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Rules and Regulations

ACC No. 1 Thru
ACC No. 34

Proposed

EPCOR Water Arizona, Inc.
(Name of Company)

Paradise Valley Water District
(Name of Service Area)

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all water furnished to general metered customers on a metered basis.

TERRITORY

Portions of the City of Scottsdale and the Town of Paradise Valley and vicinity, Maricopa County.

SCHEDULE OF CHARGES:

Proposed

ISSUED: MM DD YYYY
Month Day Year

EFFECTIVE: MM DD YYYY
Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates
2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

Decision No. XXXXX

EPCOR Water Arizona, Inc.
(Name of Company)

Paradise Valley Water District
(Name of Service Area)

Meter Size	Monthly Service Charge	Tier One		Tier Two		Tier Three	
		Commodity Rate (per 1,000 gallons)	First Tier (Gallons)	Commodity Rate (per 1,000 gallons)	Second Tier (Gallons)	Commodity Rate (per 1,000 gallons)	Third Tier (Gallons)
Residential							
5/8-inch & 3/4-inch Low Income*	\$ 31.98	\$ 1.5000	First 3,000	\$ 2.0000	3,001 to 9,000	\$ 3.0231	Over 9,000
5/8-inch & 3/4-inch	\$ 41.98	\$ 1.5000	First 3,000	\$ 2.0000	3,001 to 9,000	\$ 3.0231	Over 9,000
1-inch	\$ 67.45	\$ 1.5000	First 45,000	\$ 2.0050	Over 45,000		
1 1/2-inch	\$ 134.90	\$ 1.5000	First 100,000	\$ 2.0050	Over 100,000		
2-inch	\$ 215.84	\$ 1.5000	First 150,000	\$ 2.0050	Over 150,000		
3-inch	\$ 431.68	\$ 1.5000	First 300,000	\$ 2.0050	Over 300,000		
4-inch	\$ 674.50	\$ 1.5000	First 400,000	\$ 2.0050	Over 400,000		
6-inch	\$ 1,223.00	\$ 1.5000	First 800,000	\$ 2.0050	Over 800,000		
8-inch	\$ 2,158.40	\$ 1.5000	First 1,125,000	\$ 2.0050	Over 1,125,000		
10-inch	\$ 3,102.70	\$ 1.5000	First 1,500,000	\$ 0.0050	Over 1,500,000		
12-inch	\$ 5,800.70	\$ 1.5000	First 2,250,000	\$ 2.0050	Over 2,250,000		
Commercial / Industrial							
5/8-inch & 3/4-inch	\$ 26.98	\$ 1.5000	First 13,000	\$ 2.0050	Over 13,000		
1-inch	\$ 37.45	\$ 1.5000	First 45,000	\$ 2.0050	Over 45,000		
1 1/2-inch	\$ 84.90	\$ 1.5000	First 100,000	\$ 2.0050	Over 100,000		
2-inch	\$ 165.84	\$ 1.5000	First 150,000	\$ 2.0050	Over 150,000		
3-inch	\$ 356.68	\$ 1.5000	First 300,000	\$ 2.0050	Over 300,000		
4-inch	\$ 584.50	\$ 1.5000	First 400,000	\$ 2.0050	Over 400,000		
6-inch	\$ 1,223.00	\$ 1.5000	First 800,000	\$ 2.0050	Over 800,000		
8-inch	\$ 2,158.40	\$ 1.5000	First 1,125,000	\$ 2.0050	Over 1,125,000		
10-inch	\$ 3,102.70	\$ 1.5000	First 1,500,000	\$ 2.0050	Over 1,500,000		
12-inch	\$ 5,800.70	\$ 1.5000	First 2,250,000	\$ 2.0050	Over 2,250,000		
Turf							
5/8-inch & 3/4-inch	\$ 26.98	\$ 1.9000	Infinite				
1-inch	\$ 67.45	\$ 1.9000	Infinite				
1 1/2-inch	\$ 134.90	\$ 1.9000	Infinite				
2-inch	\$ 215.84	\$ 1.9000	Infinite				
3-inch	\$ 431.68	\$ 1.9000	Infinite				
4-inch	\$ 674.50	\$ 1.9000	Infinite				
6-inch	\$ 1,349.00	\$ 1.9000	Infinite				
8-inch	\$ 2,158.40	\$ 1.9000	Infinite				
10-inch	\$ 3,102.70	\$ 1.9000	Infinite				
12-inch	\$ 5,800.70	\$ 1.9000	Infinite				
Other Public Authority							
5/8-inch & 3/4-inch	\$ 26.98	\$ 2.2900	Infinite				
1-inch	\$ 67.45	\$ 2.2900	Infinite				
1 1/2-inch	\$ 134.90	\$ 2.2900	Infinite				
2-inch	\$ 215.84	\$ 2.2900	Infinite				
3-inch	\$ 431.68	\$ 2.2900	Infinite				
4-inch	\$ 674.50	\$ 2.2900	Infinite				
6-inch	\$ 1,349.00	\$ 2.2900	Infinite				
8-inch	\$ 2,158.40	\$ 2.2900	Infinite				
10-inch	\$ 3,102.70	\$ 2.2900	Infinite				
12-inch	\$ 5,800.70	\$ 2.2900	Infinite				
Special Rates							
PV Country Club 6-inch	\$ 1,146.65	\$ 1.6150	Infinite				

(continued)

ISSUED: MM DD YYYY EFFECTIVE: MM DD YYYY
Month Day Year Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates
2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

Decision No. XXXXX

EPCOR Water Arizona, Inc.
(Name of Company)

Paradise Valley Water District
(Name of Service Area)

GENERAL METERED SERVICE
(continued)

Low Income Surcharge*: \$0.0050

The surcharge will be added to the highest block commodity rate (residential, apartment, industrial and commercial customers only), and will change upon the Company's annual reconciliation of number of participants and top tier usage.

Low Income Program details are noted in the Terms and Conditions section for General Metered Service.

TERMS AND CONDITIONS:

1. Water service provided under this rate schedule is subject to this District's Rules and Regulations applicable to Water Service and may be subject to this District's service charges set forth in Rate Schedule Service Charges and adjustor mechanisms included in the Company's tariffs on file with the Arizona Corporation Commission.
2. Commercial customers are defined to be all non-residential general metered customers who do not fit into the definitions of Turf, Resale, or Paradise Valley Country Club customers.
3. Turf customers are defined as those customers who own or operate a turf-related facility, subject to a water allotment established by the Arizona Department of Water Resources.
4. Resale customers are defined as those customers who purchase water for distribution and sale to other persons.
5. In addition to the collection of its regular rates, the Company will collect from its customers a proportionate share of any privilege, sales, use or franchise tax, per Commission Rule 14-2-409.D.5.
6. A 1-1/2% late payment penalty charge will be applied to account balances not paid within fifteen (15) days after the postmark date of the bill in accordance with Arizona Administrative Code R14-2-310.C.
7. Low Income Program – Monthly Low Income Credit of \$10.00 is available in the Paradise Valley Water district. Requires the completion of a Low Income Program Application. Program is restricted to the first 50 eligible residential customers on 5/8 x 3/4 inch meters in the Paradise Valley Water district. Applicants must swear that he/she has annual income below the threshold. The threshold is below 150% of the federal low income guidelines as periodically revised. Applicant may not be claimed as a dependent on another person's tax return. Applicant must reapply each time moving residences. Refusal or failure to provide acceptable documentation of eligibility, upon request, shall result in removal from the low income program. Rebilling of customers under the otherwise applicable rate schedule may occur for periods of ineligibility previously billed under the low income tariff. Annual income means the value of all money and non-cash benefits available for living expenses, from all sources, both taxable and non-taxable, before deductions, for all people who live with the applicant.

ISSUED: MM DD YYYY
Month Day Year

EFFECTIVE: MM DD YYYY
Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

Decision No. XXXXX

EPCOR Water Arizona, Inc.
(Name of Company)

Paradise Valley Water District
(Name of Service Area)

PRIVATE FIRE PROTECTION SERVICE

APPLICABILITY

Applicable to all water service rendered for privately owned fire protection systems.

TERRITORY

Portions of the City of Scottsdale and the Town of Paradise Valley, and vicinity, Maricopa County.

MONTHLY SERVICE CHARGE FOR FIRE SPRINKLER

\$15.00 per month.

SPECIAL CONDITIONS

1. The fire protection service and connection shall be installed by the Utility or under the Utility's direction. The cost of the entire installation excluding the connection at the main shall be paid for by the applicant. Such payment shall not be subject to refund.
2. The installation housing, the detector type check valve and meter and appurtenances thereto shall be in a location mutually agreeable to the applicant and the Utility. Normally such installation shall be located on the premises of the applicant, adjacent to the property line. The expense of maintaining the fire protection facilities on the applicant's premises (including the vault, meter detector type check valves, backflow device and appurtenances) shall be paid for the by applicant.
3. All facilities paid for by the applicant shall be the sole property of the applicant. The Utility and its duly authorized agents shall have the right to ingress to and to egress from the premises for all purposes relating to said facilities.
4. The minimum diameter will be four inches, and the maximum diameter will be the diameter of the main to which service is connected.

(continued on next page)

ISSUED: MM DD YYYY EFFECTIVE: MM DD YYYY
Month Day Year Month Day Year
 ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates
2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

Decision No. XXXXX

RESERVED

Proposed

ISSUED: _____
Month Day Year

EFFECTIVE: _____
Month Day Year

ISSUED BY: _____

Decision No. _____.

EPCOR Water Arizona, Inc
(Name of Company)

Paradise Valley Water District
(Name of Service Area)

RESERVED

Proposed

ISSUED: _____
Month Day Year

EFFECTIVE: _____
Month Day Year

ISSUED BY: _____

Decision No. _____.

EPCOR Water Arizona, Inc
(Name of Company)

Paradise Valley Water District
(Name of Service Area)

RESERVED

Proposed

ISSUED: _____
Month Day Year

EFFECTIVE: _____
Month Day Year

ISSUED BY: _____

Decision No. _____

EPCOR Water Arizona, Inc.
(Name of Company)

Paradise Valley Water District
(Name of Service Area)

RESERVED

Proposed

ISSUED: _____
Month Day Year

EFFECTIVE: _____
Month Day Year

ISSUED BY: _____

Decision No. _____.

EPCOR Water Arizona, Inc
(Name of Company)

Paradise Valley Water District
(Name of Service Area)

RESERVED

Proposed

ISSUED: _____
Month Day Year

EFFECTIVE: _____
Month Day Year

ISSUED BY: _____

Decision No. _____.

SERVICE CHARGES
(Continued)

Service Line and Meter Installation Charges

As provided for in EPCOR Water Arizona, Inc.'s Paradise Valley Water District Rule No. 4 (B), the Company will charge the customer, as a refundable advance in aid of construction, an amount for each meter and service line as specified below:

Service Line and Meter Installation Charges:

Meter Size	Service Line Charge	Meter Installation Charge
5/8" x 3/4- inch Meter	\$4,000.00	\$165.00
3/4- inch Meter	\$4,000.00	\$185.00
1- inch Meter	\$4,000.00	\$220.00
1-1/2 - inch Meter	\$4,000.00	\$325.00
2- inch Turbine Meter	\$4,000.00	\$385.00
2- inch Compound Meter	\$4,000.00	\$1,050.00
3- inch Turbine Meter	\$4,000.00	\$1,065.00
3- inch Compound Meter	\$4,000.00	\$1,665.00
4- inch Turbine Meter	\$4,000.00	\$1,335.00
4- inch Compound Meter	\$4,000.00	\$2,445.00
6- inch Turbine Meter	\$4,000.00	\$2,665.00
6- inch Compound Meter	\$4,000.00	\$3,700.00
Over 6" Meter	\$4,000.00	At Cost

Terms and Conditions

An applicant for water service shall pay to the Company, as a refundable advance in aid of construction the full cost to provide the new service line and meter.

In addition to the collection of regular rates, the Company will collect from its customers a proportionate share of any privilege, sales, use and franchise tax. Per Commission Rule 14-2-409.D.5.

All advances and/or contributions are to include labor, materials, overheads, and all applicable taxes, including all gross-up taxes for income taxes, if applicable.

ISSUED: MM DD YYYY
Month Day Year

EFFECTIVE: MM DD YYYY
Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

EPCOR Water Arizona, Inc
(Name of Company)

Paradise Valley Water District
(Name of Service Area)

RESERVED

Proposed

ISSUED: _____
Month Day Year

EFFECTIVE: _____
Month Day Year

ISSUED BY: _____

Decision No. _____.

EPCOR Water Arizona, Inc
(Name of Company)

Paradise Valley Water District
(Name of Service Area)

BACKFLOW/ CROSS-CONNECTION TARIFF

APPLICABILITY

All customers served by Paradise Valley Water Company

TERRITORY

Portions of the City of Scottsdale and the Town of Paradise Valley, and vicinity, Maricopa County.

PURPOSE

To protect the public water supply from the possibility of contamination caused by backflow through unprotected cross-connections by requiring installation and periodic testing of backflow-prevention assemblies pursuant to provisions of Arizona Administrative Code (A.A.C.) R14-2405.B.6 and A.C.C. R18-4-232.

BACKFLOW/CROSS-CONNECTION CONDITIONS:

In compliance with the rules and regulations of the Arizona Corporation Commission and the Arizona Department of Environmental Quality (ADEQ), specifically A.A.C. R14-2-405.B.6 and A.A.C. R18-4-232 relating to backflow prevention:

1. Paradise Valley Water Company may require a customer to pay for and install a backflow-prevention assembly if A.A.C. R18-4-232.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. R18-4-232.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, Paradise Valley Water Company may terminate service or deny service to a customer who fails to install a backflow-prevention assembly as required by this tariff.
4. Paradise Valley Water 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.B1.a. is not applicable, the customer shall be given thirty (30) days 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, Paradise Valley Water Company or Commission Staff may suspend this requirement for a reasonable period of time.

(continued on next page)

ISSUED: June 13, 2013 EFFECTIVE: June 16, 2013
Month Day Year Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates
2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

Decision No. Administratively Approved

EPCOR Water Arizona, Inc.
(Name of Company)

Paradise Valley Water District
(Name of Service Area)

BACKFLOW/ CROSS-CONNECTION TARIFF

BACKFLOW/ CROSS-CONNECTION CONDITIONS (continued):

5. Testing shall be in conformance with the requirements of A.A.C. R18-4-232F. Paradise Valley Water 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. Paradise Valley Water Company may also require the customer to pay for repairs to a backflow-prevention assembly.
6. The customer shall provide Paradise Valley Water 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.
- 7A. In the event the backflow-prevention assembly does not function properly or fails any test, and a hazard as contemplated under A.A.C. R14-2-410.B.1.a. exists, Paradise Valley Water Company may terminate service immediately and without notice. The backflow-prevention assembly shall be repaired or replaced by the customer and retested before service is restored.
- 7B. 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 disjunction 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: June 13, 2013 EFFECTIVE: June 16, 2013
Month Day Year Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates
2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

Decision No. Administratively Approved

EPCOR Water Arizona, Inc.
(Name of Company)

Paradise Valley Water District
(Name of Service Area)

CURTAILMENT TARIFF
(continued)

Notice Requirements: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

Stage 3 Exists When:

- a. Company's total water storage or well production has been less than 50 percent of capacity for at least 24 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 3, Company shall request the customers to voluntarily employ water conservation measures to reduce daily consumption by approximately 50 percent. All outside watering should be eliminated, except livestock, and indoor water conservation techniques should be employed whenever possible. Standpipe service shall be suspended.

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such Notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Beginning with Stage 3, Company shall post at least two (2) signs showing the curtailment stage. Signs shall be posted at the well and/or pump sites located within the Paradise Valley Water District.
3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 3.

Once Stage 3 has been reached, the Company must begin to augment the supply of water by either hauling or through an emergency interconnect with an approved water supply in an attempt to maintain the curtailment at a level no higher than Stage 3 until a permanent solution has been implemented.

(continued on next page)

ISSUED: October 24, 2007 EFFECTIVE: October 24, 2007
Month Day Year Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates
2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

Decision No. 69983 (Administratively Approved)

CURTAILMENT TARIFF
(continued)

Customers who fail to comply with the above restrictions will be given a written notice to end all outdoor use. Failure to comply within two (2) working days of receipt of the notice will result in temporary loss of service until an agreement can be made to end unauthorized use of outdoor water. To restore service, the customer shall be required to pay all authorized reconnection fees. 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.

Once Stage 4 has been reached, the Company must augment the supply of water by hauling or through an emergency interconnect from an approved supply or must otherwise provide emergency drinking water for its customers until a permanent solution has been implemented.

ISSUED: October 24, 2007
Month Day Year

EFFECTIVE: October 24, 2007
Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates
2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

EPCOR Water Arizona, Inc.

(Name of Company)

(623) 445-2416

(Water Conservation Phone)

Paradise Valley Water District

(Name of Service Area)

Local and/or Regional Messaging Program Tariff – BMP 1.1**PURPOSE**

A program for the Company to actively participate in a water conservation campaign with local or regional advertising (Modified Non-Per Capita Conservation Program BMP Category 1: Public Awareness/Public Relations 1.1: Local and/or Regional Messaging Program).

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 or designated representative shall actively participate in water conservation campaign with local and/or regional advertising.
2. The campaign shall promote ways for customers to save water.
3. The Company shall facilitate the campaign through one or more of the following avenues (not an all inclusive list):
 - a. Television commercials
 - b. Radio commercials
 - c. Websites
 - d. Promotional materials
 - e. Vehicle signs
 - f. Bookmarks
 - g. Magnets
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 messaging program implemented and program dates.
 - b. The number of customers reached (or an estimate).
 - c. Costs of Program implementation.

ISSUED: February 21, 2012

Month Day Year

EFFECTIVE: January 20, 2012

Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

EPCOR Water Arizona, Inc.

(Name of Company)

(623) 445-2416

(Water Conservation Phone)

Paradise Valley Water District

(Name of Service Area)

Youth Conservation Education Program Tariff – BMP 2.2**PURPOSE**

A program for the Company to promote water conservation by increasing students' understanding of water resources and the need to conserve (Modified Non-Per Capita Conservation Program BMP Category 2: Conservation Education and Training 2.2: Youth Conservation Education Program).

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 or designated representative shall work with schools in its service area to increase students' understanding of water resources and to promote water conservation.
2. The Company shall provide a combination of instructional assistance, education materials, teacher education, classroom presentations, and field trips to water related facilities.
3. The Company shall provide the following teacher resources.
 - a. Offer Project WET (Water Education for Teachers) workshops to teachers twice yearly. In lieu of Project WET the Company may market its Water Conservation Assembly Program to all schools within its service area. The Water Conservation Assembly Program will focus on teaching students about water resources and water conservation. The assembly itself will be an interactive water conservation discussion.
 - b. Provide free resource materials and information upon request.
 - c. Provide in-classroom presentations upon request.
4. The Company shall make available free take home educational materials for elementary school students.
5. The Company shall keep a record of the following information and make it available upon request.
 - a. A description of the youth conservation education process implemented.
 - b. The number of students reached (or an estimate).
 - c. A description of the written water conservation material provided free to students.
 - d. Costs of the Youth Conservation Education Program implementation.

ISSUED: February 21, 2012

Month Day Year

EFFECTIVE: January 20, 2012

Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

EPCOR Water Arizona, Inc.

(Name of Company)

(623) 445-2416

(Water Conservation Phone)

Paradise Valley Water District

(Name of Service Area)

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 offer and make available upon request 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, applicable rate tariffs, a basic interior/exterior water saving pamphlet, xeriscape landscape information, a list of low water use trees, plants, shrubs, etc., 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 Company shall keep a record of the number of packets provided to new customers and make it available to the Commission upon request.

ISSUED: February 21, 2012

Month Day Year

EFFECTIVE: January 20, 2012

Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

EPCOR Water Arizona, Inc.

(Name of Company)

(623) 445-2416

(Water Conservation Phone)

Paradise Valley Water District

(Name of Service Area)

Xeriscape Demonstration Garden Tariff – BMP 2.4**PURPOSE**

A program for the Company to install and maintain a water efficient demonstration garden for the purpose of educating its customer base on low water-use landscaping (Modified Non-Per Capita Conservation Program BMP Category 2: Conservation Education and Training 2.4: Xeriscape Demonstration Garden).

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 design, construct and maintain a demonstration garden that shall include a large variety of low water use and native plants, shrubs and shade trees.
2. The demonstration garden shall include a walkway throughout the site and include interpretive signage and literature about low water use plants and water efficient landscape techniques.
3. The demonstration garden shall be open, free of charge, to the public during normal business hours and every Saturday of each month.
4. Maps providing driving directions to the demonstration garden shall be available at the Company office, on the Company web-site, and the Company shall notify each customer through bill inserts or text messages of the demonstration garden.
5. The Company shall work with the schools, including the universities, to continually upgrade the site with additional technologies and techniques.

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Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

EPCOR Water Arizona, Inc.

(Name of Company)

(623) 445-2416

(Water Conservation Phone)

Paradise Valley Water District

(Name of Service Area)

Residential Audit Program Tariff – BMP 3.1**PURPOSE**

A program for the Company to promote water conservation by providing customers with information on performing water audits to determine conservation opportunities at their residence (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.1: Residential Audit Program).

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 offer self-audit information.
2. The Company or designated representative shall provide all customers that request them with a self-audit kit.
3. The kit shall include detailed instructions and tools for completing the water audit including information on how to check their water meter. The audit kit shall include but not be limited to information on checking the following components: irrigation system, pool, water features, toilets, faucets and shower.
4. If requested, the Company shall assist the customer in a self-water audit and assist the customer in determining what might be causing high water usage as well as supply customer with information regarding water conservation and landscape watering guidelines. As part of the water audit, and if requested to do so by the customer, the Company shall confirm the accuracy of the customer meter (applicable meter testing fees shall apply).
5. The Company shall keep a record of the following information and make it available to the Commission upon request:
 - a. A description of the water conservation material provided in the kit.
 - b. The number of kits provided to customers.
 - c. Implementation costs of the Residential Audit Program.

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EPCOR Water Arizona, Inc.

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Residential Interior Retrofit Program Tariff – BMP 3.4**PURPOSE**

A program for the Company to promote water conservation by providing residential customers free or low cost plumbing fixtures for their residence (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.4: Residential Interior Retrofit Program).

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 or designated representative shall provide to residential customers that request them that live in homes built prior to the adoption of the 1990 Uniform Plumbing Code free or low cost low water use fixtures such as faucets, faucet aerators, low flow shower heads, toilets and toilet dams. The Company must offer the fixtures/fixture retrofits to all residential customers meeting the above criteria unless the Company can demonstrate that targeting certain portions of its water service area is likely to yield the highest participation and/or potential water savings.
2. The fixtures or retrofit kit shall include detailed instructions for installing the retrofit fixtures.
3. The Company shall select appropriate communications channels to advertize the program.
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 Residential Interior Retrofit Program including a description of the fixtures provided to customers and estimated water savings as a result of Program implementation.
 - b. The number of retrofit fixtures requested by customers and the number of fixtures provided.
 - c. Costs of the Residential Interior Retrofit Program.

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EPCOR Water Arizona, Inc.

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Customer High Water Use Inquiry Resolution Tariff – BMP 3.6**PURPOSE**

A program for the Company to assist its customers with their high water-use inquiries and complaints (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.6: Customer High Water Use Inquiry Resolution).

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 handle high water use inquiries as calls are received.
2. Calls shall be taken by a customer service representative who has been trained on typical causes of high water consumption as well as leak detection procedures that customers can perform themselves.
3. Upon request by the customer or when the Company determines it is warranted, a trained Field Technician shall be sent to the customer's residence to verify consumption and conduct a leak detection inspection and further assist the customer with water conservation measures.
4. The Company shall follow up on every customer inquiry or complaint and keep a record of inquiries and follow-up activities. The Company shall make this information available to the Commission upon request.

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EPCOR Water Arizona, Inc.

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Paradise Valley Water District

(Name of Service Area)

Customer High Water Use Notification Tariff – BMP 3.7**PURPOSE**

A program for the Company to monitor and notify customers when water use seems to be abnormally high and provide information that could benefit those customers and promote water conservation (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services Program 3.7: Customer High Water Use Notification).

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 track water usage for each customer and notify the customer if water use seems excessive for that particular billing for that time of the year.
2. The Company shall identify customers with high consumption, verify the high consumption, and investigate each instance to determine the possible cause.
3. The Company shall contact the high water use customers via telephone, email, by mail or in person. The Company shall contact the customer as soon as practical in order to minimize the possible loss of water. The customer will not be required to do anything to receive this notification.
4. In the notification the Company shall explain some of the most common water usage problems and common solutions and points of contact for dealing with the issues.
5. In the notification, the customer will be reminded of possible high water-consumption occurrences, such as:
 - a. Leaks, running toilets, or valves or flappers that need to be replaced.
 - b. Irrigation system valves or sprinkler heads which may be leaking.
 - c. Sprinklers that may be watering the house, sidewalk, or street, etc. increasing irrigation requirements.
 - d. Leaking pool or spas and possible leaks around pumps.
 - e. More people in the home than usual taking baths and showers.
 - f. Doing more loads of laundry than usual.
 - g. Doing a landscape project or starting a new lawn.
 - h. Washing vehicles more often than usual.

(Continued on Sheet No. 12h)

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EPCOR Water Arizona, Inc.

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Paradise Valley Water District

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Customer High Water Use Notification Tariff – BMP 3.7**(Continued)**

6. The Company shall offer water conservation information that could benefit the customer, such as, but not limited to, audit programs, publications, and rebate programs.
7. The Company shall assist the customer in determining what might be causing the high water usage as well as offer the customer information regarding water conservation and landscape watering guidelines. The Company shall confirm the accuracy of the customer meter if requested to do so by the customer (applicable meter testing fees shall apply).
8. The type of notification, the timing of the notification (i.e., how long after high water use was discovered by the Company), and the criteria used for determining which customers are notified shall be recorded. The Company shall make this information available to the Commission upon request.

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EPCOR Water Arizona, Inc.

(Name of Company)

(623) 445-2416

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Paradise Valley Water District

(Name of Service Area)

Meter Repair and/or Replacement Tariff – BMP 4.2**PURPOSE**

A program for the Company to systematically assess all in-service water meters (including Company production meters) in its water service area to identify under-registering meters and to repair or replace them (Modified Non-Per Capita Conservation Program Best Management Practice Category 4: Physical System Evaluation and Improvement 4.2 Meter Repair and/or Replacement Program).

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. On a systematic basis, the Company will replace all 2-inch and smaller in-service water meters at least once every twelve years.
2. The Company will test all meters that have caused a meter reading complaint to be filed with the Arizona Corporation Commission.
3. Meters larger than 2-inch shall be tested for one of the following reasons:
 - a. A meter reading complaint is filed with the Company by a customer or Arizona Corporation Commission Staff,
 - b. A meter has been in service for five years.
4. The test will be accomplished by one of the following:
 - a. Having the meter pulled and having a Company Technician physically inspect each meter and its fittings for leaks, registers which may have become loose or are not properly attached to the meter and could be under-registering or other broken parts which need repair.
 - b. Utilizing equipment to verify that all electronic components are within manufacturer specifications and are operating properly.
5. In addition, meters shall be randomly selected for flow testing utilizing a flow through detector testing meter.
6. All replacement water meters shall register in gallons:
 - a. All new 1-inch and smaller meters that are installed will register usage in 1 gallon increments,
 - b. All new 1-1/2-inch through 4-inch meters that are installed will register in 10 gallon increments, and
 - c. All new 6-inch and larger meters that are installed will register in 100 gallon increments.
7. The Company shall keep records on the number of meters that were replaced and make this information available to the Commission upon request.

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EPCOR Water Arizona, Inc.

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Paradise Valley Water District

(Name of Service Area)

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 make available to all its customers 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.

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COMMON FACILITIES HOOK-UP FEE

I. Purpose and Applicability

The purpose of the Common Facilities hook-up fee payable to EPCOR Water Arizona, Inc. (“the Company”) pursuant to this tariff is to equitably apportion the costs of constructing additional common water facility infrastructure to provide water production, delivery, treatment, storage and pressure among all new service connections. These charges are applicable to all new service connections established after the effective date of this tariff. The charges are one-time charges and are payable as a condition to the Company’s establishment of service, as more particularly provided below.

II. Definitions

Unless the context otherwise requires, the definitions set forth in R-14-2-401 of the Arizona Corporation Commission’s (“Commission”) rules and regulations governing water utilities shall apply interpreting this tariff schedule.

“Applicant” means any party entering into an agreement with the Company for the installation of water facilities to serve new service connections, and may include developers and/or builders of new residential subdivisions.

“Main Extension Agreement” means any agreement whereby an Applicant, Developer and/or Builder agrees to advance the costs of the installation of water facilities, which may include Common Facilities, to the Company to serve new service connections, or install water facilities to serve new service connections and transfer ownership of such water facilities to the Company, in either case which agreement shall require the approval of the Commission pursuant to A.A.C. R-14-2-406, and shall have the same meaning as “Water Facilities Agreement” or “Line Extension Agreement.”

“Common Facilities” means all wells, storage tanks, production, treatment, booster pumps, pressure tanks, transmission mains and related appurtenances, including engineering and design costs, constructed for the benefit of the entire water system and not for the exclusive use of the Applicant’s development.

“Service Connection” means and includes all service connections for single-family residential or other uses, regardless of meter size.

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Decision No. XXXXX

Paradise Valley Water District
(Name of Service Area)

COMMON FACILITIES HOOK-UP FEE
(continued)

III. Common Facilities Water Hook-up Fee

For each new service connection, the Company shall collect a Common Facilities hook-up fee derived from the following table:

COMMON FACILITIES HOOK-UP FEE TABLE		
Meter Size	Size Factor	Total Fee
5/8" x 3/4"	1	\$1,680.00
3/4"	1.5	\$2,520.00
1"	2.5	\$4,200.00
1-1/2"	5	\$8,400.00
2"	8	\$13,440.00
3"	16	\$26,880.00
4"	25	\$42,000.00
6" or larger	50	\$84,000.00

IV. Terms and Conditions

(A) Assessment of One Time Common Facilities Hook-up Fee: The Common Facilities hook-up fee may be assessed only once per parcel, service connection, or lot within a subdivision (similar to meter and service line installation charge).

(B) Use of Common Facilities Hook-up Fee: Common Facilities hook-up fees may only be used to pay for capital items of Common Facilities, or for repayment of loans obtained for installation of Common Facilities. Common Facilities hook-up fees shall not be used for repairs, maintenance, or operational purposes.

(C) Time of Payment:

1) In the event that the Applicant that will be constructing improvements is required to enter into a Main Extension Agreement, payment of the Common Facilities hook-up fees required hereunder shall be made by the Applicant no later than within 15 calendar days after receipt of notification from the Company that the Utilities Division of the Arizona Corporation Commission has approved the Main Extension Agreement in accordance with R-14-2-406(M).

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2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

Paradise Valley Water District
(Name of Service Area)

COMMON FACILITIES HOOK-UP FEE

(continued)

2) In the event that the Applicant for service is not required to enter into a Main Extension Agreement, the charges hereunder shall be due and payable at the time the meter and service line installation fee is due and payable.

(D) Common Facilities Construction by Developer: The Company and Applicant may agree to construction of Common Facilities necessary to serve a particular development by Applicant which facilities are then conveyed to the Company. In that event, Company shall credit the total cost of such Common Facilities as an offset to the Common Facilities hook-up fees due under this Tariff. If the total cost of the Common Facilities constructed by Applicant and conveyed to Company is less than the applicable Common Facilities hook-up fee due under this Tariff, Applicant shall pay the remaining amount of the Common Facilities hook-up fees owed hereunder. If the total cost of the Common Facilities contributed by Applicant, Developer or Builder and conveyed to Company is more than the applicable Common Facilities hook-up fees under this Tariff, Applicant shall be refunded the difference upon acceptance of the Common Facilities by the Company. The Company and Applicant may agree to construction of additional facilities that are not Common Facilities, the cost of which shall not be subject to off-set under this paragraph IV.D, but which will be subject to refund under R14-2-406(D).

(E) Failure to Pay Charges; Delinquent Payments: The Company will not be obligated to provide water service to any Applicant or other applicant for service in the event that such Applicant or other applicant for service has not paid in full all charges hereunder. Under no circumstances will the Company set a meter or otherwise allow service to be established if the entire amount of any payment has not been paid.

(F) Large Subdivision Projects: In the event that the Applicant is engaged in the development of a residential subdivision containing more than 150 lots, and is a party to a Main Extension Agreement with the Company for such development, the Company may, in its discretion, agree to payment of the Common Facilities hook-up fees in installments. Such installments may be based on the residential subdivision development's phasing, and should attempt to equitably apportion the payment of charges hereunder based on the Applicant's construction schedule and water service requirements.

(G) Common Facilities Hook-Up Fees Non-refundable: The amounts collected by the Company pursuant to the Common Facilities hook-up fee tariff shall be non-refundable contributions in aid of construction.

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COMMON FACILITIES HOOK-UP FEE
(continued)

(H) Use of Common Facilities Hook-Up Fees Received: All funds collected by the Company as Common Facilities hook-up fees shall be deposited into a separate interest bearing trust account and used solely for the purposes of paying for the costs of the Common Facilities, including repayment of loans obtained for the installation of Common Facilities that will benefit the entire water system.

(I) Common Facilities Hook-up Fee in Addition to On-site Facilities: The Common Facilities hook-up fee shall be in addition to any costs associated with the construction of on-site facilities or other additional facilities under Paragraph IV.D, above, under a Main Extension Agreement.

(J) Disposition of Excess Funds: After all necessary and desirable Common Facilities are constructed utilizing funds collected pursuant to the Common Facilities hook-up fees, or if the Common Facilities hookup fee has been terminated by order of the Arizona Corporation Commission, any funds remaining in the trust shall be refunded. The manner of the refund shall be determined by the Commission at the time a refund becomes necessary.

(K) Fire Flow Requirements: In the event the Applicant has fire flow requirements that require additional facilities beyond those facilities whose costs were included in the Common Facilities hook-up fee, and which are contemplated to be constructed using the proceeds of the Common Facilities hook-up fee, the Company may require the Applicant to install such additional facilities as are required to meet those additional fire flow requirements, as a non-refundable contribution, in addition to paying the Common Facilities hook-up fee.

(L) Status Reporting Requirements to the Commission: The Company shall submit a calendar year Common Facilities hook-up fee status report each January 31 to Docket Control for the prior twelve (12) month period, beginning January 31, 2018, until the Common Facilities hook-up fee tariff is no longer in effect. This status report shall contain a list of all customers that have paid the Common Facilities hook-up fee tariff, the amount each has paid, the amount of money spent from the account, the amount of interest earned on the tariff account, and a list of all facilities that have been installed with the tariff funds during the 12-month period.

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Decision No. XXXXX

EPCOR Water Arizona Inc.
(Name of Company)

Paradise Valley Water District
(Name of Service Area)

COMMON FACILITIES HOOK-UP FEE (WATER)

(continued)

LARGE WATER-USERS

Any development with a projected average daily water demand greater than 1,700 gallons per day per acre is considered to be a Large User. Large Users will be required to provide an additional renewable water supply source to Utility to meet the demands of the development that are greater than 1,700 gallons per day per acre. Examples of a renewable water supply source include surface water or a groundwater well with long-term storage credits. The renewable water supply source must be approved by Utility, and must have the appropriately allocated water rights that will be conveyed to Utility. The cost to provide a renewable water supply source to Utility will not be credited as an offset to the Common Facilities Hook-Up Fee because such costs will be due to the exclusive need for additional water by the Large User; however, the cost of that portion of a renewable water supply source that is in excess of the Large User's needs will be credited as an offset to the Common Facilities Hook-Up Fee.

Large Users may be required to enter into an agreement with Utility that will define terms and conditions, and will include fees that will be charged to Large Users for over usage. Fees will incur if Large Users use water in excess of the supply source provided, which will be reviewed by Utility on an annual basis. Continued excessive use could result in Utility requiring the Large User to develop and implement a water use reduction plan or, as a last resort, court action.

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Decision No. XXXXX

EPCOR Water Arizona, Inc.
(Name of Company)

Paradise Valley Water District
(Name of Service Area)

ADJUSTOR MECHANISMS

PURCHASED WATER ADJUSTOR MECHANISM ("PWAM")

The PWAM allows the Company to pass through purchased water costs incurred by the Company to its customers. Details can be found in the Company's Purchased Water Adjustor Mechanism Plan of Administration.

Applicability

Applicable to all customers served by this service area.

PWAM Surcharge Rate for all Customers:

All usage per 1,000 gallons per month \$0.1904 *

* Rate consists of \$0.0000 per 1,000 gallons of usage to recover the over/under collection of prior years' surcharge and \$0.1904 per 1,000 gallons of usage for the collection of current annual purchased water charges.

Terms and Conditions

The Company will annually file with the Commission by March 1 the proposed annual PWAM surcharge for the current calendar year. The filing shall contain a summary of all purchased water costs, total collections from the surcharge, and the updated surcharge amounts. All documentation to support the proposed surcharge will be included.

As part of each annual filing, the Company will perform a reconciliation for the prior reporting period comparing the amounts recovered from / refunded to customers to the amount of increase / decrease in water expenses due to changes in rates for that same period resulting in either an under / (over) recovery. This true-up will be included in the annual calculation.

The annual PWAM surcharge will be calculated based on the historic consumption of the applicable customers from the previous twelve months.

The revised PWAM surcharge will be effective on June 1 of each year.

The PWAM surcharge will appear on each applicable customer's bill as a separate line item.

All rates in this Schedule shall be subject to their proportionate part of any taxes or other governmental imposts that are assessed directly or indirectly on the basis of revenues derived from this Schedule.

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ISSUED: MM DD YYYY
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EPCOR Water Arizona, Inc.
(Name of Company)

Paradise Valley Water District
(Name of Service Area)

ADJUSTOR MECHANISMS
(continued)

POWER COST ADJUSTOR MECHANISM ("PCAM")

The PCAM allows the Company to pass through purchase power costs for any gas or electric service provider supplying retail service to the Company to its customers. Details can be found in the Company's Power Cost Adjustor Mechanism Plan of Administration.

Applicability

Applicable to all customers served by this service area.

PCAM Surcharge Rate for all Customers:

All usage per 1,000 gallons per month \$0.4455 *

* Rate consists of \$0.0000 per 1,000 gallons of usage to recover the over/under collection of prior years' surcharge and \$0.4455 per 1,000 gallons of usage for the collection of current power charges.

Terms and Conditions

The Company will annually file with the Commission by March 1 the proposed annual PCAM surcharge for the current calendar year. The filing shall contain a summary of all gas and electrical costs, total collections from the surcharge, and the updated surcharge amount. All documentation to support the proposed surcharge will be included.

As part of each annual filing, the Company will perform a reconciliation for the prior reporting period comparing the amounts recovered from/refunded to customers to the amount of increase/decrease in power expenses due to changes in rates for that same period resulting in either an under / (over) recovery. This true-up will be included in the annual calculation.

The annual PCAM surcharge will be calculated based on the historic consumption of the applicable customers from the previous twelve months.

The revised PCAM surcharge will be effective on June 1 of each year.

The PCAM surcharge will appear on each applicable customer bill as a separate line item.

All rates in this Schedule shall be subject to their proportionate part of any taxes or other governmental imposts that are assessed directly or indirectly on the basis of revenues derived from this Schedule.

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EPCOR Water Arizona, Inc.
(Name of Company)

Paradise Valley Water District
(Name of Service Area)

ADJUSTOR MECHANISMS
(continued)

PROPERTY TAX ADJUSTOR MECHANISM ("PTAM")

The PTAM allows the Company to pass through to its customers the increases or decreases in property tax expenses that result from changes to the assessment ratio or property tax rate. Pass through costs will be divided equally between residential and non-residential customer classes to collect the total increase over a 12-month period. Details can be found in the Company's Property Tax Adjustor Mechanism Plan of Administration.

Applicability

Applicable to all customers served by this service area.

PTAM Surcharge Rate for all Customers:

All usage per 1,000 gallons per month \$X.XXXX *

* Rate consists of \$X.XXXX per 1,000 gallons of usage to recover the over/under collection of prior years' surcharge and \$X.XXXX per 1,000 gallons of usage for the collection of current power charges.

Terms and Conditions

The Company will annually file with the Commission by March 1 the proposed annual PTAM surcharge for the current calendar year. The filing shall detail how the Company's property tax expenses were calculated by parcel by year. These calculations will include full cash value, assessment ratio, and tax rates by parcel. All documentation to support the proposed surcharge will be included.

As part of each annual filing, the Company will perform a reconciliation for the prior reporting period comparing the amounts recovered from/refunded to customers to the amount of increase/decrease in property tax expenses due to changes in rates for that same period resulting in either an under / (over) recovery. This true-up will be included in the annual calculation.

The revised PTAM surcharge will be effective on June 1 of each year.

The PTAM surcharge will appear on each applicable customer bill as a separate line item.

All rates in this Schedule shall be subject to their proportionate part of any taxes or other governmental imposts that are assessed directly or indirectly on the basis of revenues derived from this Schedule.

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