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**ARIZONA CORPORATION COMMISSION**

March 31, 2021

Manny Oros  
Operations Manager  
Vail Water Company  
14155 East Via Rancho del Lago Boulevard  
Vail, Arizona 85641-0100

RE: VAIL WATER COMPANY  
DOCKET NO. W-01651B-12-0339  
DECISION NO. 73995

*Notice of Compliance*

Dear Mr. Oros:

On March 29, 2021, you filed a revised CAP Surcharge Tariff in compliance with the above mentioned Decision. Based upon a review by the analyst(s) assigned, attached is a stamped copy of the approved tariff, with an effective date of March 29, 2021.

If you have questions regarding the filing of this tariff, please contact me at (602) 542-0754.

Sincerely,

Guadalupe Ortiz  
Administrative Services Officer II  
Utilities Division

GNO:tmb

Enclosures

cc: Docket Control

On this 31st day of March 2021, the foregoing document was filed with Docket Control as a Memo of Partial Compliance and copies of the foregoing were mailed on behalf of the Utilities Division to the following who have not consented to email service. On this date or as soon as possible thereafter, the Commission's eDocket program will automatically email a link to the foregoing to the following who have consented to email service.

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By:

  
Therisa M. Billingsley  
Administrative Support Specialist

**ORIGINAL**

Company  
Docket W-01651B-12-0339

Vail Water Service Area

**ORIGINAL**

E000012512

Effective: April 1, 2021  
Decision No. 75029  
Decision No. 73995

**CAP SURCHARGE TARIFF**

**APPLICABILITY**

Applicable to all customers of Vail Water Service Area

**TERRITORY**

Vail Water service area, Pitma County.

**RATES**

**Surcharge Rate:**

All Customers:

All meter sizes ..... \$ 1.98 per 1,000 gallons

Per Customer

**SPECIAL CONDITIONS:**

1. The Company is authorized to recover CAP related costs based on its CAP allocation of 1,857 AF.
2. Calculation of the CAP Surcharge. Component No. 1 calculates the variance between the current CAP charge and the CAP base rate of \$105.87. Component 2 adds the City of Tucson's cost for wheeling the CAP water from the CAP canal to the Company's service area. Unrecovered recharge credits are deducted in Component 3. Component 4 consists of a true up of the prior year's under or over recovery. The cost of LTSCs is added in Component 5. Component 6 deducts the ratepayer's 50% share of any gain on the sale of LTSCs. Component 7 credits the account for water loss exceeding 10%. Finally, total net costs to be recovered are divided by the gallons sold (in 1,000s) in the previous year.
3. The Company will annually file with the Commission by February 1 the proposed annual CAP surcharge for the current calendar year. The filing shall contain all documentation to support the proposed surcharge.
4. The annual CAP surcharge will be calculated based on the Decision 73995 Amended Plan of Administration.
5. The revised CAP surcharge will be effective on April 1 of each year.
6. Collection of the CAP surcharge will not generate a positive operating income to Vail Water Company. It is intended only to recover CAP related costs.

ISSUED: 01/19/2021                      EFFECTIVE: April 1, 2021

ISSUED BY: Vail Water Company

Decision No. 75029, Docket W-01651B-12-0339

Decision No. 73995

**APPROVED FOR FILING**  
**DECISION #: 73995**