

CUSTOMER NOTICE: Utility Systems – Residential
CHANGE IN RATES

Docket No. WS-21155A-24-0219

Dear Cactus State Customer:

December 12, 2025

At its Open Meeting on November 6, 2025, the Arizona Corporation Commission approved a permanent increase requested by Cactus State, in its application filed September 16, 2024. After investing approximately \$5.5 million in infrastructure improvements critical to the health and well-being of communities across the state, rates for Cactus State water and wastewater customers are **changing**. Per Decision 81549, the below rates and charges shall be effective for all service provided on or after December 1, 2025. These rate changes reflect the investments we make to continue providing safe and reliable service to residents and businesses in the communities we serve.

You will also see a temporary Rate Case Expense charge of \$2.04 per customer, per month which will automatically terminate at the end of three years or if expenses (\$335,000) are recovered in full before the three-year period expires. The new rates are as follows:

Meter Size	Tier	Gallons	Monthly Minimum Usage Charge	Commodity Rates per 1,000 Gallons
5/8" x 3/4"	1	0 to 2,000	\$69.58	\$9.97
	2	2,001 to 5,000		\$12.61
	3	Over 5,000		\$15.13
3/4"	1	0 to 2,000	\$69.58	\$9.97
	2	2,001 to 5,000		\$12.61
	3	Over 5,000		\$15.13
1"	1	0 to 20,000	\$173.95	\$12.61
	2	0 to 20,000		\$12.61
	3	Over 20,000		\$15.13
1 ½"	1	0 to 50,000	\$347.90	\$12.61
	2	0 to 50,000		\$12.61
	3	Over 50,000		\$15.13
2"	1	0 to 80,000	\$556.64	\$12.61
	2	0 to 80,000		\$12.61
	3	Over 80,000		\$15.13
3"	1	0 to 160,000	\$1,113.28	\$12.61
	2	0 to 160,000		\$12.61
	3	Over 160,000		\$15.13
4"	1	0 to 250,000	\$1,739.50	\$12.61
	2	0 to 250,000		\$12.61
	3	Over 250,000		\$15.13
6"	1	0 to 500,000	\$3,479.00	\$12.61
	2	0 to 500,000		\$12.61
	3	Over 500,000		\$15.13
Bulk Water Automated Standpipe ²	3	All Usage		\$21.00
Bulk Water Metered ³	3	All Usage	By meter size	\$21.00



² Includes Bulk Water delivered from an automated standpipe where the customer pays for water in advance of delivery. Automated Standpipe customers pay only for the quantity of water purchased from the standpipe facility and are not subject to a minimum charge. Note: Automated standpipes are not available in all service areas.

For example, under the new water rates, residential customers on a 5/8" x 3/4" meter may see the following bill impact:

System Name	Average Usage	Current Monthly Bill (Average Usage)	Estimated Bill Under New Rates	Change / (%) (\$)
Utility Systems - Residential	874 gals	\$22.30	\$78.29	\$55.99/ 251%

Service Charges:

Establishment of Service		50.00
Reconnection of Service – Delinquent	50.00	
After Hours Service Charge (at Customer’s Request)		50.00
Meter Test (if Correct)		30.00
Meter Re-Read (if Correct)	40.00	
NSF Check Charge	20.00	
Deposit Requirement (Residential)		(a)
Deposit Requirement (Non-Residential)		(b)
Deposit Interest		(c)
Re-Establishment (Within 12 Months)	(d)	
Late Payment Penalty		(e)
Deferred Payment (Per Month)		1.5%
Moving Meter at Customer Request		Cost
Service Line or Meter Size Charge (at Customer Request)		Cost

Monthly Service Charge for Fire Sprinklers

All Sizes **

- (a) Two times the average residential class bill, per A.A.C. R14-2-403(B)(7) Company may waive deposit requirement at its discretion.
- (b) 2 ½ times the customers estimated maximum monthly bill, per A.A.C. R14-2-403(B)(7) Company may waive deposit requirement at its discretion.
- (c) 6.0%, per A.A.C. R14-2-403(B)(3)
- (d) Number of months off system times the monthly minimum, per A.A.C. R14-2-403(D)
- (e) Greater of 1.50% of unpaid monthly balance or \$5.00

Cost: All items billed at cost shall include labor, materials and parts, overheads and all applicable taxes.

** 2% of the Monthly Minimum for a Comparable Sized Meter Connection, but no less than \$15.00 per month. The Service Charge for Fire Sprinklers is only applicable to service lines separate and distinct from the primary water service.

Privilege, Sales, or Use Tax

In addition to all other rates and charges authorized herein, the Company shall collect from its customers all applicable sales, transaction, privilege, regulatory or other taxes and assessments as may apply now or in the future, per Rule R14-2-409.D.5.

To view the updated Rate Schedule and Tariff, visit cactusstateuoc.com under the “Regulatory Information” section.

³ Includes Bulk Water delivered from a fire hydrant meter or similar connection for construction and other uses. Customers are billed monthly in arrears for water used.