Pine Valley Water Company
480 Raintree Rd
Sedona, AZ 86351

WATER TARIFF SCHEDULE
DOCKET NO. W-02181A-15-0216

DECISION NO. 75554
EFFECTIVE JULY 1, 2016

RATES AND CHARGES

Monthly Usage Charge:
5/8” X ¾ Meter $23.00
3/4” Meter $24.00
1” Meter $28.00
2” Meter $52.00
1 1/2”, 3”, 4”, 6”, 8”, & 10” Meters $0.00

Commodity Rates (Per 1,000 Gallons):
5/8” X 3/4” Meter - Residential
First Tier 0 to 4,000 Gallons $3.87
Second Tier 4,001 to 14,000 Gallons $5.55
Third Tier Over 14,000 Gallons $6.60

3/4” x 1” & 2” Meter – Residential and Commercial
First Tier 0 to 4,000 Gallons $3.87
Second Tier 4,001 to 14,000 Gallons $5.55
Third Tier Over 14,000 Gallons $6.60

Service Line and Meter Installation Charges:
(Refundable pursuant to A.A.C. R14-2-40-5)

<table>
<thead>
<tr>
<th>Service Line</th>
<th>Meter Charge</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8, ¾, &amp; 1” Meters</td>
<td>-</td>
<td>$0.00</td>
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<tr>
<td>1 1/2” Meter</td>
<td>$315.00</td>
<td>$255.00</td>
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<tr>
<td>2”, 3”, 4”, 6” Tubine Meters</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2” Compound Meter</td>
<td>$455.00</td>
<td>$515.00</td>
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<tr>
<td>3” Compound Meter</td>
<td>$780.00</td>
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<tr>
<td>4” Compound Meter</td>
<td>$840.00</td>
<td>$1,315.00</td>
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<tr>
<td>6” Compound Meter</td>
<td>$1,375.00</td>
<td>$2,790.00</td>
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</tbody>
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APPROVED FOR FILING
DECISION #: 75554
Service Charge:
Establishment $40.00
After Hours Service Charge $50.00
Reconnection (Delinquent) $40.00
Meter Test (If Correct) $30.00
Deposit *
Deposit Interest *
Reestablishment (Within 12 Months) **
NSF Check Fee $25.00
Deferred Payment ****
Meter Reread (If Correct) $25.00
Late Payment Penalty $5.00
Monthly Service Charge for Fire Sprinklers (All meter Sizes) ***

* Per Commision Rule A.A.C. R-14-2-403(B)
** Months off system times the monthly minimum per Commision rule A.A.C. R-14-2-403(D)
*** 2% of Monthly Minimum for Comparable Size Meter Connections, but no less than $10.00 per month. The Service charge for Fire Sprinklers is only applicable for service lines seperate and distinct from the primary water service line.
**** Pursuant to A.A.C. R-14-2-409G

Other Rates and Charges
In addition to collection of its regular rates and charges, Pine Valley Water Company is authorized to collect from its customers a proportionate share of any privilege, sales, or use tax pursuant to A.A.C. R14-2-409(D)
CROSS-CONNECTION OR BACKFLOW TARIFF

PURPOSE:

The purpose of this tariff is to protect ____________ (“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.

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Effective Date: September 27, 2006
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.

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Effective Date: September 27, 2015
TARIFF SCHEDULE

Utility: ___________________________  Tariff Sheet No.: 1 of 4
Docket No.: ________________________  Decision No.:   
Phone No.: _________________________  Effective: September 12, 2015

CURTAILMENT PLAN FOR: Pine Valley Water Company

ADEQ Public Water System No: 04-13-103

Pine Valley Water Company ("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.

Revised October 21, 2009
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 (1) one sign showing the curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to the subdivision 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 (1) one sign showing curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to the subdivision 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.
CORPORATE RESOLUTION
OF
PINE VALLEY WATER COMPANY

WHEREAS the PINE VALLEY WATER COMPANY is a private water company, incorporated under the laws of the State of Arizona; and

Whereas the Pine Valley Water Company, by Order of the Arizona Corporation Commission dated July 28, 1972 received a certificate of convenience and necessity franchising it to be the sole water company providing water to Pine Valley Subdivision, Docket no. U-2181, Decision No. 42256; and

Whereas the parcel known as Lot 205 Pine Valley and also known as 2610 Jacks Canyon Road, Sedona, Arizona 86331, APN # 405-32-207 (hereafter "the Parcel") is within the area certificated by the certificate of convenience and necessity; and

Whereas the service line by which Pine Valley Water Company provides water to the Parcel (hereafter "the service line") runs through Forest Service land; and

Whereas the Forest Service requires the issuance of a permit and the payment of annual fees for that portion of the service line which runs through Forest Service land; and

Whereas the permit has been allowed to lapse and the applicable fees have not been paid, though as of the date of this document, service has at no time been disrupted or discontinued due to the permit issues;

NOW THEREFORE, in consideration of the above stated facts, the PINE VALLEY WATER COMPANY RESOLVES, ACKNOWLEDGES AND AGREES as follows:

1) That the Pine Valley Water Company has been and will continue to be responsible for delivery of potable water to the point of delivery for the Parcel so long as the Pine Valley Water Company possesses the Certificate of Convenience and Necessity for the Pine Valley Subdivision;

2) That the service line which delivers water to the point of delivery for the Parcel is the responsibility of the Pine Valley Water Company, and that such responsibility includes, but is not limited to the maintenance of such line and the payment of any fees or permits required by the placement of such line;

Water Company shall renew the Forest Service permit for the

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