# Tariff Schedule

OATMAN WATER COMPANY, LLC.  
DOCKET NOS. W-04069A-16-0080  
DECISION NO.: 75696  
EFFECTIVE: AUG. 1, 2016

## Monthly Usage Charge

<table>
<thead>
<tr>
<th>Size</th>
<th>Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot; x 3/4&quot;</td>
<td>$50.00</td>
</tr>
<tr>
<td>3/4&quot; Meter</td>
<td>$55.00</td>
</tr>
<tr>
<td>1&quot; Meter</td>
<td>$65.00</td>
</tr>
<tr>
<td>1-1/2&quot; Meter</td>
<td>$85.00</td>
</tr>
<tr>
<td>2&quot; Meter</td>
<td>$125.00</td>
</tr>
<tr>
<td>3&quot; Meter</td>
<td>$165.00</td>
</tr>
<tr>
<td>4&quot; Meter</td>
<td>$255.00</td>
</tr>
<tr>
<td>6&quot; Meter</td>
<td>$425.00</td>
</tr>
<tr>
<td>8&quot; Meter</td>
<td>$500.00</td>
</tr>
<tr>
<td>10&quot; Meter</td>
<td>$600.00</td>
</tr>
</tbody>
</table>

## Commodity Charge (Per 1,000 Gallons)

<table>
<thead>
<tr>
<th>Size</th>
<th>0 to 3,000 gallons</th>
<th>3,001 to 9,000 gallons</th>
<th>Over 9,000 gallons</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot; x 3/4&quot;</td>
<td>$9.90</td>
<td>$13.90</td>
<td>$18.70</td>
</tr>
<tr>
<td>3/4&quot; Meter</td>
<td>$9.90</td>
<td>$13.90</td>
<td>$18.70</td>
</tr>
<tr>
<td>1&quot; Meter</td>
<td>$13.90</td>
<td>$18.70</td>
<td></td>
</tr>
<tr>
<td>1 1/2&quot; Meter</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2&quot; Meter</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3&quot; Meter</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4&quot; Meter</td>
<td>$13.90</td>
<td>$18.70</td>
<td></td>
</tr>
<tr>
<td>6&quot; Meter</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8-inch Meter</td>
<td>$13.90</td>
<td>$18.70</td>
<td></td>
</tr>
<tr>
<td>10-inch Meter</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
SERVICE LINE AND METER INSTALLATION CHARGES

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

<table>
<thead>
<tr>
<th>Service Line Charge</th>
<th>Meter Installation</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot; x 3/4&quot; Meter</td>
<td>$475.00</td>
<td>$150.00</td>
</tr>
<tr>
<td>3/4&quot; Meter</td>
<td>475.00</td>
<td>250.00</td>
</tr>
<tr>
<td>1&quot; Meter</td>
<td>550.00</td>
<td>300.00</td>
</tr>
<tr>
<td>1-1/2&quot; Meter</td>
<td>610.00</td>
<td>505.00</td>
</tr>
<tr>
<td>2&quot; Meter</td>
<td>920.00</td>
<td>1,030.00</td>
</tr>
<tr>
<td>3&quot; Meter</td>
<td>1,260.00</td>
<td>1,590.00</td>
</tr>
<tr>
<td>4&quot; Meter</td>
<td>1,640.00</td>
<td>2,668.00</td>
</tr>
<tr>
<td>6&quot; Meter</td>
<td>2,475.00</td>
<td>5,025.00</td>
</tr>
</tbody>
</table>

SERVICE CHARGES

- Establishment: $30.00
- Reconnection (Delinquent): $30.00
- After Hours Service Charge (At Customer's Request): $40.00
- Meter Test (If Correct): $25.00
- Meter Reread (If Correct): $15.00
- NSF Check: $20.00
- Deposit: *
- Deposit Interest: *
- Re-establishment (within 12 months): **
- Deferred Payment (Per Month): 2.00%
- Late Payment Charge (Per Month): $10.00

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

** Months off system times the monthly minimum per Commission Rule A.A.C. R14-2-403(D).
Leak Detection Program Tariff – BMP 4.1

PURPOSE

A program for the Company to systematically evaluate its water distribution system to identify and repair leaks (Modified Non-Per Capita Conservation Program Best Management Practice Category 4: Physical System Evaluation and Improvement 4.1 Leak Detection Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources’ Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Company shall implement a comprehensive leak detection and repair program to attain and maintain a less than 10 percent unaccounted for water loss in its system(s). The program must include auditing procedures, in-field leak detection and repair efforts. The Company shall take whatever steps are necessary to ensure that its water system is operating at optimal efficiency.

2. On a systematic basis, at least every two years (annually for smaller systems), the Company shall inspect its water distribution system (to include hydrants, valves, tanks, pumps, etc. in the distribution system) to identify and repair leaks. Detection shall be followed by repair or in some cases replacement. Repair vs. replacement will depend upon site-specific leakage rates and costs.

3. Leak Detection efforts should focus on the portion of the distribution system with the greatest expected problems, including:
   a. areas with a history of excessive leak and break rates;
   b. areas where leaks and breaks can result in the heaviest property damage;
   c. areas where system pressure is high;
   d. areas exposed to stray current and traffic vibration;
   e. areas near stream crossings; and,
   f. areas where loads on pipe may exceed design loads.

4. The Company shall keep accurate and detailed records concerning its leak detection and repair/rehabilitation program and the associated costs. Records of repairs shall include: possible causes of the leak; estimated amount of water lost; and date of repair. These records shall be made available to the Commission upon request.

5. The Company shall maintain a complete set of updated distribution system maps.

6. The Company shall ensure that properly functioning (accurate) and appropriately sized meters are installed on all service and source connections. All meters 1-inch and smaller shall be inspected at least once every ten years or upon registering 1,000,000 gallons of

Revised 5-2-11
usage, whichever comes first. Meters larger than 1-inch shall be inspected at least once every five years or upon registering 1,000,000 gallons of usage, whichever comes first.

7. The inspection will be accomplished by having the meter pulled and having a Company Technician physically inspect each meter and its fittings for leaks, registers which may have become loose or are not properly attached to the meter and could be under-registering or other broken parts which need repair. In addition, meters shall be randomly selected for flow testing to identify potentially under-registering meters.

8. The Company shall conduct a water audit annually which includes the following steps to determine how efficient each water system is operating and where the losses might be.
   a. Use coordinated monthly source and service meter readings to calculate how much water enters and leaves the system during the 12 month review period.
   b. Track and estimate any unmetered authorized uses.
   c. Calculate the total amount of leakage using the following formula:

   \[
   \text{Unaccounted for water (\%) = \frac{[(\text{Production and/or purchased water minus metered use \& estimated authorized un-metered use})]}{(\text{Production and/or purchased water})}] \times 100
   \]

d. Authorized un-metered uses may include firefighting, main flushing, process water for water treatment plants, etc. Water losses include all water that is not identified as authorized metered water use or authorized un-metered use.

e. Determine possible reasons for leakage, including physical leaks and unauthorized uses.
   f. Analyze results to determine the improvements needed, such as, better accounting practices, leak survey or replacing old distribution pipes.

9. The Company shall keep accurate and detailed records concerning its annual water audit results. These records shall be made available to the Commission upon request.
**Meter Repair and/or Replacement Tariff – BMP 4.2**

**PURPOSE**

A program for the Company to systematically assess all in-service water meters (including Company production meters) in its water service area to identify under-registering meters for repair or replacement (Modified Non-Per Capita Conservation Program Best Management Practice Category 4: Physical System Evaluation and Improvement 4.2 Meter Repair and/or Replacement Program).

**REQUIREMENTS**

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources’ Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. On a systematic basis, the Company will inspect 100 percent of its 1-inch and smaller in-service water meters at least once every ten years for one of the following reasons (whichever occurs first):
   a. A meter reading complaint is filed with the Company by a customer or Arizona Corporation Commission Staff,
   b. A meter has registered 1,000,000 gallons of usage,
   c. A meter has been in service for ten years.

2. Meters larger than 1-inch shall be inspected for one of the following reasons:
   a. A meter reading complaint is filed with the Company by a customer or Arizona Corporation Commission Staff,
   b. A meter has been in service for five years.

3. The inspection will be accomplished by having the meter pulled and having a Company Technician physically inspect each meter and its fittings for leaks, registers which may have become loose or are not properly attached to the meter and could be under-registering or other broken parts which need repair. In addition, meters shall be randomly selected for flow testing to identify potentially under-registering meters.

4. The Company shall also replace or reprogram any water meters that do not register in gallons. Upon the effective date of this tariff, the Company shall install all replacement meters with new:
   a. 1-inch and smaller meters that register in 1 gallon increments,
   b. 1-1/2-inch through 4-inch meters that register in 10 gallon increments, and
   c. 6-inch and larger meters that register in 100 gallon increments.

5. The Company shall keep records of all inspected and replacement meters and make this information available to the Commission upon request.

Revised: 8-24-11
WATER SYSTEM TAMPERING TARIFF – BMP 5.2

PURPOSE

The purpose of this tariff is to promote the conservation of groundwater by enabling the Company to bring an action for damages or to enjoin any activity against a person who tampers with the water system.

REQUIREMENTS:

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission, specifically Arizona Administrative Code ("AAC") R14-2-410 and the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. In support of the Company's water conservation goals, the Company may bring an action for damages or to enjoin any activity against a person who: (1) makes a connection or reconnection with property owned or used by the Company to provide utility service without the Company's authorization or consent; (2) prevents a Company meter or other device used to determine the charge for utility services from accurately performing its measuring function; (3) tampers with property owned or used by the Company; or (4) uses or receives the Company's services without the authorization or consent of the Company and knows or has reason to know of the unlawful diversion, tampering or connection. If the Company's action is successful, the Company may recover as damages three times the amount of actual damages.

2. Compliance with the provisions of this tariff will be a condition of service.

3. The Company shall provide to all its customers, upon request, a complete copy of this tariff and AAC R14-2-410. The customers shall follow and abide by this tariff.

4. If a customer is connected to the Company water system and the Company discovers that the customer has taken any of the actions listed in No. 1 above, the Company may terminate service per AAC R14-2-410.

5. 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.

Revised: 5-26-11
TARIFF SCHEDULE

Utility: OATMAN WATER Co
Docket No.: 002-690-0615
Phone No.: [Phone Number]

Tariff Sheet No.: 1 of 4
Decision No.: [Decision Number]
Effective: May 2016

CURTAILMENT PLAN FOR: OATMAN WATER Co. LLC
(Template 102109)

ADEQ Public Water System No: 08-001

OATMAN WATER Company LLC ("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 Emergency Operations Plan for the Company.

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, the 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.
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, the 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, the Company shall post at least 10 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. The 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.
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 10 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.
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.

Customers who fail to comply with the above restrictions will be given a written notice to end all outdoor use. Failure to comply with 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.
CROSS-CONNECTION OR BACKFLOW TARIFF

PURPOSE:

The purpose of this tariff is to protect **OATMAN WATER COMPANY** ("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. R18-4-215.

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. The Company 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, 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 backflow-prevention assembly 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: April 16, 2016

ADMINISTRATIVELY APPROVED FOR FILING
5. Testing shall be in conformance with the requirements of A.A.C. R18-4-215.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.

**FOR OFFICIAL USE ONLY**

Effective Date: April 16, 2016