MONTHLY USAGE CHARGES

<table>
<thead>
<tr>
<th>METER</th>
<th>CHARGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8 X 3/4&quot;</td>
<td>$14.00</td>
</tr>
<tr>
<td>3/4&quot;</td>
<td>$21.00</td>
</tr>
<tr>
<td>1&quot;</td>
<td>$35.00</td>
</tr>
<tr>
<td>1 1/2&quot;</td>
<td>$52.50</td>
</tr>
<tr>
<td>2&quot;</td>
<td>$70.00</td>
</tr>
<tr>
<td>3&quot;</td>
<td>$112.00</td>
</tr>
<tr>
<td>4&quot;</td>
<td>$210.00</td>
</tr>
<tr>
<td>5&quot;</td>
<td>$350.00</td>
</tr>
<tr>
<td>6&quot;</td>
<td>$700.00</td>
</tr>
</tbody>
</table>

COMMODITY CHARGE PER 1,000 GALLONS

<table>
<thead>
<tr>
<th>TIER</th>
<th>0 TO 4,000 GALLONS</th>
<th>4,001 TO 12,000 GALLONS</th>
<th>OVER 12,000 GALLONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>TIER ONE</td>
<td>$1.75</td>
<td>$2.30</td>
<td>$2.80</td>
</tr>
<tr>
<td>TIER TWO</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TIER THREE</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

BULK WATER - PER 1,000 GALLON:

$2.80

SERVICE CHARGES:

- Establishment: $35.00
- Establishment (After Hours): $40.00
- Reconnection (Delinquent): $40.00
- Meter Test (If Correct): $45.00
- Deposit: Per Rule
  - Deposit Interest: 0.5%/mo.
- Reestablishment (Within 12 Months): Per Rule
- NSF Check: $25.00
- Deferred Payment: Per Rule
- Meter Reread (If Correct): $15.00
- Late Fee: 1.5%/mo.

MONTHLY SERVICE CHARGE FOR FIRE SPRINKLER

- 4" or smaller: ****
- 10" or smaller: ****

** Per Commission rule A.A.C. R-14-2-403(B)

** Months off the system time the monthly minimum per Commission rule A.A.C. R-14-2-403(D)

*** Per Commission rule A.A.C. R-14-2-409(G)

**** 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.

OTHER RATES AND CHARGES APPROVED BY ORDER:

CROSS-CONNECTION OR BACKFLOW TARIFF

PURPOSE:

The purpose of this tariff is to protect [Halcyon Actus Annex #2 Water Co.] ("Company") 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. R18-4-115.

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. R18-4-115 relating to backflow prevention:

1. The Company may require a customer to pay for and to have installed a backflow-prevention assembly if A.A.C. R18-4-115.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. R18-4-115.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, the Company may terminate service or may deny service to a customer who fails to install a backflow-prevention assembly as required by this tariff.

4. The 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.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, the Company or Commission Staff may suspend this requirement for a reasonable period of time.

**FOR OFFICIAL USE ONLY**

Effective Date: 1.20.2006

ADMINISTRATIVELY APPROVED FOR FILING
5. Testing shall be in conformance with the requirements of A.A.C. R18-4-115.F. The 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.

6. The customer shall provide the 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.

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, the Company 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.
HALCYON ACRES ANNEX #2
WATER CO. INC.
8950 E. 20th St.
Tucson Az. 85710

17 March 1993

Arizona Corporation Commission
1200 West Washington Ave.
Phoenix Arizona 85007

Please note the change of address effective at once as printed below.

C.P. Bentsen
Vice President

HALCYON ACRES ANNEX NO. 2
WATER COMPANY, INC.
8835 E. 21st ST.
TUCSON, AZ 85710

ARIZONA CORPORATION COMMISSION

MAR 18 1993

Director of Utilities
TARIFF SCHEDULE

Utility: __________________________ Tariff Sheet No.: 1 of 4
Docket No.: ______________________ Decision No.: ______________________
Phone No.: ______________________ Effective: 1.21.01

CURTAILMENT PLAN FOR

(Template 063004)

ADEQ Public Water System No.: 55-504418

Halcyon Acres Annex #2
Water Co. ______________________ (“Company”), is authorized to curtail water service to all customers
within its certificated area under the terms and conditions listed in this tariff.

This curtailment plan shall become part of the Arizona Department of Environmental Quality

The Company shall notify its customers of this new tariff as part of its next regularly scheduled
billing after the effective date of the tariff or no later than sixty (60) days after the effective date
of the tariff.

The Company shall provide a copy of the curtailment tariff to any customer, upon request.

Stage 1 Exists When:

Company is able to maintain water storage in the system at 100 percent of capacity and there are
no known problems with its well production or water storage in the system.

Restrictions: Under Stage 1, Company is deemed to be operating normally and no
curtailment is necessary.

Notice Requirements: Under Stage 1, no notice is necessary.

Stage 2 Exists When:

a. Company’s water storage or well production has been less than 80 percent of capacity for
   at least 48 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 2, the Company may request the customers to voluntarily
employ water conservation measures to reduce water consumption by approximately
50 percent. Outside watering should be limited to essential water, dividing outside
watering on some uniform basis (such as even and odd days) and eliminating outside
watering on weekends and holidays.

REVISED June 30, 2004

ADMINISTRATIVELY
APPROVED FOR FILING
**TARIFF SCHEDULE**

Utility: ________________________
Docket No.: ____________________
Phone No.: ____________________
Tariff Sheet No.: 2 of 4
Decision No.: __________________
Effective: 1.21.06

**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 1 signs showing the curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to major subdivisions served by the Company.

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.

**ADMINISTRATIVELY APPROVED FOR FILING**

REVISED: June 30, 2004
Stage 4 Exists When:

a. Company’s total water storage or well production has been less than 25 percent of capacity for at least 12 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 4, Company shall inform the customers of a mandatory restriction to employ water conservation measures to reduce daily consumption. Failure to comply will result in customer disconnection. The following uses of water shall be prohibited:

- Irrigation of outdoor lawns, trees, shrubs, or any plant life is prohibited
- Washing of any vehicle is prohibited
- The use of water for dust control or any outdoor cleaning uses is prohibited
- The use of drip or misting systems of any kind is prohibited
- The filling of any swimming pool, spas, fountains or ornamental pools is prohibited
- The use of construction water is prohibited
- Restaurant patrons shall be served water only upon request
- Any other water intensive activity is prohibited

The Company’s operation of its standpipe service is prohibited. The addition of new service lines and meter installations is prohibited.

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. Company shall post at least 1 signs showing curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to major subdivisions served by the Company.

3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 4.
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.