

Applies to all WATER service areas  
STATEMENT OF CHARGES

In Decision Nos. 73573 (November 21, 2012) and 73993 (July 16, 2013), the Commission approved the following rates and charges **effective July 16, 2013**:

WATER DIVISION RATES

Monthly Minimum Charge (All Classes)

<u>Meter Size</u>	<u>Charge<sup>1</sup></u>
5/8" x 3/4" Meter	\$ 7.39
3/4" Meter	11.09
1" Meter	21.12
1 1/2" Meter	36.96
2" Meter	59.14
3" Meter	137.28
4" Meter	184.80
6" Meter	369.60
Irrigation	180.00

<sup>1</sup> The Commission authorized the Company to implement a monthly surcharge of \$0.33 per customer for the water division, and a surcharge of \$0.33 per customer for the wastewater division. Each surcharge shall remain in place for either: (1) a period of 60 months, or (2) until the division has collected \$200,000 in rate case expense recovery, whichever comes first.

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Commodity Charge (per 1,000 gallons)

<u>Meter Size</u>	<u>Consumption</u>	<u>Charge</u>
5/8" x 3/4" Meter (Residential)	1 gallon - 4,000 gallons	\$0.71
	4,001 - 10,000 gallons	1.01
	Over 10,000 gallons	1.45
3/4" Meter (Residential)	1 gallon - 4,000 gallons	\$0.71
	4,001 - 10,000 gallons	1.01
	Over 10,000 gallons	1.45
3/4" Meter (Commercial)	First 10,000 gallons	\$1.01
	Over 10,000 gallons	1.45
	1" Meter (Residential & Commercial)	First 30,000 gallons
	Over 30,000 gallons	1.45
1 1/2" Meter (Residential & Commercial)	First 65,000 gallons	\$1.01
	Over 65,000 gallons	1.45
2" Meter (Residential & Commercial)	First 110,000 gallons	\$1.01
	Over 110,000 gallons	1.45
3" Meter (Residential & Commercial)	First 275,000 gallons	\$1.01
	Over 275,000 gallons	1.45

Issued: November 1, 2016

ISSUED BY:

Effective: July 16, 2013

Steven Soriano, Vice President & General Manager  
Pima Utility Company  
9532 E. Riggs Road  
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<u>Meter Size</u>	<u>Consumption</u>	<u>Charge</u>
4" Meter (Residential & Commercial)	First 375,000 gallons	\$1.01
	Over 375,000 gallons	1.45
6" Meter (Residential & Commercial)	First 800,000 gallons	\$1.01
	Over 800,000 gallons	1.45
Irrigation (all meter sizes)		\$0.55
Construction/Standpipe		\$1.45

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Service Line and Meter Installation Charges  
 (Refundable pursuant to A.A.C. R14-2-405)

<u>Meter Size</u>	<u>Service Line</u>	<u>Meter</u>	<u>Total</u>
5/8 x 3/4" Meter	\$ 385.00	\$ 135.00	\$ 520.00
3/4" Meter	415.00	205.00	620.00
1" Meter	465.00	265.00	730.00
1 1/2" Meter	520.00	475.00	995.00
2" Turbine Meter	800.00	995.00	1,795.00
2" Compound Meter	800.00	1,840.00	2,640.00
3" Turbine Meter	1,015.00	1,620.00	2,635.00
3" Compound Meter	1,135.00	2,495.00	3,630.00
4" Turbine Meter	1,430.00	2,570.00	4,000.00
4" Compound Meter	1,610.00	3,545.00	5,155.00
6" Turbine Meter	2,150.00	4,925.00	7,075.00
6" Compound Meter	2,270.00	6,820.00	9,090.00

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Miscellaneous Service Charges

<u>Service</u>	<u>Charge</u>
Establishment	\$25.00
Re-Establishment (within 12 months)	*
Reconnection (Delinquent)	\$25.00
Meter Test (if correct)	20.00
Meter Re-Read (if correct)	25.00
Deposit	**
Deposit Interest	**
NSF Check	\$15.00
Deferred Payment, per month	1.50%
Late Payment Fee, per month	1.50%
After Hours Service Charge (at customer's request)	\$50.00

\* Number of months off the system times the monthly minimum.

\*\* Per A.A.C. R14-2-403(B).

IN ADDITION TO COLLECTION OF ITS REGULAR RATES AND CHARGES, THE COMPANY SHALL COLLECT FROM ITS CUSTOMERS A PROPORTIONATE SHARE OF ANY PRIVILEGE, SALES OR USE TAX PER A.A.C. R14-2-409(D).

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9532 E. Riggs Road  
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# ORIGINAL

PIMA UTILITY COMPANY  
TARIFF SCHEDULE

Docket No. W-02199A-16-0421 & SW-02199A-16-0422

In Decision No. 76540, the Commission approved the following rates and charges effective January 1, 2018:

### WASTEWATER DIVISION

**SURCHARGE** Per Month \$0.247<sup>1</sup>

#### **MONTHLY USAGE CHARGE (All Classes)**

Meter Size	Charge
5/8" x 3/4" Meter	\$ 26.84
3/4" Meter	41.72
1" Meter	70.06
1 1/2" Meter	138.54
2" Meter	221.21
3" Meter	429.45
4" Meter	671.02
6" Meter	1,278.14

#### **EFFLUENT SALES**

	Charge
Monthly Minimum	\$184.50
Charge Per 1,000 gallons	0.52

#### **RECOVERED EFFLUENT SALES**

	Charge
Monthly Minimum	\$184.50
Charge Per 1,000 gallons	0.52

#### **MISCELLANEOUS SERVICE CHARGES**

Service	Charge
Establishment	\$25.00
Re-Establishment (within 12 months)	*
Deferred Payment (per month)	1.50%
Deposit	**
Deposit Interest	**
NSF Check [a]	\$15.00
Meter Re-read	\$20.00
Late payment (per month)***	1.50%
Reconnection (delinquent)	\$25.00
After Hours Service Charge (at customer's request) [b]	\$50.00

\* Number of months off the system times the applicable sewer charges.  
\*\*Per A.A.C. R14-2-603.B.7 and 603.B.3.  
\*\*\*Per A.A.C. R14-2-608.F.  
[a] Company may only charge one NSF fee when customer is billed for water and sewer services on one bill and when the customer pays their bill with one check.  
[b] The after-hours charge shall apply to any service requested by the customer or for the customer's convenience that is performed by the Company after regular business hours and shall be in addition to the regular business hours service charge.

APPROVED FOR FILING

DECISION #: 76540

<sup>1</sup> In Decision No. 76540 the Commission authorized the Company to recover its rate case expense amounts of \$150,000 per division by applying a surcharge of \$0.244 to each water customer bill, and \$0.247 to each wastewater customer bill. The surcharge takes effect January 1, 2018. The surcharge will remain in place for either (1) a period of 60 months or (2) until the Company has collected \$150,000 per division in rate case expense recovery, whichever occurs sooner.

## PIMA UTILITY COMPANY

### PLAN OF ADMINISTRATION FOR PURCHASED POWER ADJUSTMENT MECHANISM

#### **I. GENERAL DESCRIPTION.**

This document is the Plan of Administration ("POA") for the Purchased Power Adjustment Mechanism ("PPAM") for Pima Utility Company ("Pima" or "Company") approved by the Arizona Corporation Commission ("Commission") in Decision No. 76540 on January 3, 2018. The PPAM allows Pima to pass through to its customers the increase or decrease in purchased power costs that result from a rate change for any electric service provider supplying retail electric service to the Company.

#### **II. PPAM RELATED FILINGS.**

**A.** Within 60 days of the effective date of a Commission Decision authorizing a rate change in the approved tariffs for any electric service provider supplying retail electric service to the Company, the Company shall file with Docket Control an analysis of the actual impact on the energy portion of the Company's electric service costs.

**B.** The Company will provide the Commission with spreadsheets detailing exactly how the Company's purchased power expenses were calculated in the time period prior to a change in the rate that the Company must pay for purchased power. These calculations will include basic service charges and rate and volume figures. That is, the Company will break down its total purchased power bill into the amount due to fixed fees, volume of electricity used, and the rates paid per unit of electricity. For the period following the rate change, the Company will provide the same information, then compare the two periods, isolating any change in purchased power cost that is due exclusively to a rate change. The specific intent is to show exactly how much of any increase or decrease is due to changes in rates beyond the Company's control and how much is due to a change in the amount of power that the Company consumes. The Company will only recover increases or refund decreases that are due to changes in rates.

**C.** All revised schedules filed with the Commission pursuant to the provisions of this PPAM will be accompanied by documentation prepared by the Company in a format approved by Utilities Division Staff of the Commission and will contain sufficient detail to enable the Commission to verify accuracy of the Company's calculations.

**D.** The surcharges will not become effective until approved by the Commission.

E. The Company will file annually with the Commission a report detailing the Company's purchased power costs and any conservation or power-shifting measures employed by the Company.

F. The Company shall provide notice (in a form acceptable to Staff) of the rate increases to customers with the bill where the rate increase first appears.

### III. APPLICATION TO WATER AND SEWER CUSTOMERS.

A. The increase or decrease in purchased power costs that are due to changes in rates at the Company's water and sewer facilities will be allocated on a per capita basis.

B. See the following example:

<i>Test Year</i>			<i>Current Year</i>	
<b>Purchased Power Rate</b>		<b>\$0.0800</b>	<b>Rate</b>	<b>\$0.1000</b>
<b>Kilowatt Hours Used</b>	<b>1,250,000</b>		<b>Kilowatt Hours Used</b>	<b>1,250,000</b>
<b>Purchased Power Expense</b>	<b>\$100,000</b>		<b>Purchased Power Expense</b>	<b>\$125,000</b>



**PIMA UTILITY COMPANY**

**PLAN OF ADMINISTRATION FOR  
PROPERTY TAX ADJUSTMENT MECHANISM**

**I. GENERAL DESCRIPTION.**

This document is the Plan of Administration ("POA") for the Property Tax Adjustment Mechanism ("PTAM") for Pima Utility Company ("Pima" or "Company") approved by the Arizona Corporation Commission ("Commission") in Decision No. 76540 on January 3, 2018. The PTAM allows Pima to pass through to its customers the increase or decrease in property taxes that results from a change in the applicable assessment ratio and/or property tax rates.

**II. PTAM RELATED FILINGS.**

A. Within 60 days of the effective date of a change in the assessment ratio and/or property tax rates applicable to the Company, the Company shall file with Docket Control an analysis of the actual impact on the Company's property tax expenses.

B. The Company will provide the Commission with spreadsheets detailing exactly how the Company's property tax expenses were calculated in the time period prior to a change in the assessment ratio and/or property tax rate that affects the Company's property tax expenses. These calculations will include the assessment ratio, the property tax rates, and the value of the property that was taxed. For the period following the change(s), the Company will provide the same information, then compare the two periods, isolating any change in property tax expense that is due exclusively to changes in the assessment ratio and/or property tax rates. The specific intent is to show exactly how much of any increase or decrease in property tax expense is due to changes in the assessment ratio and tax rates beyond the Company's control and how much is due to changes in the value of the property the Company owns. The Company will only recover increases or refund decreases that are due to changes in the assessment ratio and tax rates.

C. All revised schedules filed with the Commission pursuant to the provisions of this PTAM will be accompanied by documentation prepared by the Company in a format approved by Utilities Division Staff of the Commission and will contain sufficient detail to enable the Commission to verify accuracy of the Company's calculations.

D. The surcharges will not become effective until approved by the Commission.

E. The Company will file annually with the Commission a report detailing the Company's property tax expenses.

F. The Company shall provide notice (in a form acceptable to Staff) of the rate increases to customers with the bill where the rate increase first appears.

### III. APPLICATION TO WATER AND SEWER CUSTOMERS.

A. The increase or decrease in property tax expenses that are due to changes in the assessment ratio and/or property tax rates at the Company's water and sewer facilities will be allocated on a per capita basis.

B. See the examples on the next page:

### Change in Assessment Ratio Example

<i>Test Year</i>	
Assessment Ratio	20.00%
Property Full Cash Value	\$10,000,000
Assessed Valuation	\$2,000,000



<i>Current Year</i>	
Assessment Ratio	21.00%
Property Full Cash Value	\$10,000,000
Assessed Valuation	\$2,100,000

<i>Change in Assessed Valuation</i>	
Current Year Assessed Valuation	\$2,100,000
Test Year Assessed Valuation	\$2,000,000
Increase in Assessed Valuation Due to Increase in Assessment Ratio	\$100,000

<i>Test Year</i>	
Total Property Tax Rate	10.00%
Assessed Valuation	\$2,000,000
Property Tax Expense	\$200,000

<i>Current Year</i>	
Total Property Tax Rate	10.00%
Assessed Valuation	\$2,100,000
Property Tax Expense	\$210,000

### Change in Total Property Tax Rate Example

<i>Test Year</i>	
Total Property Tax Rate	10.00%
Assessed Valuation	\$2,000,000
Property Tax Expense	\$200,000



<i>Current Year</i>	
Total Property Tax Rate	11.00%
Assessed Valuation	\$2,000,000
Property Tax Expense	\$220,000

APPROVED FOR FILING  
DECISION #: 76540