

1 those purposes, and is not reasonably chargeable to operating expenses or to income.

2 8. Approval of the proposed financing should not guarantee or imply any specific  
3 treatment of any capital additions for ratemaking or rate base purposes.

4 9. Staff’s recommendations, as modified herein to decline the adoption of a PPAM at this  
5 time, are just and reasonable and in the public interest, and should therefore be adopted.

6 **ORDER**

7 IT IS THEREFORE ORDERED that DS Water Company shall file with Docket Control, as a  
8 compliance item in this docket, within 30 days of the effective date of this Decision, a schedule setting  
9 forth the following authorized rates and charges:

10 **MONTHLY USAGE CHARGE:**

11	5/8" x 3/4" Meter	\$69.00
12	3/4" Meter	103.50
	1" Meter	172.50
13	1 1/2" Meter	345.00
	2" Meter	552.00
14	3" Meter	1,104.00
	4" Meter	1,725.00
15	6" Meter	3,450.00

16 **COMMODITY CHARGES:**

17 (Per 1,000 gallons)

18 5/8" x 3/4" Meter – Residential

19	First 4,000 Gallons	\$6.30
	From 4,001 to 10,000 gallons	\$9.30
20	Over 10,000 Gallons	\$12.00

21 5/8" x 3/4" Meter – Commercial

22	First 10,000 Gallons	\$9.30
	Over 10,000 gallons	\$12.00

23 3/4" Meter – All Classes

24	First 10,000 Gallons	\$9.30
25	Over 10,000 gallons	\$12.00

26 1" Meter – All Classes

26	First 18,000 Gallons	\$9.30
27	Over 18,000 Gallons	\$12.00

28 ...

1 ½" Meter – All Classes

First 40,000 Gallons	\$9.30
Over 40,000 Gallons	\$12.00

2" Meter – All Classes

First 65,000 Gallons	\$9.30
Over 65,000 Gallons	\$12.00

3" Meter – All Classes

First 140,000 Gallons	\$9.30
Over 140,000 Gallons	\$12.00

4" – All Classes

First 225,000 Gallons	\$9.30
Over 225,000 Gallons	\$12.00

6" – All Classes

First 450,000 Gallons	\$9.30
Over 450,000 Gallons	\$12.00

Bulk/Standpipe Water

All Usage, Per 1,000 Gallons	\$12.00
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SERVICE LINE AND METER INSTALLATION CHARGES:

(Refundable Pursuant to A.A.C. R14-2-405)

	Service Line*	Meter Charge	Total Charge*
5/8" x 3/4" Meter	\$430	\$130	\$560
3/4" Meter	\$430	\$230	\$660
1" Meter	\$480	\$290	\$770
1 ½" Meter	\$535	\$500	\$1,035
2" Meter Turbine	\$815	\$1,020	\$1,835
2" Meter Compound	\$815	\$1,865	\$2,680
3" Meter Turbine	\$1,030	\$1,645	\$2,675
3" Meter Compound	\$1,150	\$2,520	\$3,670
4" Meter Turbine	\$1,460	\$2,610	\$4,070
4" Meter Compound	\$1,640	\$3,595	\$5,235
6" Meter Turbine	\$2,180	\$4,975	\$7,155
6" Meter Compound	\$2,300	\$6,870	\$9,170

\*Note: Amount adjusted to include the actual cost incurred when boring under or cutting a road, highway or sidewalk is required.

**SERVICE CHARGES:**

Establishment	\$24.00
Reconnection (Delinquent)	\$36.00
Meter Test (If Correct)	\$36.00
Deposit	*
Deposit Interest	6.00%
Re-Establishment (Within 12 Months)	**
Non-Sufficient Funds ("NSF") Check Charge	\$20.00
Deferred Payment (Per Month)	1.50%
Late Payment Penalty (Per Month)	***
Meter Re-Read (If Correct)	\$12.00
Main Extension	At Cost
Call Out (for malfunction on customer's side of meter)	\$25.00
After Hours Service Charge (at customer's request)	\$35.00
Monthly Service Charge for Fire Sprinkler	****

\* Per Commission Rule A.A.C. R-14-2-403(B)(7).

\*\* Months off system times the monthly minimum per Commission Rule A.A.C. R14-2-403(D).

\*\*\* Greater of 1.50% of delinquent balance or \$5.00.

\*\*\*\* 2% of monthly minimum for a comparable size meter connection, but no less than \$10.00 per month. The Service Charge for Fire Sprinklers is only applicable to service lines separate and distinct for the primary water service line.

In addition to the collection of regular rates, the utility will collect from its customers a proportionate share of any privilege, sales, or use tax. Per Commission Rule A.A.C. 14-2-409(D)(5).

IT IS FURTHER ORDERED that the rates and charges approved herein shall be effective for all service provided on or after July 1, 2020.

IT IS FURTHER ORDERED that DS Water Company shall notify its customers of the authorized rates and charges and their effective date, in a form acceptable to the Commission's Utilities Division, by means of an insert in its next regularly scheduled billing.

IT IS FURTHER ORDERED that DS Water Company shall file with Docket Control, as a compliance item in this docket, within 10 days after the date notice of the authorized rates and charges is sent to customers, a copy of the notice provided to customers.

IT IS FURTHER ORDERED that DS Water Company is hereby authorized to incur long-term debt from the Water Infrastructure Finance Authority of Arizona in an amounts not to exceed \$28,833

1 to purchase and install the arsenic treatment plant, and \$75,187.50 to purchase and install the storage  
2 tank improvements, as described herein.

3 IT IS FURTHER ORDERED that the financing authorized herein is expressly contingent on  
4 DS Water Company's use of the proceeds to finance the capital improvements described and approved  
5 herein.

6 IT IS FURTHER ORDERED that DS Water Company is authorized to engage in any  
7 transactions and execute any documents necessary to effectuate the financing authorizations granted  
8 herein.

9 IT IS FURTHER ORDERED that DS Water Company shall provide to the Commission's  
10 Utilities Division, upon request, a copy of any loan documents executed pursuant to the authorizations  
11 granted herein.

12 IT IS FURTHER ORDERED that the financing authorizations approved herein shall be  
13 rescinded for any funds not drawn on the loan within two years from the effective date of this Decision.

14 IT IS FURTHER ORDERED that DS Water Company shall open a separate interest-bearing  
15 account for deposit of all monies collected for the debt service and debt service reserve funds of the  
16 loan and record the surcharge collections to fund the debt service fund as a regulatory liability.  
17 Disbursements from this account shall be restricted to the provisions of the loan agreement unless  
18 otherwise ordered by the Commission.

19 IT IS FURTHER ORDERED that DS Water Company shall file a rate application no later than  
20 five years from the effective date of this Decision, utilizing a test year that is acceptable to the  
21 Commission's Utilities Division.

22 IT IS FURTHER ORDERED that DS Water Company be allowed to collect the debt service  
23 portion of the surcharge and the debt service reserve fund portion of the surcharge for up to five years  
24 or until the effective date of rates approved in its next general rate case, whichever occurs sooner.

25 IT IS FURTHER ORDERED that DS Water Company file with Docket Control, as a  
26 compliance item in this docket, within 30 days of the execution of any financing transaction  
27 authorization herein, a notice confirming that such execution has occurred, and a certification by an  
28 authorized Company representative that the terms of the financing fully comply with the authorizations

1 granted.

2 IT IS FURTHER ORDERED that upon the filing of the loan closing notice, DS Water Company  
3 may file in this Docket an application requesting the implementation of a loan surcharge to cover the  
4 associated debt service and debt service reserve fund.

5 IT IS FURTHER ORDERED that the actual amount of the loan surcharge shall be calculated  
6 upon the actual amount of the loan and actual number of customers at the time of the loan closing.

7 IT IS FURTHER ORDERED that within 30 days of the filing of the surcharge implementation  
8 request, the Commission's Utilities Division shall calculate the appropriate debt service and debt  
9 service reserve fund for the loan surcharge and prepare and file a recommended order for Commission  
10 consideration and approval.

11 IT IS FURTHER ORDERED that DS Water Company shall notify its customers of the  
12 authorized loan surcharge mechanism approved by the Commission, in a form acceptable to the  
13 Commission's Utilities Division, by means of an insert in its next regularly scheduled billing following  
14 the approval of the loan surcharge.

15 IT IS FURTHER ORDERED that DS Water Company shall file with Docket Control, as a  
16 compliance item in this docket, within 10 days after the date notice of the loan surcharge is sent to  
17 customers, a copy of the notice provided to customers.

18 IT IS FURTHER ORDERED that DS Water Company file with Docket Control, by April 15  
19 of each year, as a compliance item in this Docket, a report reconciling all surcharge monies billed and  
20 collected, along with copies of the prior year's monthly bank statements for the debt service and debt  
21 service reserve fund account, until the Company files its next rate case.

22 IT IS FURTHER ORDERED that DS Water Company shall install a traditional mechanical  
23 wellhead meter.

24 IT IS FURTHER ORDERED that DS Water Company shall file with Docket control, within  
25 three months from the effective date of this Decision, as a compliance item in this docket,  
26 documentation demonstrating that the traditional mechanical wellhead meter has been installed.

27 IT IS FURTHER ORDERED that DS Water Company shall coordinate the reading of its  
28 traditional mechanical wellhead meter and individual customer meters on a monthly basis, and report