

ORIGINAL

COMMUNITY WATER COMPANY OF GREEN VALLEY

DOCKET NO. W-02304A-15-0263

TARIFF

Issued: August 19, 2016

ISSUED BY:

Effective: September 1, 2016

Arturo Gabaldon, President
Community Water Company of Green Valley
1501 S. La Canada Drive
Green Valley, AZ 85622

APPROVED FOR FILING
75699
DECISION #: 75861

Applies to all Water Service Areas

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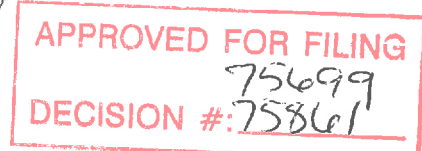
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Community Water Company of Green Valley
1501 S. La Canada Drive
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Applies to all Water Service Areas**I. RATES**

In Opinion and Order No. 75699 (August 19, 2015), the Commission approved the following rates and charges to become effective September 1, 2016.

A. Monthly Usage Charge (i.e., Monthly Availability Charge)

<u>Meter Size, Inches</u> All Customers	<u>Usage Included in</u> <u>Minimum Charge</u> Gallons	<u>Minimum</u> <u>Charge</u> Per Month
5/8" x 3/4" Meter (All classes)	-0-	\$ 15.87
3/4" Meter (All Classes)	-0-	21.59
1" Meter (All Classes)	-0-	33.25
1-1/2" Meter (All Classes)	-0-	55.82
2" Meter (All Classes)	-0-	92.52
3" Meter (All Classes)	-0-	145.75
4" Meter (All Classes)	-0-	552.76
6" Meter (All Classes)	-0-	898.24
8" Meter (All Classes)	-0-	\$1,381.90
Construction Water Meter	-0-	According To Meter Size Charges Listed Above

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Applies to all Water Service Areas**B. Commodity Charges****The rate for use will be at the following rate per 1,000 gallons:**

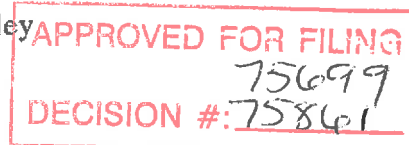
<u>Customer</u>	<u>Meter Size</u>	<u>Consumption</u>	<u>Rate</u>
Residential	5/8" x 3/4"	0 to 3,000 Gallons	\$1.40
		3,001 to 10,000 Gallons	\$2.79
		Over 10,000 Gallons	\$3.82
Residential	3/4"	0 to 3,000 Gallons	\$1.40
		3,001 to 10,000 Gallons	\$2.79
		Over 10,000 Gallons	\$3.82
Non-Residential	5/8" x 3/4"	0 to 10,000 Gallons	\$2.79
		Over 10,000 Gallons	\$3.82
Non-Residential	3/4"	0 to 10,000 Gallons	\$2.79
		Over 10,000 Gallons	\$3.82
All Classes Except Construction	1"	0 to 21,000 Gallons	\$2.79
		Over 21,000 Gallons	\$3.82
All Classes Except Construction	1 1/2"	0 to 35,000 Gallons	\$2.79
		Over 35,000 Gallons	\$3.82
All Classes Except Construction	2"	0 to 63,000 Gallons	\$2.79
		Over 63,000 Gallons	\$3.82

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All Classes	3"	0 to 103,000 Gallons	\$2.79
Except Construction		Over 103,000 Gallons	\$3.82
All Classes	4"	0 to 424,000 Gallons	\$2.79
Except Construction		Over 424,000 Gallons	\$3.82
All Classes	6"	0 to 680,000 Gallons	\$2.79
Except Construction		Over 680,000 Gallons	\$3.82
All Classes	8"	0 to 1,050,000 Gallons	\$2.79
Except Construction		Over 1,050,000 Gallons	\$3.82
Construction Water ¹	(All Meter Sizes)	0 to 1,050,000 Gallons	\$2.79
		Over 1,050,000 Gallons	\$3.82

C. Monthly Service Charge For Fire Sprinkler

6" Or Smaller	\$10.00
8"	\$15.00
10"	\$22.50
Larger Than 10"	\$33.75

¹ Construction water service shall be provided as an "as available" basis and is subject to interruption if such service would adversely impact the water systems operation

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II. TAXES AND ASSESSMENTS

In addition to the collection of regular rates, the utility will collect from its customers a proportionate share of any privilege, sales, use and franchise tax. This is per Commission Rule (A.A.C. R14-2-409.D.5). All advances and/or contributions are to include labor, materials, overheads and all applicable taxes (e.g., all gross-up taxes for income taxes).

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Applies to all Water Service Areas**III. SERVICE CHARGES**

- | | |
|---|---|
| A. Establishment Of Service (per rule A.A.C. R14-2-403(D))
(new customer charge, in addition to D, F, Q and S below when applicable) | \$25.00 |
| B. Reconnection (Delinquent) | \$25.00 |
| C. Meter Test (If Correct) | \$20.00 |
| D. Deposit | Residential – two times the average bill

Non-Residential – two and one-half times the average bill |

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Applies to all Water Service Areas

E. Hydrant Meter Deposits² (shall be refunded in its entirety upon return of the undamaged meter)

5/8" x 3/4" Meter	\$155.00
3/4" Meter	\$225.00
1" Meter	\$315.00
1-1/2" Meter	\$525.00
2" Turbine Meter	\$1,045.00
2" Compound Meter	\$1,890.00
3" Turbine Meter	\$1,670.00
3" Compound Meter	\$2,545.00
4" Turbine Meter	\$1,737.00
4" Compound Meter	\$3,645.00
6" Turbine Meter	\$3,766.00
6" Compound Meter	\$6,920.00
8"	Cost
10"	Cost
12"	Cost

F. Deposit Interest	6.00% (Per A.A.C. R14-2-403(B))
G. Reestablishment (Within 12 Months)	Minimum charge times months off the system
H. Reestablishment (Within 12 Months After-Hours)	Minimum charge times months off the system
I. NSF Check	\$25.00
J. Meter Re-Read (If Correct)	\$10.00

² Costs per Sheet 10.

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K. After-Hours Service Charge (Per R14-2-403.D)	\$10.00
L. Late Payment Penalty	1.50% / Month (See Notes Below) ³
M. Deferred Payment (Per R14-2-409(G))	1.50% / Month
N. Moving Meter At Customer Request (Per R14-2-405(B))	\$20.00
O. Meter Tampering Charge	Cost
P. Meter Box – Cut Lock Charge	Cost

³ Bills for utility services are due and payable when rendered. Any payment not received within fifteen (15) days from the date the bill was rendered shall be considered delinquent and subject to the termination policy set forth in the Company's rate tariff. All Late Payment Charges shall be billed on the customer's next regularly scheduled billing. If the customer fails to pay the Late Payment Charge by the due date on the next billing, the customer will receive a ten (10) day termination notice. If the customer does not pay the Late Payment Charges by that date the service will be terminated. Service shall be terminated only for that service for which the customer is delinquent or is in violation of other Tariff or Rule provisions. All customers whose service is terminated for failure to pay the Late Payment Charges are subject to the Company's reconnection charges set forth in the Company's tariff. This charge shall not apply if the customer has arranged for a Deferred Payment Plan.

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Q. Payment Via VISA Charge Card (Cost Up To 6% Service Charge On Bill Paid)	Cost
R. After-Hours Service Charge	\$40.00 ⁴

⁴ For service problem found to be on Customer's side of the meter, Company will not repair problem.

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S. Service Line And Meter Installation Charges⁵
(Refundable Per A.C.C. R14-2-405).

	Service Line	Meter Installation	Total
5/8" x 3/4 "	\$ 445.00	\$ 155.00	\$ 600.00
3/4 " Meter	445.00	225.00	670.00
1" Meter	495.00	315.00	810.00
1-1/2" Meter	550.00	525.00	1,075.00
2" Turbine	830.00	1,045.00	1,875.00
2" Compound	830.00	1,890.00	2,720.00
3" Turbine	1,045.00	1,670.00	2,715.00
3" Compound	1,165.00	2,545.00	3,710.00
4" Turbine	1,490.00	1,737.00	3,227.00
4" Compound	1,670.00	3,645.00	5,315.00
6" Turbine	2,210.00	3,766.00	5,976.00
6" Compound	2,330.00	6,920.00	9,250.00
8"	Cost	Cost	Cost
10"	Cost	Cost	Cost
12"	Cost	Cost	Cost

T. Main Extension Tariff (Per A.A.C. R14-2-406.B) Cost⁶

⁵ On the customer's side of the water meter, the customer will be responsible for the design, installation, maintenance and operations of the service line. Costs per Sheet No. 10.

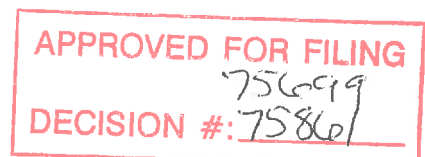
⁶ Costs per Sheet No. 10.

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Arturo Gabaldon, President
Community Water Company of Green Valley
1501 S. La Canada Drive
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ORIGINAL

Company: Community Water Company of Green Valley

Decision No. 72489

Phone: (520) 625-8409

Effective Date: July 25, 2011

Adult Education and Training Programs Tariff – BMP 2.1

PURPOSE

A program for the Company to implement adult education and training programs which promote water conservation and the need to conserve (Modified Non-Per Capita Conservation Program BMP Category 2: Conservation Education and Training 2.1: Adult Education and Training Programs).

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. Programs shall include a combination of efforts to provide adults within the Company's service area with hands-on training. This shall include free workshops (held at least twice annually) that emphasize water efficient outdoor landscaping for homeowners and landscape professionals. Programs shall target homeowners, landscape professionals and non-residential users in the Company's service area.
2. The Company shall make available at no charge to its customers free pamphlets covering water conservation, reclaimed water, leak detection, irrigation, landscape design and low water use plants. This literature shall be available at Company offices during regular business hours, at model home sites, libraries, chambers of commerce, at the Company provided workshops, and at community events.
3. The Company shall make available Self-Audit Kits and Guides for homeowners in its service area.
4. The Company shall keep a record of the following information and make it available to the Commission upon request.
 - a. A description of the adult conservation education process implemented.
 - b. The number of customers reached (or an estimate).
 - c. A description of the written material and hands-on training provided free to customers.
 - d. Implementation costs of the adult education and training programs.

APPROVED FOR FILING

DECISION #: 72489

ORIGINAL

Company: Community Water Company of Green Valley

Decision No. 72489

Phone: (520) 625-8409

Effective Date: July 25, 2011

New Homeowner Landscape Information Tariff – BMP 2.3

PURPOSE

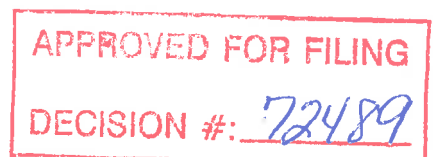
A program for the Company to promote the conservation of water by providing a landscape information package for the purpose of educating its new customers about low water use landscaping (Modified Non-Per Capita Conservation Program BMP Category 2: Conservation Education and Training 2.3: New Homeowner Landscape Information).

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. Upon establishment of water service the Company shall provide a free "Homeowner Landscape Packet" to each new customer in the Company's service area. The packet will include at a minimum: a cover letter describing the water conservation expectations for all customers in the Company's service area, all applicable tariffs, a basic interior-exterior water saving pamphlet, xeriscape landscape information, and information on where to find low water use plant lists, watering guidelines, and a rain water harvesting pamphlet.
2. Upon customer request, the Company shall provide:
 - a. On-site consultations on low water use landscaping and efficient watering practices.
 - b. A summary of water saving options.
3. The number of packets provided to new customers will be recorded and made available to the Commission upon request.

Revised: 5-2-11



ORIGINAL

Company: Community Water Company of Green Valley

Decision No. 72489

Phone: (520) 625-8409

Effective Date: July 25, 2011

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.

APPROVED FOR FILING

DECISION #: 72489

ORIGINAL

Company: Community Water Company of Green Valley

Decision No. 72489

Phone: (520) 625-8409

Effective Date: July 25, 2011

Evaluation of New and Emerging Technologies and Practices Tariff
- BMP 7.3

PURPOSE

A program for the Company to evaluate new and emerging technologies and practices that promote the conservation of water (Modified Non-Per Capita Conservation Program BMP Category 7: Research/Innovation Program 7.3: Evaluation of New and Emerging Technologies and Practices).

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 evaluate new technologies and practices that promote the conservation of water to determine the economic and technical feasibility of implementing these new technologies and practices in its service area.
2. The Company shall remain current on new products, advice, and innovations through on-going communication with manufacturers of state of the art water conservation technologies, other water providers, landscape watering equipment providers and landscape providers and experts.
3. Prior to evaluating a new technology or practice the Company shall file a detailed explanation with the Commission describing how the evaluation would work, the possible results and expected costs.
4. At minimum, one new evaluation shall be proposed every three years for Commission approval.
5. If the evaluation is approved by the Commission the Company shall submit with the Commission Docket Control on an annual basis, documentation stating the objectives of the evaluation, methods used to conduct the evaluation, results of the investigation, plans for implementation and any other information the Commission requests. A report for each calendar year reporting period will be due January 31 of the following year.

Revised: 6-22-10.

APPROVED FOR FILING

DECISION #: 72489

ORIGINAL

Company: Community Water Company of Green Valley

Decision No. 72489

Phone: (520) 625-8409

Effective Date: July 25, 2011

Development of Industry Partnerships Tariff –
BMP 7.6

PURPOSE

A program for the Company to encourage and implement collaborative efforts and activities to conserve and promote the conservation of water (Modified Non-Per Capita Conservation Program BMP Category 7: Research/Innovation Program 7.6: Development of Industry Partnerships).

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 encourage and implement collaborative efforts and activities with community/industry partners to conserve and promote the conservation of water.
2. The Company shall remain current on new products, advice, and innovations through on-going communication with manufacturers of state of the art water conservation technologies, other water providers, landscape watering equipment providers and landscape providers and experts. Communications with partners will take place through the internet, phone calls, trade shows and face-to-face contact.
3. Prior to implementing a new partnership the Company shall file a detailed explanation with the Commission describing how the partnership would work, the possible results and expected costs.
4. At minimum, one new partnership shall be proposed every three years for Commission approval.
5. If the partnership is approved by the Commission the Company shall submit with the Commission Docket Control on an annual basis, documentation describing the partnership, its objectives, its ongoing efforts and any efforts planned for the future, and provide any other information the Commission requests. A report for each calendar year reporting period will be due January 31 of the following year.

Revised: 6-22-10.

APPROVED FOR FILING

DECISION #: 72489

ORIGINAL**CROSS-CONNECTION OR BACKFLOW TARIFF****PURPOSE:**

The purpose of this tariff is to protect Community Water Company of Green Valley ("Community Water") water from the possibility of contamination caused by the backflow of contaminants that may be present on the customer's premises by requiring the installation and periodic testing of backflow- prevention assemblies pursuant to the provisions of the Arizona Administrative Code ("A.A.C.") R14-2-405.B.6 and A.A.C. R18-4-215.

REQUIREMENTS:

In compliance with the Rules of the Arizona Corporation Commission ("Commission") and the Arizona Department of Environmental Quality ("ADEQ"), specifically A.A.C. R14-2-405.B.6 and A.A.C. R18-4-215 relating to backflow prevention:

1. Community Water may require a customer to pay for and to have installed a backflow-prevention assembly if A.A.C. R18-4-215.B or C applies.
2. A backflow-prevention assembly required to be installed by the customer under Paragraph 1 of this tariff shall comply with the requirements set forth in A.A.C. R18-4-215.D and E.
3. Subject to the provisions of A.A.C. R14-2-407 and 410, and in accordance with Paragraphs 1 and 7 of this tariff, Community Water may terminate service or may deny service to a customer who fails to install a backflow-prevention assembly as required by this tariff
4. Community Water shall give any existing customer who is required to install a backflow-prevention assembly written notice of said requirement. If A.A.C. R14-2-410.B.1.a. is **not** applicable, the customer shall be given thirty (30) days from the time such written notice is received in which to comply with this notice. If the customer can show good cause as to why he cannot install the backflow-prevention assembly within thirty (30) days, Community Water or Commission Staff may suspend this requirement for a reasonable period of time.

Issued: [DATE]

ISSUED BY:

Arturo Gabaldon, President
Community Water Company of Green Valley
1501 S. La Canada Drive
Green Valley, Arizona 85614

Effective: [DATE] 2-5-16

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5. Testing shall be in conformance with the requirements of A.A.C. R18-4-215.F. Community Water may require the customer to pay to have the backflow- prevention assembly tested as long as Community Water does not require an unreasonable number of tests.
6. The customer shall provide Community Water with records of installation and testing. For each backflow-prevention assembly, these records shall include:
 - a. assembly identification number and description;
 - b. location
 - c. date(s) of test(s);
 - d. description of repairs and recommendations for repairs made by tester; and
 - e. the tester's name and certificate number.
7. In the event the backflow-prevention assembly does not function properly or fails any test, and an obvious hazard as contemplated under A.A.C. R14-2-410.B.1.a. exists, Community Water may terminate service immediately and without notice. The backflow-prevention assembly shall be repaired or replaced by the customer and retested.
8. In the event the backflow-prevention assembly does not function properly or fails any test, or in the event that a customer fails to comply with the testing requirement, and A.A.C. R14-2-410.B.1.a. is **not** applicable, the backflow-prevention assembly shall be repaired or replaced within fourteen (14) days of the initial discovery of the deficiency in the assembly or its function. Failure to remedy the deficiency or dysfunction of the assembly, or failure to retest, shall be grounds for termination of water service in accordance with A.A.C. R14-2-410.

Issued: [DATE]

Effective: [DATE] 2-5-16

ISSUED BY:
Arturo Gabaldon, President
Community Water Company of Green Valley
1501 S. La Canada Drive
Green Valley, Arizona 85614

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**COMMUNITY
WATER
COMPANY
OF GREEN VALLEY**

Post Office Box 1078 • Green Valley, Arizona 85622-1078
1501 South La Canada • Phone (520) 625-8409

**WATER SERVICE
RULES AND REGULATIONS**

Issued: June 10, 1977
Revised: July 27, 1977
March 30, 1984
June 19, 1987

COMMUNITY WATER COMPANY OF GREEN VALLEY

WATER SERVICE

RULES AND REGULATIONS

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Water Service
Rules and Regulations

1. APPLICATION FOR SERVICE

Before the Company will supply any water service, the person desiring the same must make application in person or by first-class mail to the Company at its office specifying the place or location where service is desired, and agree to comply with all the terms, rules and regulations of the Company covering such service, and agree to pay for the same in accordance with the rates of the Company applicable to the class of service desired. R14-2-403.

The Company may reject any application for service when, and so long as, the applicant is delinquent in the payment of bills incurred for service previously supplied by the Company at any location. R14-2-403-C1.

2. GUARANTEE DEPOSIT

A deposit not in excess of two months minimum charge may be required of a Consumer, provided that the Company may require the Consumer to increase the deposit to twice the amount of any monthly bill rendered thereafter.

Interest will be computed and credited on December 1 of each year at the rate of 6% per annum on all guarantee deposits which have been left with the Company, for periods during which service has been continually provided and if the Consumer has not been delinquent in the payment of bills rendered during such period.

The individual in whose name the deposit is made shall be responsible for payment of all bills incurred in connection with the service furnished.

A separate deposit may be required for each meter installed.

The guarantee deposit receipt is not negotiable and can be redeemed only at the Company's office.

When services are discontinued and all bills paid, the deposit will be refunded with accrued interest.

The utility shall issue a non-negotiable receipt to the applicant for the deposit. The inability of the Consumer to produce such a receipt shall in no way impair his right to receive a refund of the deposit which is reflected on the utility's records.

Upon discontinuance of service for non-payment of bills, the deposit will be applied by the Company toward settlement of the account. R14-2-403-B.

Water Service
Rules and Regulations - Continued

3. MINIMUM CHARGE: TAXES

The initial or minimum charge, as provided in the tariff schedule, shall be made for each meter installed, regardless of location. Each meter installed shall require a separate meter reading and each meter reading shall cover a separate and individual account.

For service to trailer courts, camp grounds, auto courts, or multiple unit dwellings, the minimum monthly charge shall be the regular monthly charge for the meter size used. Excess water will be billed at the Company's authorized rates.

If the Consumer takes exception to this method of established minimum charges, the Consumer may request that a meter be installed for each residential unit, upon paying to the Company the regular guarantee deposit for each meter to be installed.

In addition to the collection of regular rates, the Company will collect from the Consumer a proportionate share of any privilege, sales, or use tax or imposition levied by authorized governmental agency based on gross revenue received by the Company. R14-2-409-D5.

(a) SERVICE ESTABLISHMENT CHARGE

A non-refundable Service Establishment Charge in the amount of \$25.00, and the appropriate tax adjustment, will be assessed to each new or different consumer and/or person who applies for water service at the Consumer's delivery point. Billing for the Service Establishment Charge will be rendered as a part of the Consumer's first service bill. R14-2-403-D.

(b) SERVICE RE-ESTABLISHMENT CHARGE

If service is to be re-established at the same service location for a Consumer who has previously ordered a service disconnection within the preceding twelve (12) month period, or for any member of such Consumer's household, a sum equal to the applicable monthly billing minimum times the number of months disconnected and the appropriate tax adjustment will be required as a precondition to the establishment of such service. Payment for such charge shall be made at the time of application for re-establishment of service. (See A.C.C. Decision #55593, A.C.C. R14-2-403-D.)

Water Service
Rules and Regulations - Continued

4. SERVICE LINE AND METER INSTALLATIONS (3/4" through 1")

The Company shall install, at no cost to the applicant, a service line from its distribution line to the property line where the distribution line exists and runs adjacent and parallel to the property to be served.

The Company will install its meter at the property line, or at the Company's option, on the Consumer's property in a location mutually agreed upon by both the Company and the Consumer.

When two or more meters are to be installed on the same premises for different Consumers, they shall be closely grouped and each clearly designated as to which service each applies. (See tariff sheet no. 051). R14-2-405-B7.

5. COMPANY'S RESPONSIBILITIES AND LIABILITIES

The Company does not assume the responsibility of inspecting the Consumer's piping or apparatus and will not be responsible therefore; however, the Company does reserve the right to refuse service unless the Consumer's lines or piping are installed in such manner as to prevent cross-connection or backflow.

Under normal conditions, the Consumer will be notified of any anticipated interruption of service. R14-2-403-C.

6. CONSUMER'S RESPONSIBILITY

Piping on the Consumer's premises must be so installed so that the connections are conveniently located with respect to the Company's lines or mains.

If the Consumer's piping on the Consumer's premises is installed so that the Company is called upon to provide additional meters, each place of metering will be considered as a separate and individual account.

Where a meter is placed on the premises of a Consumer, a suitable place shall be provided by the Consumer for such meter, and such place shall be unobstructed and accessible at all times to the Company's meter reader.

The Consumer shall furnish and maintain a private cut-off valve on the Consumer's side of the meter, and the Company shall provide a like valve on the Company's side of such meter. R14-2-405 and R14-2-407.

Water Service
Rules and Regulations - Continued

6. CONSUMER'S RESPONSIBILITY - Continued

The Consumer's piping and apparatus shall be installed and maintained by the Consumer, at the Consumer's expense, in a safe and efficient manner and in accordance with the Company's rules and regulations and in full compliance with the regulations of the State Department of Health.

The Consumer shall safeguard the Company's property placed on the Consumer's premises and shall permit access to it by authorized representatives of the Company.

In the event that any loss or damage to the property of the Company or any accident or injury to persons or property is caused by or results from the negligence or wrongful act of the Consumer, his agents or employees, the cost of necessary repairs or replacements shall be paid by the Consumer to the Company and any liability otherwise resulting shall be assumed by the Consumer.

The amount of such loss or damage, or the cost of repairs may be added to the Consumer's bill and, if not paid, service may be discontinued by the Company.

Water furnished by the Company shall be used by the Consumer, members of his household, guests, tenants and employees only. The Consumer shall not sell water to any other person or permit any other person to use the water. During a critical water condition, as determined by the Company or a public agency, Consumers shall use water only for those purposes specified by the Company. Disregard of this rule shall be sufficient cause for refusal or discontinuance of service. R14-2-405 and R14-2-407.

The Company may discontinue its service without notice for the following additional reasons:

- (a) To prevent fraud or abuse.
 - (b) The Consumer's willful disregard of or refusal to comply with these Rules or such special rules as may be adopted by the Company with the approval of the Arizona Corporation Commission.
 - (c) Emergency repairs.
 - (d) Insufficiency of supply due to circumstances beyond the Company's control.
 - (e) Legal processes.
 - (f) Direction of public authorities.
 - (g) Strike, riot, fire, flood, accident or any unavoidable cause.
 - (h) Unauthorized turn-ons.
 - (i) The Company may suspend the service of, or refuse service to, any Consumer who tampers with a meter or other measuring device.
- R14-2-410.

Water Service
Rules and Regulations - Continued

7. EXTENSIONS TO MAINS AND SERVICES:
ADVANCES IN AID OF CONSTRUCTION

The Company will supply services for temporary purposes, provided that the Company has water available in excess of the Company's regular needs, and provided the Company has available material and equipment necessary to supply said service. Each applicant for such temporary service must pay in advance, to the Company, the Company's estimate of the cost of labor and materials, less salvage value on removal, for installing and removing such service. R14-2-403-E.

An applicant for the extension of mains and distribution lines will be required to pay to the Company, as a refundable advance in aid of construction, before construction is commenced, the estimated reasonable cost of all mains and distribution lines including valves, fittings, meters and service connections.

Effective April 1, 1973, in accordance with the Arizona Corporation Commission General Order U-41, developers will be required to advance the full cost of all service lines and meters. These items will be included in the refund agreement along with funds for the extension of mains.

Refunds will be made on the basis of revenue in accordance with the agreement form and not on the basis of November credit to an individual account number. Any subdivision development, or main extension, after January 1, 1975, will be subject to the above meter and service connection advances.

In the event that additional facilities are required to provide pressure, storage or water supply, exclusively for the new service or services requested, and the cost of the additional facilities is disproportionate to anticipated revenues to be derived from future Consumers using these facilities, the estimated reasonable cost of such additional facilities may be included in refundable advances in aid of construction to be paid to the Company.

Refunds of advances shall be made in accordance with the following method: The Company shall each year pay to the party making an advance under a main extension agreement, or that party's assignees or other successors in interest where the Company has received notice and evidence of such assignment or succession, an amount equal to twenty per centum (20%) of the total gross annual revenue from water sales to each bona fide Consumer whose service line is connected to the main or distribution lines covered by the line extension agreement, for a period of not less than fifteen (15) years. Refunds shall be made by the Company on or before the 31st day of August of each year, covering any refunds owing from water revenues received during the preceding July 1st to June 30th period. A balance remaining at the end of the fifteen year period set out shall otherwise become non-refundable in which case the balance not refunded shall be entered as a Contribution in Aid of Construction in the accounts of the Company.

Water Service
Rules and Regulations - Continued

7. EXTENSIONS TO MAINS AND SERVICES:
ADVANCES IN AID OF CONSTRUCTION - Continued

The aggregate refunds shall in no event exceed the total of the refundable advances in aid of construction. No interest shall be paid by the Company on any amounts advanced. The Company shall make no refunds from any revenue received from any lines, other than consumer service lines, leading up to or taking off from the particular main or line extension covered by the agreement.

The Company may, upon approval by the Arizona Corporation Commission, terminate its obligation to refund a percentage of gross revenues from a line extension by accord and satisfaction of its obligations under the line extension agreement.

Amounts advanced in aid of construction of line extensions shall be refunded in accord with the rules in force and effect on the date the agreement therefore was executed.

All agreements entered into shall be evidenced by a written agreement, signed by the Company and the parties advancing the funds for advance in aid, or the duly authorized agents of each.

The size, design, type and quality of materials and of the system, location in the ground and the manner of installation, shall be specified by the Company, and shall be in accord with the requirements of the Arizona State Department of Health, Arizona Corporation Commission, and other public agencies having authority therein. The Company may install line extensions of any diameter meeting the requirements of the Commission or any other public agencies having authority over the construction and operation of the water system, but consumer advances in aid of construction for single residential consumers shall not exceed the reasonable cost of construction of a six-inch diameter line extension.

All pipelines, valves, fittings, wells, meters, pumps, tanks or other facilities installed shall be the sole property of the Company, and parties making advances in aid of construction shall have no right, title or interest in any such facilities.

The Company, upon written request, shall furnish to any party seeking to enter into a line extension agreement a schedule of the proposed contract price for such extensions of mains or other facilities. Such schedule shall show a breakdown of the contract prices of materials and costs of installation. Different sizes and types of pipes shall be separately stated. Valves and fittings shall be separately stated or listed as a percentage of total cost. All installations shall be made without provision for profit to the Company.

Water Service
Rules and Regulations - Continued

7. EXTENSIONS TO MAINS AND SERVICES:
ADVANCES IN AID OF CONSTRUCTION - Continued

The Company shall schedule all new requests for line extension agreements promptly and in the order received.

An applicant for service seeking to enter into a main extension agreement may request that the utility include on a list of contractors from whom bids will be solicited, the name(s) of any bonded contractor(s), provided that all bids shall be submitted by the bid date stipulated by the utility. If a lower bid is thus obtained or if a bid is obtained at an equal price and with a more appropriate time of performance, and if such bid contemplates conformity with the Company's requirements and specifications, the Company shall be required to meet the terms and conditions of the bid proffered, or to enter into a construction contract with the contractor proffering such bid. Performance bond in the total amount of the contract may be required by the utility from the contractor prior to construction.

In the case of disagreement or dispute regarding the application or any of its several provisions, or where the application of this rule works on alleged injustice or undue hardship upon any party or anticipated party to any agreement hereunder, the party aggrieved may refer the matter to the Arizona Corporation Commission for hearing and decision in accordance with the Rules of Practice and Procedure of the Commission.

All agreements under this Rule shall be filed with and approved by the Utilities Division of the Commission. No agreement shall be approved unless accompanied by a Certificate of Approval to Construct as issued by the Arizona Department of Health Services. Where agreements for main extensions are not filed and approved by the Utilities Division, the refundable advances shall be immediately due and payable to the person making the advance. R14-2-406.

8. SPECIFICATIONS

The size, design, type and quality of materials of the system, installed under this Rule location in the ground and the manner of installation, shall be specified by the Company, and shall be in accord with the requirements of the Commission or other public agencies having authority therein. The Company may install main extensions of any diameter meeting the requirements of the Commission or any other public agencies having authority over the construction and operation of the water system and mains, except individual main extensions, shall comply with and conform to the following minimum specifications:

1. 150 p.s.i. working pressure rating and
2. 6" standard diameter

Water Service
Rules and Regulations - Continued

8. SPECIFICATIONS - Continued

However, single residential customer advances in aid of construction shall not exceed the reasonable cost of construction of the six-inch diameter main extension. R14-2-406-H.

9. ACCESS TO PREMISES

Each utility shall have the right of safe ingress to and egress from the customer's premises at all reasonable hours for any purpose reasonably connected with the utility's property used in furnishing service and the exercise of any and all rights secured to it by law or Arizona Corporation Commission Rules. R14-2-408-D1.

Each customer shall grant adequate easement and right-of-way satisfactory to the utility to ensure that customer's proper service connection. Failure on the part of the customer to grant adequate easement and right-of-way shall be grounds for the utility to refuse service. R14-2-405-C1.

When a utility discovers that a customer or his agent is performing work or has constructed facilities adjacent to or within an easement or right-of-way and such work, construction or facility poses a hazard or is in violation of Federal, State or local laws, ordinances, statutes, rules or regulations, or significantly interferes with the utility's access to equipment, the utility shall notify the customer or his agent and shall take whatever actions are necessary to eliminate the hazard, obstruction or violation at the customer's expense. R14-2-405-C2.

10. METER READING, BILLING AND COLLECTING

Each utility shall bill monthly for services rendered. Meter readings shall be scheduled for periods of not less than 25 days or more than 35 days. R14-2-409-A1.

Bills for water will be computed in accord with the Company's authorized tariff schedule and will be based on the amount of water consumed for the period covered by the meter readings; except that where a Consumer orders a turn-on resulting in a period of availability of service of less than sixteen days. This consumption will be carried over to the next month's billing.

Charge for service commences when the meter is installed and connection made, whether used or not. R14-2-409-D4.

Water Service
Rules and Regulations - Continued

10. METER READING, BILLING AND COLLECTING - Continued

Bills are due when rendered and delinquent fifteen (15) days thereafter. Delinquent notices providing a ten day cut-off notice shall be sent to each delinquent account. If the account is not paid at the end of said ten day period, the service may be discontinued. Service discontinued for delinquency of bills will be restored only after all due bills are paid in full, redeposit made, if required, and a service charge, if any, is paid. R14-2-409-C1 and R14-2-410.

Failure to receive bills or notices shall not prevent such bills from becoming delinquent nor relieve the Consumer of his obligation therein. R14-2-409-D3.

If the Consumer pays the bill with a check and the Company is notified by the Consumer's bank that there are insufficient funds to cover the check, the account will be treated as a delinquent account and a service fee of \$10.00 will be charged in addition to the amount of the bill. In addition, the Company may, in its sole discretion, require the Consumer to pay future billings in cash, money order, certified check or other means which would guarantee payment to the Company. R14-2-409-F.

If the Consumer believes his bill to be in error, he shall present his claim, at the Company's office, before the bill becomes delinquent.

The Company will make special meter readings within ten (10) working days after receiving the request of the Consumer for a fee of \$10.00, provided, however, that if such special reading discloses that the meter was over-read, no charge will be made. R14-2-408-C.

Meters will be tested at the request of the Consumer upon payment to the Company of the sum of \$20.00, provided, however, that if the meter is found to over-register beyond three per centum of the correct volume, no charge will be made. R14-2-408-F.

If the seal of a meter is broken by other than the Company's representative, this shall be cause for termination of service without notice. R14-2-410-B.

11. CHANGE OF OCCUPANCY

Not less than three (3) working days notice must be given in person, in writing, or by telephone at the utility's office to discontinue service or to change occupancy. R14-2-409-H1.

The outgoing party shall be responsible for all water consumed and/or utility services provided up to the scheduled turn-off date. R14-2-409-H2.

Water Service
Rules and Regulations - Continued

12. CONTINUITY OF SERVICE

The Company shall not be responsible in damages or otherwise for any failure to supply water, or for interruption of supply, if such failure or interruption is without willfull default or neglect on its part. R14-2-407-C.

13. FIRE HYDRANTS FOR FIRE PROTECTION ONLY

The fire hydrants authorized by the town, city or fire district are for the use of the fire departments for the extinguishment of fires and must not be used for any other purposes, without prior authorization from Community Water Company of Green Valley.

14. PRIVATE FIRE HYDRANT SERVICE

Private fire hydrant services are to be installed under the provision of the tariff schedule and/or tariff sheet provided for this service, and their use is limited to the extinguishment of fire only. Any other use will result in discontinuance of service.

The Company will furnish, install, own and maintain all piping from the Company's main to Consumer's property line. The Consumer will make a non-refundable contribution to cover the Company's cost of construction, including the installation cost of an approved detector check valve and vault.

Connections or taps on the Consumer's side of connection for other than Fire Hydrants are prohibited.

Private Fire Hydrant Systems must be installed in accordance with standards set and acceptable by the organization or agencies having jurisdiction.

15. FIRE SPRINKLER SERVICE

Fire sprinkler services are to be installed under the provision of the tariff schedule provided for this service, and their use is limited to the extinguishment of fire only.

The Company will furnish, install, own and maintain all piping from the Company's main to Consumer's property line. The Consumer will make a non-refundable contribution to cover the Company's cost of construction, including the installation cost of an approved detector check valve and vault.

Connections or taps on the Consumer's side of connection for other than Fire Sprinkler Service are prohibited.

Water Service
Rules and Regulations - Continued

15. FIRE SPRINKLER SERVICE - Continued

Fire Sprinkler Systems must be installed in accordance with standards set by the National Fire Protection Association (NFPA) and acceptable by the organization having jurisdiction.

16. NO AGENT CAN MODIFY

No agent has the right to amend, modify or alter the application of these rules or any rates, terms, conditions, rules or regulations as filed with the Arizona Corporation Commission.

17. DEFINITIONS

As used herein, the word "Consumer" means and includes the person, firm or corporation using water delivered to the premises, building or establishment where used, or for whose account and use such water is delivered, and also the owner, occupant, tenant and lessee of the premises, building or establishment.

The word "Company" means Community Water Company of Green Valley.

A singular includes the plural, and the plural includes the singular.

The masculine, feminine and neuter each include each of the other two genders.

18. APPROVAL

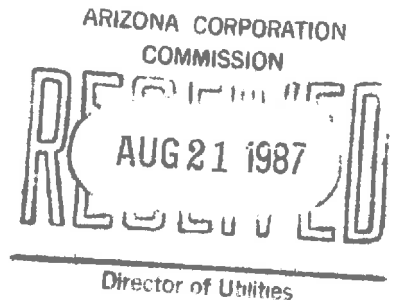
These rules and regulations have been adopted and/or approved by the Arizona Corporation Commission either by decision or in individual tariffs on file with the Commission, or the Arizona Corporation Commission Administrative Rules and Regulations covering water utilities.

**COMMUNITY
WATER
COMPANY
OF GREEN VALLEY**

Post Office Box 1078 • Green Valley, Arizona 85622-1078
1501 South La Canada • Phone (602) 625-8409

August 18, 1987

Arizona Corporation Commission
Attn: Mr. Patrick Williams
Supervisor of Utility Investigators
1200 W. Washington
Phoenix, AZ 85707



Dear Mr. Williams:

This is to follow-up on our telephone conversation this morning concerning your question as to why we had sent copies of Community Water Company of Green Valley's "Tariff Schedules" and "Water Service Rules and Regulations" to the Arizona Corporation Commission. As I explained, this was done because we felt that our tariff schedules needed to be consolidated into one package and typed in one format. They had been approved at various times and some were referred to as rate schedules, tariff sheets, or tariff schedules. This was done as a "housekeeping" item only.

The "Water Service Rules and Regulations" are passed out to new customers by our Company. They contain explanations of questions commonly asked and some that we think customers should be aware of. The copy sent to the Arizona Corporation Commission is our latest updated version and was sent for informational purposes. I assumed copies would be kept in Community Water Company's file at the Commission.

I am sorry that a misunderstanding occurred. I did not intend this to be for an open meeting before the Commissioners. They were for staff information and comments, if any. I hope this clarifies our position.

Sincerely,

COMMUNITY WATER CO. OF GREEN VALLEY

A handwritten signature in black ink, appearing to read 'James R. Livingston'.

James R. Livingston
General Manager

cc: William D. Baker, Attorney

JRL:le