

\$1.1 MILLION IN TAX REFORM SAVINGS PASSED TO WASTEWATER CUSTOMERS



Docket #WS-01303A-18-0085, Decision 76772

On June 12, 2018, the Arizona Corporation Commission (ACC) approved EPCOR's request to refund \$1,106,392 in tax reform savings to the company's residential and commercial wastewater customers.

Regulated utilities are required to collect local, state and Federal taxes as part of the service provided to customers. The Tax Cuts and Jobs Act of 2017 passed into law in December 2017, reducing the corporate tax rate from 35 to 21 percent. However, current rates for EPCOR's Arizona wastewater customers were set by the ACC in June 2017 based on a 34 percent tax rate.

Until new rates are adopted by the ACC in a future rate case, customers will receive a **monthly credit** to adjust for the lower corporate tax rate now in effect. Customers will also receive a **one-time credit** on their July 2018 bill to refund corporate taxes collected from January through June 2018 at the previous tax rate before the ACC's approval of EPCOR's application.

30936-I-0186

For example:

Beginning with the July 2018 billing cycle, residential customers will receive a monthly credit of \$1.26 until new rates are set in a future rate case. Because wastewater service is billed at a flat rate, all residential customers receive the same amount.

Residential customers will also receive a one-time credit of \$7.56 on their July 2018 bill, refunding corporate taxes collected in 2018 at the previous tax rate.

[Read more on reverse side](#)

Tax Reform Savings Credit for Arizona Wastewater Customers

	Ongoing Credit	One-time Credit
Residential Units	\$1.26	\$7.56
Commercial Unit 5/8 Inch	\$1.50	\$9.00
Commercial Unit ¾ Inch	\$1.50	\$9.00
Commercial Unit 1 Inch	\$1.50	\$9.00
Commercial Unit LG 1 ½ Inch	\$9.73	\$58.38
Commercial Unit LG 2 Inch	\$9.73	\$58.38
Commercial Unit LG > 2 Inch	\$9.73	\$58.38
Commercial Single Unit No Water	\$1.50	\$9.00
Commercial Laundry Non-Water	\$1.50	\$9.00
Commercial Hotel Non-Water	\$1.50	\$9.00
Mobile Home	\$9.73	\$58.38
OPA	\$16.44	\$98.64
Effluent	\$133.03	\$798.18
Wholesale OWU	\$2,219.86	\$13,319.16

The one-time credit will appear on your July 2018 bill. The monthly credit is applied to services beginning July 1, 2018. For example, if your bill for service is from June 15 through July 14, you will see the credit begin to appear on your August bill.

QUESTIONS?

We're Here to Help.

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