IT IS THEREFORE ORDERED that Verde Lakes Water Corporation is hereby directed to file on or before August 31, 1998 revised rate schedules setting forth the following rates and charges:

**MONTHLY USAGE CHARGE:**

<table>
<thead>
<tr>
<th>Size</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot; x 3/4&quot;</td>
<td>$8.75</td>
</tr>
<tr>
<td>3/4&quot;</td>
<td>8.75</td>
</tr>
<tr>
<td>1&quot;</td>
<td>15.00</td>
</tr>
<tr>
<td>1 1/2&quot;</td>
<td>30.00</td>
</tr>
<tr>
<td>2&quot;</td>
<td>49.00</td>
</tr>
<tr>
<td>3&quot;</td>
<td>125.00</td>
</tr>
<tr>
<td>4&quot;</td>
<td>175.00</td>
</tr>
<tr>
<td>6&quot;</td>
<td>440.00</td>
</tr>
</tbody>
</table>

**COMMODITY CHARGE:**

- Charge Per 1,000 Gallons:
  - 0-6,000 Gallons: 1.65
  - 6,001 - 15,000 Gallons: 2.50
  - Over 15,000 Gallons: 3.50

**SERVICE LINE AND METER INSTALLATION CHARGES:**

(refundable pursuant to A.A.C. R14-2-405)

<table>
<thead>
<tr>
<th>Size</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8&quot; x 3/4&quot;</td>
<td>$330.00</td>
</tr>
<tr>
<td>3/4&quot;</td>
<td>375.00</td>
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<tr>
<td>1&quot;</td>
<td>440.00</td>
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<tr>
<td>1 1/2&quot;</td>
<td>660.00</td>
</tr>
<tr>
<td>2&quot;</td>
<td>1,155.00</td>
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<tr>
<td>3&quot;</td>
<td>1,625.00</td>
</tr>
<tr>
<td>4&quot;</td>
<td>2,540.00</td>
</tr>
<tr>
<td>6&quot;</td>
<td>4,875.00</td>
</tr>
</tbody>
</table>

**SERVICE CHARGES:**

- Establishment: $30.00
- Establishment (After Hours): 45.00
- Reconnection (Delinquent): 20.00
- Meter Test (If Correct): 45.00
- Deposit: *
- Deposit Interest: *
- Reestablishment (Within 12 months): **
- NSF Check: 15.00
- Deferred Payment (Per Annum): 12.00%
- Meter Reread (If Correct): 10.00
- Late Payment Penalty: 3.00

* Per Commission Rule A.A.C. R14-2-403(B).
** Months off system times the monthly minimum per Commission Rule A.A.C. R14-2-403(D).
*** 1% 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.
CROSS-CONNECTION AND BACKFLOW TARIFF

APPLICABILITY:
All customers served by Verde Lakes Water Corporation.

PURPOSE:
To protect the public water supply from possibility of contamination caused by backflow through unprotected cross-connections by requiring installation and periodic testing of backflow-prevention assemblies pursuant to provisions of Arizona Administrative Code (A.A.C.) R18-4-232.

REQUIREMENTS:
In compliance with the rules and regulations of the Arizona Corporation Commission and the Arizona Department of Environmental Quality (ADEQ), specifically A.A.C. R14-2-405.B.6 and A.A.C. R18-4-232 relating to backflow prevention:
1. Verde Lakes Water Corporation may require a customer to pay for and install a backflow-prevention assembly if A.A.C.R18-4-232.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.R18-4-232.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, Verde Lakes Water Corporation may terminate service or deny service to a customer who fails to install a backflow-prevention assembly as required by this tariff.
4. Verde Lakes Water Corporation 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.B1.a. is not applicable, the customer shall be given thirty (30) days 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, Verde Lakes Water Corporation 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. R18-4-232F. Verde Lakes Water Corporation may require the customer to pay to have the backflow-prevention assembly tested as long as the Corporation does not require an unreasonable number of tests. Verde Lakes Water Corporation may also require the customer to pay for repairs to a backflow-prevention assembly. All backflow-prevention assemblies must be tested a minimum of once a year.
6. The customer shall provide Verde Lakes Water Corporation 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.
   e. the tester's name and certificate number.

EFFECTIVE 2/5/93

APPROVED FOR FILING
DECISION #: 58175
7A. In the event the backflow-prevention assembly does not function properly or fails any test, and a hazard as contemplated under A.A.C. R14-2-410.B.1.a. exists, Verde Lakes Water Corporation may terminate service immediately and without notice. The backflow-prevention assembly shall be repaired or replaced by the customer and retested before service is restored.

7B. 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 disfunction of the assembly, or failure to retest, shall be grounds for termination of water service in accordance with A.A.C.R14-2-410.