

NOTICE
NEW RATES

VAIL WATER COMPANY

Docket No. W-01651B-12-0339, Decision No. 73995, Effective August 1, 2013

On July 27, 2012 Vail Water Company (“VWC”) filed a rate application with the Arizona Corporation Commission (“Commission”). VWC requested a rate increase that would produce a just and reasonable rate of return. At the conclusion of this rate proceeding, the Commission issued Decision No.73995, July 30, 2013, authorizing an overall revenue requirement of \$2,205,239 (an increase of \$21,480 or .98% (less than one percent)). VWC rates will change from a flat rate per thousand gallons to a tiered rate per thousand gallons, shifting costs to higher water users.

The rates approved will result in the following increases/decreases for typical residential customers.

For a 5/8 x 3/4 inch meter, with average usage of 6,720 gallons per month, an approximate (\$1.10) **decrease** from \$40.06 per month to \$38.96 per month, or about -2.75 percent **decrease**.

For a 50,000 gallon per month user, an approximate \$50.59 **increase** from \$213.18 per month to \$263.77 per month or 23.73 percent **increase**.

MONTHLY CHARGE (All Classes)

Meter Size	Charge
5/8 x 3/4" All Meters	\$ 14.70
3/4" All Meters	22.50
1" All Meters	37.50
1 1/2" All Meters	75.00
2" All Meters	120.00
3" All Meters	240.00
4" All Meters	375.00
6" All Meters	750.00
8" All Meters	1,200.00
10" All Meters	1,725.00
12" All Meters	3,225.00

MISCELLANEOUS SERVICE CHARGES

Service	Charge
Establishment	\$25.00
Reestablishment (within 12 months)	(a)
Reconnection (Delinquent)	\$30.00
Reconnection (Delinquent)- After Hours	\$30.00
Meter Test (if correct)	\$20.00
Deposit	(c)
Deposit interest	(c)
NSF Check	\$25.00
Deferred Payment (per month)	1.5% per month
Late Payment Fee (per month)	1.5% per month
Moving Customer Meter (Customer Request)	At Cost
Illegal Hook-up	(d)
Transfer Fee	\$25.00
After Hours Service Charge (at customers request)	\$50.00
<p>(a) Number of months off the system times the monthly minimum per A.A.C. R14-2-403(D). (c) Per Rule R14-2-403(B). (d) Estimated billings from the time illegal connection was made to date.</p> <p>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. Per commission rule 14-2-409D(5).</p>	

COMMODITY CHARGE (per 1,000 gallons of water)

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Meter Size	Charge	Meter Size	Charge	Meter Size	Charge
<u>5/8 x 3/4" Meter (Residential)</u> First 3,000 gallons \$2.94 3,001 to 10,000 gallons 4.15 Over 10,000 gallons 5.28		<u>1" Meter (All Classes Including Standpipe and Construction)</u> First 22,000 gallons \$4.15 Over 22,000 gallons 5.28		<u>4" Meter (All Classes Including Standpipe and Construction)</u> First 250,000 gallons \$4.15 Over 250,000 gallons 5.28	
<u>5/8 x 3/4" Meter (Commercial, Industrial, Irrigation)</u> First 10,000 gallons \$4.15 Over 10,000 gallons 5.28		<u>1 1/2" Meter (All Classes Including Standpipe and Construction)</u> First 50,000 gallons \$4.15 Over 50,000 gallons 5.28		<u>6" Meter (All Classes Except Standpipe and Construction)</u> First 500,000 gallons \$4.15 Over 500,000 gallons 5.28	
<u>3/4" Meter (Residential)</u> First 3,000 gallons \$2.94 3,001 to 10,000 gallons 4.15 Over 10,000 gallons 5.28		<u>2" Meter (All Classes Including Standpipe and Construction)</u> First 80,000 gallons \$4.15 Over 80,000 gallons 5.28		<u>8" Meter (All Classes Except Standpipe and Construction)</u> First 720,000 gallons \$4.15 Over 720,000 gallons 5.28	
<u>3/4" Meter (Commercial, Industrial, Irrigation)</u> First 10,000 gallons \$4.15 Over 10,000 gallons 5.28		<u>3" Meter (All Classes Including Standpipe and Construction)</u> First 160,000 gallons \$4.15 Over 160,000 gallons 5.28		<u>10" Meter (All Classes Except Standpipe and Construction)</u> First 1,035,000 gallons \$4.15 Over 1,035,000 gallons 5.28	
				<u>12" Meter (All Classes Except Standpipe and Construction)</u> First 1,935,000 gallons \$4.15 Over 1,935,000 gallon 5.28	
				<u>Construction/Standpipe All Gallons</u> \$5.28	
				CAP Water Surcharge (per 1,000 gallons) As Approved by Commission	

SERVICE LINE AND METER INSTALLATION CHARGES (Refundable pursuant to A.A.C. R14-2-405)

Meter Size	Charge				Charge		
	Service Line	Meter Installation	Total		Service Line	Meter Installation	Total
5/8" x 3/4" Meter	\$445.00	\$ 305.00	\$ 750.00				
3/4" Meter	445.00	405.00	850.00	4" Turbine Meter	1,490.00	2,820.00	4,310.00
1" Meter	495.00	465.00	960.00	4" Compound Meter	1,670.00	3,795.00	5,465.00
1 1/2" Meter	550.00	675.00	1,225.00	6" Turbine Meter	2,210.00	5,175.00	7,385.00
2" Turbine Meter	830.00	1,195.00	2,025.00	6" Compound Meter	2,330.00	7,070.00	9,400.00
2" Compound Meter	830.00	2,040.00	2,870.00				
3" Turbine Meter	1,045.00	1,820.00	2,865.00				
3" Compound Meter	1,165.00	2,604.00	3,769.00				

If you have any questions regarding this Notice, please contact VWC at 520-647-3679.