

WATCO, INC.
PHONE – (800)315-5333 EMAIL – info@southwesternutility.com
PO BOX 85160 TUCSON, AZ 85754

CUSTOMER NOTICE

CHANGES FOR RATES AND CHARGES
WATCO, INC.
DOCKET NO. W-20475A-12-0143
FEBRUARY 15, 2013

Dear Watco, Inc. Customer,

At its Open Meeting on February 12, 2013, the Arizona Corporation Commission approved a rate increase requested by Watco, Inc. to be effective on or after February 1, 2013.

This approval will increase the typical, residential monthly bill for a customer with a 5/8 x 3/4 inch meter and an average monthly usage of 4,851 gallons from \$38.40 to \$53.76; an increase of \$15.35 or 40.0 percent.

If you have any questions regarding this notice, please contact Southwestern Utility Management, Inc. at 1-800-315-5333. Rates and charges for Watco, Inc. will be as follows:

MONTHLY USAGE CHARGE:

5/8" X 3/4" METER	\$26.00
3/4" METER	\$26.00
1" METER	\$65.00
1 1/2" METER	\$130.00
2" METER	\$208.00
3" METER	\$416.00
4" METER	\$650.00
6" METER	\$1,300.00

COMMODITY RATES (PER 1,000 GALLONS)

5/8 X 3/4 INCH METER

0 - 3000 GALLONS	\$4.73
3001 - 8000 GALLONS	\$7.33
OVER 8000 GALLONS	\$13.85

ALL OTHER METER SIZES

0 -- 8,000 GALLONS	\$7.33
OVER 8,000 GALLONS	\$13.85

STANDPIPE, BULK WATER

ALL USAGES PER 1,000 GALLONS	\$13.85
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Carmel
working on
getting tariff
sheet, as of
9/30/2013
JWK

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SERVICE LINE & METER INSTALLATION CHARGES:

(REFUNDABLE PURSUANT TO A.A.C. R14-2-405)	<u>METER</u>	<u>SERVICE LINE CHARGE</u>	<u>TOTAL CHARGE</u>
5/8 X 3/4 INCH METER	\$ 0.00	\$0.00	\$.00
3/4 INCH METER	\$100.00	\$220.00	\$320.00
1 INCH METER	\$125.00	\$245.00	\$370.00
1 1/2 INCH METER	\$270.00	\$275.00	\$545.00
2 INCH METER	\$450.00	\$300.00	\$750.00
3 INCH METER	\$640.00	\$340.00	\$980.00
4 INCH METER	\$1,220.00	\$600.00	\$1,820.00
6 INCH METER	\$2,860.00	\$1,060.00	\$3,920.00

SERVICE CHARGES:

ESTABLISHMENT	\$25.00
RECONNECTION (DELINQUENT)	\$25.00
METER TEST (IF CORRECT)	\$35.00
DEPOSIT	\$45.00
DEPOSIT INTEREST	*
RE-ESTABLISHMENT (WITHIN 12 MONTHS)	**
NSF CHECK	\$30.00
DEFERRED PAYMENT (PER MONTH)	1.50%
METER RE-READ (IF CORRECT)	\$25.00
LATE PAYMENT PENALTY	1.5%
AFTER HOURS SERVICE CHARGE (ADDED TO REGULAR SERVICE CHARGE WHEN WORK IS PERFORMED AFTER REGULAR BUSINESS HOURS)	\$25.00

MONTHLY SERVICE CHARGE FOR FIRE SPRINKLER

4" OR SMALLER	***
6"	***
8"	***
10"	***
LARGER THAN 10"	***

* PER COMMISSION RULE A.A.C. R14-2-403(B)(3).

** NUMBER OF MONTHS OFF SYSTEM TIMES MONTHLY MINIMUM, PER COMMISSION RULE A.A.C. R14-2-403(D)

*** 2.00% OF MONTHLY MINIMUM FOR A COMPARABLY SIZED METER CONNECTION, BUT NO LESS THAN \$10.00 PER MONTH. THE SERVICE CHARGE FOR FIRE SPRINKLER SERVICE IS ONLY APPLICABLE FOR SERVICE LINES SEPERATE AND DISTINCT FROM THE PRIMARY WATER SERVICE LINE

IN ADDITION TO THE COLLECTION OF ITS REGULAR RATES AND CHARGES, THE COMPANY SHALL COLLECT FROM ITS CUSTOMERS THEIR PROPORTIONATE SHARE OF ANY PRIVILEGE, SALES, OR USE TAX IN ACCORDANCE WITH A.A.C. R14-2-409(D)(5).

CROSS-CONNECTION OR BACKFLOW TARIFF

ORIGINAL

PURPOSE:

The purpose of this tariff is to protect Watco, Inc. ("Company") 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. The Company 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, the Company may terminate service or may deny service to a customer who fails to install a backflow-prevention assembly as required by this tariff
4. The Company 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, the Company or Commission Staff may suspend this requirement for a reasonable period of time.

****FOR OFFICIAL USE ONLY****

Effective Date: January 12, 2012

**ADMINISTRATIVELY
APPROVED FOR FILING**

Company Name: Watco, Inc.

- 5. Testing shall be in conformance with the requirements of A.A.C. R18-4-215.F. The Company may require the customer to pay to have the backflow-prevention assembly tested as long as the Company does not require an unreasonable number of tests.

- 6. The customer shall provide the Company 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, the Company 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.

****FOR OFFICIAL USE ONLY****

Effective Date: January 12, 2012

**ADMINISTRATIVELY
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ORIGINAL

Company Name: WATCO, Inc.
Silverwell Service Corp. Page 1 of 2

CROSS-CONNECTION OR BACKFLOW TARIFF

PURPOSE:

The purpose of this tariff is to protect Silverwell Service Corp.
_____ (Company) 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. R18-4-115.

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. R18-4-115 relating to backflow prevention:

1. The Company may require a customer to pay for and to have installed a backflow-prevention assembly if A.A.C. R18-4-115.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. R18-4-115.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, the Company may terminate service or may deny service to a customer who fails to install a backflow-prevention assembly as required by this tariff.
4. The Company 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 device within thirty (30) days, the Company or Commission Staff may suspend this requirement for a reasonable period of time.

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**ADMINISTRATIVELY
APPROVED FOR FILING**

ORIGINAL

Effective Date: _____

Company Name: ~~Silverwell Service Corp.~~

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WATCO, Inc.

5. Testing shall be in conformance with the requirements of A.A.C. R18-4-115.F. The Company may require the customer to pay to have the backflow-prevention assembly tested as long as the Company does not require an unreasonable number of tests.
6. The customer shall provide the Company 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 tests(s);
 - d. description of repairs and recommendations for repairs made by tester; and
 - e. the tester's name and certificate number.
- 7A. 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, the Company may terminate service immediately and without notice. The backflow-prevention assembly shall be repaired or replaced by the customer and retested.
- 8A. 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.

****FOR OFFICIAL USE ONLY****

Effective Date: November 16, 2002

ADMINISTRATIVELY
APPROVED FOR FILING