regular rates, the Company shall collect from its customers a proportionate share of any privilege, sales or use tax pursuant to R14-2-409(D).

If you have any questions regarding this Notice, please contact:

Turner Ranches Water and Sanitation Company
3880 S. De Niza Road
Apache Junction, Arizona 85119
Phone no: 480-677-6080