# WATER TARIFF SCHEDULE

**UTILITY: GLOBAL WATER-PICACHO COVE WATER COMPANY**  
**DOCKET NO: W-20495A-06-0769**

**Decision:** 70312  
**Effective:** 4/24/2008

## MONTHLY CUSTOMER CHARGE

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8 x 3/4&quot; Meter - All Zones and Classes</td>
<td>$27.00</td>
</tr>
<tr>
<td>3/4&quot; Meter - All Zones and Classes</td>
<td>$27.00</td>
</tr>
<tr>
<td>1&quot; Meter - All Zones and Classes</td>
<td>$73.75</td>
</tr>
<tr>
<td>1 1/2&quot; Meter - All Zones and Classes</td>
<td>$147.50</td>
</tr>
<tr>
<td>2&quot; Meter - All Zones and Classes</td>
<td>$236.00</td>
</tr>
<tr>
<td>3&quot; Meter - All Zones and Classes</td>
<td>$472.00</td>
</tr>
<tr>
<td>4&quot; Meter - All Zones and Classes</td>
<td>$737.50</td>
</tr>
<tr>
<td>6&quot; Meter - All Zones and Classes</td>
<td>$1,475.00</td>
</tr>
</tbody>
</table>

### GALLONS INCLUDED IN MONTHLY CUSTOMER CHARGE

0

## COMMODORE CHARGES - PER 1,000 GALLONS OF USAGE

### 5/8 x 3/4" & 3/4" Meter (Residential)

<table>
<thead>
<tr>
<th>Gallon Range</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>From 1 to 3,000 Gallons</td>
<td>$2.80</td>
</tr>
<tr>
<td>From 3,001 to 8,000 Gallons</td>
<td>$3.80</td>
</tr>
<tr>
<td>Over 8,000 Gallons</td>
<td>$4.72</td>
</tr>
</tbody>
</table>

### 5/8 x 3/4" & 3/4" Meter (Commercial & Industrial)

<table>
<thead>
<tr>
<th>Gallon Range</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>From 1 to 8,000 Gallons</td>
<td>$4.00</td>
</tr>
<tr>
<td>Over 8,000 Gallons</td>
<td>$5.00</td>
</tr>
</tbody>
</table>

### 1" Meter (Res., Comm., & Ind.)

<table>
<thead>
<tr>
<th>Gallon Range</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>From 1 to 25,000 Gallons</td>
<td>$4.00</td>
</tr>
<tr>
<td>Over 25,000 Gallons</td>
<td>$5.00</td>
</tr>
</tbody>
</table>

### 1 1/2" Meter (Res., Comm., & Ind.)

<table>
<thead>
<tr>
<th>Gallon Range</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>From 1 to 50,000 Gallons</td>
<td>$4.00</td>
</tr>
<tr>
<td>Over 50,000 Gallons</td>
<td>$5.00</td>
</tr>
</tbody>
</table>

### 2" Meter (Res., Comm., & Ind.)

<table>
<thead>
<tr>
<th>Gallon Range</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>From 1 to 80,000 Gallons</td>
<td>$4.00</td>
</tr>
<tr>
<td>Over 80,000 Gallons</td>
<td>$5.00</td>
</tr>
</tbody>
</table>

### 3" Meter (Res., Comm., & Ind.)

<table>
<thead>
<tr>
<th>Gallon Range</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>From 1 to 150,000 Gallons</td>
<td>$4.00</td>
</tr>
<tr>
<td>Over 150,000 Gallons</td>
<td>$5.00</td>
</tr>
</tbody>
</table>

### 4" Meter (Res., Comm., & Ind.)

<table>
<thead>
<tr>
<th>Gallon Range</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>From 1 to 250,000 Gallons</td>
<td>$4.00</td>
</tr>
<tr>
<td>Over 250,000 Gallons</td>
<td>$5.00</td>
</tr>
</tbody>
</table>

### 6" Meter (Res., Comm., & Ind.)

<table>
<thead>
<tr>
<th>Gallon Range</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>From 1 to 500,000 Gallons</td>
<td>$4.00</td>
</tr>
<tr>
<td>Over 500,000 Gallons</td>
<td>$5.00</td>
</tr>
</tbody>
</table>
RATES AND CHARGES (continued)

<table>
<thead>
<tr>
<th>Service Line and Meter Installation Charges</th>
<th>Services</th>
<th>Meters</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Refundable pursuant to A.A.C. R14-2-405)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5/8&quot; x 3/4&quot; Meter</td>
<td>$355</td>
<td>$85</td>
<td>$440</td>
</tr>
<tr>
<td>3/4&quot; Meter</td>
<td>355</td>
<td>165</td>
<td>520</td>
</tr>
<tr>
<td>1&quot; Meter</td>
<td>405</td>
<td>205</td>
<td>610</td>
</tr>
<tr>
<td>1 1/2&quot; Meter</td>
<td>440</td>
<td>415</td>
<td>855</td>
</tr>
<tr>
<td>2&quot; Turbine Meter</td>
<td>600</td>
<td>915</td>
<td>1,515</td>
</tr>
<tr>
<td>2&quot; Compound Meter</td>
<td>600</td>
<td>1,640</td>
<td>2,240</td>
</tr>
<tr>
<td>3&quot; Turbine Meter</td>
<td>775</td>
<td>1,420</td>
<td>2,195</td>
</tr>
<tr>
<td>3&quot; Compound Meter</td>
<td>815</td>
<td>2,215</td>
<td>3,030</td>
</tr>
<tr>
<td>4&quot; Turbine Meter</td>
<td>1,110</td>
<td>2,250</td>
<td>3,360</td>
</tr>
<tr>
<td>4&quot; Compound Meter</td>
<td>1,170</td>
<td>3,145</td>
<td>4,315</td>
</tr>
<tr>
<td>6&quot; Turbine Meter</td>
<td>1,670</td>
<td>4,445</td>
<td>6,115</td>
</tr>
<tr>
<td>6&quot; Compound Meter</td>
<td>1,710</td>
<td>6,190</td>
<td>7,900</td>
</tr>
</tbody>
</table>

Service Charges

<table>
<thead>
<tr>
<th>Establishment of Service</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>During normal business hours</td>
<td>$30.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>After Hours</td>
<td>50.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Reestablishment of Water Utility Service
(Within 12 Months of Service Disconnection)

<table>
<thead>
<tr>
<th>During normal business hours</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>After Hours</td>
<td>**</td>
<td>+ $50.00</td>
<td></td>
</tr>
</tbody>
</table>

Reconnection of Water Utility Service:

<table>
<thead>
<tr>
<th>During normal business hours</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>After Hours</td>
<td>30.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disconnection of Water Utility Service</td>
<td>0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Meter Test (If Correct)</td>
<td>20.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Customer Deposit Requirement (Residential & Nonresidential)

| Deposit Interest                           | *        |        |       |

NSF Check Charge                            | 35.00    |        |       |

Deferred Payment (Per Month)                | 1.50%    |        |       |

Late Payment Charge for Delinquent Bill (Per Month) | 1.50% |      |     |

Meter Re-Read (If Correct)                   | 25.00    |        |       |

Customer Requested Meter Relocation

Customer Requested per Rule R14-2-405B

| (a) Fire Sprinkler, Monthly Service Charge | (b)     |

RULES AND REGULATIONS

The Company has adopted the Rules and Regulation established by the Commission as the basis for its operating procedures. Arizona Corporation Commission Rules will be controlling of Company procedures, unless specific Commission Orders provide otherwise.

* Per Commission Rules (R14-2-403.B)
** Per Rule R14-2-403(D) -- Months off system times monthly minimum
(a) Cost to include parts, labor, overhead, and all applicable taxes, including income tax, if applicable.
(b) One percent (1.00%) of monthly minimum for a comparable sized meter connection, but no less than $5.00 per month. The service charge for fire sprinklers is only applicable for service lines separate and distinct from the primary water service line.

In addition to the collection of its regular rates and charges, the company shall collect from its customers their proportionate share of any privilege, sales or use tax in accordance with R14-2-409.D.5.

APPROVED FOR FILING

DECISION #: 70312
Global Water - Picacho Cove Water Company, LLC  
CROSS-CONNECTION OR BACKFLOW TARIFF

PURPOSE:
The purpose of this tariff is to protect Global Water - Picacho Cove Water Company, LLC ("PCWC") water from the possibility of contamination caused by the backflow of contaminants that may be present on the customer's premises by requiring the installation and periodic testing of backflow-prevention assemblies pursuant to the provisions of the Arizona Administrative Code ("A.A.C") R14-2-405.B.6 and A.A.C. R18-4-215.

REQUIREMENTS:
In compliance with the Rules of the Arizona Corporation Commission ("Commission") and the Arizona Department of Environmental Quality ("ADEQ"), specifically A.A.C. R14-2-405.B.6 and A.A.C. R18-4-215 relating to backflow prevention:

1. PCWC may require a customer to pay for and to have installed a backflow-prevention assembly if A.A.C. R18-4-215.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. R18-4-215.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, PCWC may terminate service or may deny service to a customer who fails to install a backflow-prevention assembly as required by this tariff.

4. PCWC 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.B.1.a is not applicable, the customer shall be given thirty (30) days from the time such written notice is received 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, PCWC or Commission Staff may suspend this requirement for a reasonable period of time.

5. Testing shall be in conformance with the requirements of A.A.C. R18-4-215.F. PCWC may require the customer to pay to have the backflow prevention assembly tested as long as PCWC does not require an unreasonable number of tests.

6. The customer shall provide PCWC with records of installation and testing. For each backflow-prevention assembly, these records shall include:
   a. assembly identification 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.
7. In the event the backflow-prevention assembly does not function properly or fails any test, and an obvious hazard as contemplated under A.A.C. R14-2-410.B.1.a. exists, PCWC may terminate service immediately and without notice. The backflow prevention assembly shall be repaired or replaced by the customer and retested.

8. 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 dysfunction of the assembly, or failure to retest, shall be grounds for termination of water service in accordance with A.A.C. R14-2-410.

ADDITIONAL INFORMATION: (supplement to the above tariff)

Specific details regarding the PCWC Cross Connection/Backflow Prevention Program are outlined in the following pages.

Effective Date: June 7, 2009
Global Water - Picacho Cove Water Company, LLC  
Cross-Connection/Back Flow Prevention Program

Rationale

In accordance with Arizona Administrative Code R18-04-115, a public water system shall protect its system from contamination caused by backflow through unprotected cross-connections by requiring the installation and periodic testing of backflow prevention assemblies. AAC R14-2-405.B.6 requires that any customer’s lines be installed so as to prevent cross-connection or backflow.

Global Water - Picacho Cove Water Company, LLC (“PCWC”) requires backflow prevention assemblies to be installed and/or retrofitted at the service connection of those establishments where there exists a possibility of contamination caused by backflow through unprotected cross-connections which are not specifically exempted by the subject rule.

In all cases, the need for and the type of backflow prevention assembly will be specified by PCWC, and will be located on the customer’s side of the service connection. The approved backflow prevention device will be installed, owned, tested and maintained by the customer. The minimum level of backflow protection that is provided to protect a public water system shall be the level recommended in:

Section 7.2 of the Manual of Cross-Connection Control
Ninth Edition, USC-FCCCHR
KAP-200 University Park MC-2531
Los Angeles, California 90089-2531
December 1993 (and no future editions or amendments)

The type of backflow-protection assembly (“BPA”) installed will be determined by the relative hazards posed by each customer account in its category. Inspecting and testing of installed BPA’s must be conducted by a certified backflow tester who shall submit a written report to PCWC. All BPA’s will be subjected to annual testing to be performed by a certified backflow tester.

Procedure for Existing Customers

All customer accounts will be reviewed by customer listing as well as on site surveys as needed, and placed into one of five categories.

Category #1 Animal clinics, car washes, laundries, pest control, some restaurants, etc.
       BPA required: Reduced Pressure Backflow Assembly

Category #2 Restaurants, schools, medical/dental offices, retail establishments
       BPA required: Reduced Pressure Backflow Assembly
Category # 3  Multi-family residences with common and dual plumbing  
BPA required: Reduced Pressure or Double Check

Category # 4  Non chemical dispensing irrigation systems and zoned horse and/or animal acreage  
properties BPA required: Reduced Pressure or Double Check

Category # 5  Class 1 and 2 fire protection systems  
BPA required: To be determined

The type of BPA required will depend upon the level of potential contamination. If the potential is low, then a lower grade of BPA may be installed on receipt of approval by PCWC.

Non- Exempt Single Family Residences

Backflow Prevention Assemblies are required in single family residences if any of the following conditions exist and subjected to be determined by PCWC:

1. Customer owns a private own well and is served additionally by the utility  
BPA required- Reduced Pressure

2. Zoned horse and/or animal acreage properties  
BPA required- Double Check Valve or Reduced Pressure

3. Operating a home business whose business is subjected to receipt, generation or storage of  
hazardous materials  
BPA required- Double Check Valve or Reduced Pressure

4. Residential properties where the potential for cross connections exists (e.g., landscape  
irrigation with recycled water, dual water main installations with potable and non-potable  
water)  
BPA required- Reduced Pressure

Procedure for New Construction

PCWC has the sole discretion to require the installation of a backflow prevention assembly (BPA)  
in order to protect the public water supply. This requirement and type of BPA will be determined  
at the plan review stage, and may be amended by a Cross-Connection Survey (see Appendix A)  
completed by PCWC.
Installation and Testing

The following types of notification will be provided to PCWC customers:

1. Information letter - This letter is for existing and new customers and explains Backflow prevention and the need for compliance. See Appendix B.

2. Notice to install a backflow prevention assembly - Initial notice sent to the customer after the utility establishes the customer’s requirement to have a BPA determined by the survey results. The customer is given notice to comply with this requirement within 30 days. See Appendix C.

3. Second notice to install or test a BPA - Reminder notice of the requirement to install or test. The customer is given notice to comply with this requirement within 14 days. See Appendix D.

4. Final Notice to install or test a BPA - Final notice to the customer to comply with the requirement of the backflow prevention program and a determination to disconnect service. See Appendix E.

5. Disconnection Notice - Notice to disconnect service with the date of disconnect if customer does not comply with the requirements of the backflow prevention program. See Appendix F.

Termination of Service

All customers who fail to comply with the requirements of the backflow prevention program will be notified in accordance with AAC R14-2-410 of the termination of their water service.

If service is terminated, service will not be restored until an approved BPA is installed and tested and any reconnection fees are paid in accordance with PCWC’s approved tariffs.

Notice

The backflow prevention program is subject to periodic review therefore the procedures may be changed or altered as deemed necessary for the protection of public health. All changes shall comply with the current and/or future laws as well as the rules and regulations of the regulatory agencies.
Any and all changes in procedure shall be forwarded to the jurisdictional regulatory agency for review prior to promulgation
Appendix A

CROSS CONNECTION SURVEY

Date:
Customer:
Water service address:
Account #:
Meter #:

Does the property have a:

Private operating well or other alternate water supply  YES □  NO □
Retention area (pond) supplied by potable water supply  YES □  NO □
Automatic irrigation system or other facility with potential for dispensing of chemical contamination  YES □  NO □
Thermal Solar energy system  YES □  NO □
Agricultural use or livestock (horses) related activity  YES □  NO □
All commercial business  YES □  NO □
Home business using possible hazardous material  YES □  NO □

If you answered “YES” to any of the above, you are required to INSTALL a Backflow-prevention assembly. It must be tested at the time of installation and ANNUALLY thereafter. Reminder letters will be sent out each year prior to the anniversary date of the previous year’s test.

Type of device required:
- Live-stock – Double Check Assembly
- All others – Reduced Pressure Assembly

Thank you for your assistance in the protection of your water supply.
The backflow prevention program is instituted and enforced to help supply all of our customers with potable water that meets the requirements of the Federal Safe Drinking Water Act.
Appendix B

Backflow Prevention Information

Dear Customer,

This letter is to inform you the Global Water - Picacho Cove Water Company, LLC is required to implement a cross connection/backflow prevention program in your service area.

What is backflow prevention?

Backflow prevention protects a public water supply from contamination caused by backflow through unprotected cross-connections. A backflow prevention program is a requirement of the Safe Drinking Water Act and AAC R18-4 et seq.

What is a Backflow Prevention Program?

A backflow prevention program requires the installation and annual testing of backflow prevention assemblies in all areas considered to be a potential cross-contamination hazard. A public water system shall maintain records of installations and tests performed on backflow-prevention assemblies in its service area. Records shall be retained by the public water system for at least three years and shall be made available for review by the Arizona Department of Environmental Quality ("ADEQ") or its designee upon request.

What is a backflow prevention assembly device?

A backflow prevention device is a device that prevents the reversal of flow when pressures changes within a distribution system.

Who is Responsible for Acquiring, Installing, Maintaining, and Testing a Backflow Prevention Assembly?

The Customer is responsible for acquiring, installing, maintaining and testing an approved BPA. Testing is required annually. The Customer must contact a certified installer in order to have the BPA properly installed. Installation and annual test certificates must be provided to the PCWC.

Where is a backflow prevention assembly installed?

A backflow prevention assembly shall be installed as close as practicable to the service connection. (Usually just past the water meter on the customer’s side).

Who is required to have a backflow prevention assembly installed?

1. Any residential service connection with livestock on the premises.
2. Any residential service connection with on-site irrigation or dual plumbing,
3. Any residential service connection with a water supply that is not accepted as an additional source by the public water system or is not approved by ADEQ or its designee. (This source is commonly a private well).
4. All commercial establishments.
5. Any connections considered by ADEQ or PCWC to be a hazard.

Who installs the backflow prevention assemblies?

Installation and testing must be performed by a person who is currently certified as a general tester by the California-Nevada section of the American Water Works Association (CA-NV Section, AWWA), the Arizona State Environmental Technical Training (ASET) Center, or other certifying authority approved by ADEQ or its designee.

Who will supply the installation and certification information?

Once you have hired a certified tester, the tester must provide PCWC with the original certificate of installation and test. We recommend you retain a copy for your records. It is the customer’s responsibility to provide proof of test and certification.

The information that must be supplied:

1. Assembly identification number and description,
2. Location,
3. Date of test,
4. Description of repairs and recommendations for repairs made by the tester, and
5. The tester’s name and certificate number.

**Important Information**

In accordance with the Federal Safe Drinking Water Act Amendments of 1986 and the provisions of the Arizona Administrative Code R18-4-115, failure to comply with this requirement shall be sufficient cause for termination of your water service. Upon request, PCWC can provide you with a copy of the Arizona Administrative Code R18-4-115. We appreciate your cooperation in this very important matter. If you should have any questions, please contact our main office at 866.940.1102.
Appendix C

NOTICE TO INSTALL AND/OR TEST BACKFLOW PREVENTION ASSEMBLY

Date:

Customer:

Water Service Connection at:

Account #:

The Arizona Administrative Code, R18-04-115, as adopted by the Arizona Department of Environmental Quality for Cross-Connection requires mandatory installation and periodic testing of backflow assemblies, where it is determined that backflow is likely to occur.

In accordance with the Federal Safe Drinking Water Act Amendments of 1986 and the provisions of the R18-04-115, you are required to install and annually test one of the following approved backflow prevention assemblies for the purpose of protecting the potable water supply from substances which could endanger public health.

() Double Check Valve Assembly
() Reduced Pressure Principal Device
() Pressure Vacuum Breaker

Reason for installation: ____________________________________________________________

A list of reduced pressure principle backflow prevention assemblies that have been evaluated and approved by the Foundation for Cross-Connection Control and Hydraulic Research of the University of California should be available through certified plumbers. These assemblies have been adopted and approved by the State of Arizona and must be installed within 30 days from the date of this letter.

Backflow prevention assemblies are to be purchased, installed, maintained and annually tested at the customer’s expense. The backflow prevention assemblies must be tested by a Certified Backflow prevention Assembly Tester at the time of installation. Once the assembly has been installed and tested you should receive a copy of the certification. The Certified Tester will need to forward the original test report to:

Global Water - Picacho Cove Water Company, LLC
21410 N. 19th Avenue Suite 220
Phoenix, AZ 85027

If you should have any questions or require further information, please contact the main office at 866.940.1102. Thank you for your cooperation in this very important matter.
Appendix D

SECOND NOTICE

NOTICE TO INSTALL/TEST BACKFLOW PREVENTION ASSEMBLY

Date:

Customer:

Water service address:

Account #

Dear Customer,

We recently wrote to you explaining the regulatory requirements for installing and/or testing your backflow prevention assembly. Installing and/or testing your BFP assembly are of the utmost importance as it is in place to protect the public water supply from possible contamination. We previously sent you a notice to comply with the requirements of the Arizona Administrative Code R18-4-115 regarding the requirements of backflow prevention.

If you have had your backflow prevention assembly installed and/or tested, please forward the report to:

Global Water - Picacho Cove Water Company, LLC
21410 N. 19th Avenue Suite 220
Phoenix, AZ 85027

If you have not complied with the requirements, please call us with the approximate date you expect to have your BFP assembly tested or installed. You are required to comply with this requirement within 14 days of this notice.

If you should have any questions or require further information, please contact our office at 866.940.1102.

Thank you for cooperation in this very important matter.
Appendix E

FINAL NOTICE

TO INSTALL AND TEST BACKFLOW PREVENTION ASSEMBLY

Date:
Customer:
Water service address:
Account #

Dear Customer,

We recently wrote to you explaining the regulatory requirements for installing and /or testing your backflow prevention assembly. Installing and /or testing your BFP assembly are of the utmost importance as it is in place to protect the public water supply from contamination. We previously sent you 2 reminder notices to comply with the requirements of the Arizona Administrative Code R18-4-115 regarding the requirements of backflow prevention.

If you have had your backflow prevention assembly installed and / or tested, please forward the report to:

Global Water - Picacho Cove Water Company, LLC
21410 N. 19th Avenue Suite 220
Phoenix, AZ 85027

If you have not complied with the requirements, please call us with the approximate date you expect to have your BFP assembly tested. You are required to comply with this requirement immediately after receiving this notice.

Failure to comply with the requirements of the Backflow prevention program will result in a disconnection of your service.

If you should have any questions or require further information, please contact our office at 866.940.1102.

Thank you for your cooperation in this very important matter.
Appendix F

DISCONNECT NOTICE

FAILURE TO INSTALL AND TEST BACKFLOW PREVENTION ASSEMBLY

Date:

Customer:

Water service address:

Account #

Dear Customer,

We recently wrote to you explaining the regulatory requirements for installing and/or testing your backflow prevention assembly. Installing and/or testing your BFP assembly are of the utmost importance as it is in place to protect the public water supply from contamination. We previously sent you 3 reminder notices to comply with the requirements of the Arizona Administrative Code R18-4-115 regarding the requirements of backflow-prevention.

Our records indicate you have failed to comply with the requirements of the backflow prevention program.

Your service will be DISCONNECTED on:

If you have had your backflow prevention assembly installed and/or tested, please forward the report to:

Global Water - Picacho Cove Water Company, LLC
21410 N. 19th Avenue Suite 220
Phoenix, AZ 85027

If your backflow prevention assembly is scheduled for testing, please have the company performing the testing contact our office at the numbers listed below to avoid any service interruption.

If you should have any questions or require further information, please contact our office at 866.940.1102. Thank you for your cooperation in this very important matter.
TARIFF SCHEDULE

UTILITY: Global Water - Picacho Cove Water Company, LLC
DOCKET NO. W-01212A-12-0309 et al.

DECISION NO. 74364
EFFECTIVE DATE: Feb 26, 2014

OFF-SITE HOOK-UP FEE (WATER)

I. Purpose and Applicability

The purpose of the off-site hook-up fees payable to Global Water - Picacho Cove Water Company, LLC ("the Company") pursuant to this tariff is to equitably apportion the costs of constructing additional off-site facilities necessary to provide water production, delivery, 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 undertaken via Main Extension Agreements or requests for service not requiring a Main Extension Agreement. The charges are one-time charges and are payable as a condition to 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 in interpreting this tariff schedule.

"Applicant" means any party entering into an agreement with Company for the installation of water facilities to serve new service connections, and may include Developers and/or Builders of new residential subdivisions and/or commercial and industrial properties.

"Company" means Global Water - Picacho Cove Water Company, LLC.

"Main Extension Agreement" means any agreement whereby an Applicant agrees to advance the costs of the installation of water facilities necessary to the Company to serve new service connections within a development, or installs such water facilities necessary to serve new service connections and transfer ownership of such water facilities to the Company, 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.”

"Off-site Facilities" means wells, storage tanks and related appurtenances necessary for proper operation, including engineering and design costs. Off-site facilities may also include booster pumps, pressure tanks, transmission mains and related appurtenances necessary for proper operation if these facilities are not for the exclusive use of the applicant and will benefit the entire water system.

"Service Connection" means and includes all service connections for single-family residential, commercial, industrial or other uses, regardless of meter size.
III. **Off-Site Water Hook-up Fee**

For each new service connection, the Company shall collect an off-site hook-up fee derived from the following table:

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>Size Factor</th>
<th>Total Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot; x 3/4&quot;</td>
<td>1</td>
<td>$1,250</td>
</tr>
<tr>
<td>3/4&quot;</td>
<td>1.5</td>
<td>$1,875</td>
</tr>
<tr>
<td>1&quot;</td>
<td>2.5</td>
<td>$3,125</td>
</tr>
<tr>
<td>1-1/2&quot;</td>
<td>5</td>
<td>$6,250</td>
</tr>
<tr>
<td>2&quot;</td>
<td>8</td>
<td>$10,000</td>
</tr>
<tr>
<td>3&quot;</td>
<td>16</td>
<td>$20,000</td>
</tr>
<tr>
<td>4&quot;</td>
<td>25</td>
<td>$31,250</td>
</tr>
<tr>
<td>6&quot; or larger</td>
<td>50</td>
<td>$62,500</td>
</tr>
</tbody>
</table>

IV. **Terms and Conditions**

(A) **Assessment of One Time Off-Site Hook-up Fee:** The off-site 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 Off-Site Hook-up Fee:** Off-site hook-up fees may only be used to pay for capital items of off-site facilities or for repayment of loans obtained to fund the cost of installation of off-site facilities. Off-site hook-up fees shall not be used to cover repairs, maintenance, or operational costs. The Company shall record amounts collected under this tariff as Contributions in Aid of Construction ("CIAC"); however, such amounts shall not be deducted from rate base until such amounts have been expended for utility plant.

(C) **Time of Payment:**

1) **For those requiring a Main Extension Agreement:** In the event that the Applicant is required to enter into a Main Extension Agreement, whereby the Applicant agrees to advance the costs of installing mains, valves, fittings, hydrants and other on-site improvements or construct such improvements in order to extend service in accordance with R-14-2-406(B), payment of the hook-up fees required hereunder shall be made by the Applicant no later than 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).

2) **For those connecting to an existing main:** In the event that the Applicant is not required to enter into a Main Extension Agreement, the hook-up fee charges hereunder shall be due and payable at the time the meter and service line installation fee is due and payable.
(D) **Off-Site Facilities Construction By Developer:** Company and Applicant may agree to construction of off-site facilities necessary to serve a particular development by Applicant, which facilities are then conveyed to Company. In that event, Company shall credit the total cost of such off-site facilities as an offset to off-site hook-up fees due under this Tariff. If the total cost of the off-site facilities constructed by Applicant and conveyed to Company is less than the applicable off-site hook-up fees under this Tariff, Applicant shall pay the remaining amount of off-site hook-up fees owed hereunder. If the total cost of the off-site facilities contributed by Applicant and conveyed to Company is more than the applicable off-site hook-up fees under this Tariff, Applicant shall be refunded the difference upon acceptance of the off-site facilities by the Company.

(E) **Failure to Pay Charges; Delinquent Payments:** The Company will not be obligated to make an advance commitment to provide or to actually provide water service to any Applicant in the event that the Applicant 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 due hereunder has not been paid.

(F) **Large Subdivision and/or Development Projects:** In the event that the Applicant is engaged in the development of a residential subdivision and/or development containing more than 150 lots, the Company may, in its discretion, agree to payment of off-site hook-up fees in installments. Such installments may be based on the residential subdivision and/or 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. In the alternative, the Applicant shall post an irrevocable letter of credit in favor of the Company in a commercially reasonable form, which may be drawn by the Company consistent with the actual or planned construction and hook-up schedule for the subdivision and/or development.

(G) **Off-Site Hook-Up Fees Non-refundable:** The amounts collected by the Company as hook-up fees pursuant to the off-site hook-up fee tariff shall be non-refundable contributions in aid of construction.

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

(I) **Off-Site Hook-up Fee in Addition to On-site Facilities:** The off-site hook-up fee shall be in addition to any costs associated with the construction of on-site facilities under a Main Extension Agreement.

(J) **Disposition of Excess Funds:** After all necessary and desirable off-site facilities are constructed utilizing funds collected pursuant to the off-site hook-up fees, or if the off-site hook-up fee has been terminated by order of the Arizona Corporation Commission, any funds remaining in the bank account 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 for service has fire flow requirements that require additional facilities beyond those facilities whose costs were included in the off-site hook-up fee, and which are contemplated to be constructed using the proceeds of the off-site 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 the off-site hook-up fee.

(L) **Status Reporting Requirements to the Commission:** The Company shall submit a calendar year Off-Site Hook-Up Fee status report each January 31st to Docket Control for the prior twelve (12) month period, beginning January 31, 2015, until the hook-up fee tariff is no longer in effect. This status report shall contain a list of all customers that have paid the hook-up fee tariff, the amount each has paid, the physical location/address of the property in respect of which such fee was paid, the amount of money spent from the account, the amount of interest earned on the funds within the tariff account, and a list of all facilities that have been installed with the tariff funds during the 12 month period.