

ORIGINAL



0000189840

Lake Verde Water Company, Inc

PO Box 2777

Camp Verde, AZ 86322

6.29.18

Arizona Corporation Commission

DOCKETED

Arizona Corporation Commission

Docket Control

JUL 9 2018

1200 W Washington

DOCKETED BY

Phoenix, AZ 85007

[Signature]

RE: In the matter of Lake Verde Water mailing out the customer notification along with schedules 7 and 8 from the Rate case. Docket #: W-01557A-15-0079 and W-01557A-15-0080.

+ W-01557A-18-0222

Dear Sir or Madam:

The customer notification, plus schedules 7 and 8 of the rate case were mailed out to all 63 Lake Verde Water Customers on Friday, June 29th, 2018 by the US Postal Service.

Sincerely,

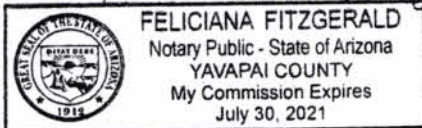
[Signature]
[Signature]

Morgan Dubs

Office Manager

Lake Verde Water CO

Feliciana Fitzgerald



EXP: 7/30/21

RECEIVED
AZ CORP COMMISSION
DOCKET CONTROL
2018 JUL -9 A 9:24

CUSTOMER NOTIFICATION

Lake Verde Water Company has applied to the Arizona Corporation Commission for an adjustment in rates. The current rates have been in effect since **1994**. An increase in rates is necessary at this time due to the lack of funds available to run a water company and provide safe drinking water. Based on the Company's un-audited Test Year results, Lake Verde Water realized an operating income of \$2,872. This income includes the current surcharges in place. The Company is requesting a revenue increase of \$30,033 of total revenues. Please see the attached Schedules 7 and 8 of the Company's application for the current and proposed rates.

The Application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street and at Lake Verde Water Company's office at 738 S Parks Drive, Camp Verde, AZ 86322. Please be advised that the rates and charges ultimately approved by the Commission may be higher or lower than the rates and charges requested in the Application.

Customer input is an important part of the Commission's analysis of the requested adjustment and is a factor in determining whether a hearing will be conducted. Customers should bring to the Commission's attention any questions or concerns related to the Company's Application, including service, billing procedures or other factors important in determining the reasonableness of charges. Customers may have the right to intervene in this matter. Customers wishing to communicate with the Commission, or request information on intervention in the proceeding, should contact the Commission's Consumer Services Section at 800-222-7000 (if located outside the Phoenix local calling area) or 602-542-4251 in the Phoenix local calling area.

Customers are advised that the Commission may act upon the Application without a hearing. Regardless of whether a formal hearing is held, customer comments submitted in writing will be placed in the office file, which the Commission reviews prior to making its final decision on the Application. It is important that customers contact the Commission upon receipt of this notice so that the Commission's Staff can consider customer comments and concerns in developing its recommendations to the Commission.

Brenda McDonald

A handwritten signature in cursive script that reads "Brenda McDonald". The signature is written in dark ink and is positioned below the typed name.

CURRENT AND PROPOSED RATES

MONTHLY MINIMUM OR BASIC SERVICE CHARGE					
METER SIZE	CUSTOMER CLASS	CURRENT RATES		PROPOSED RATES	
		RATE	GALLONS INCLUDED	RATE	GALLONS INCLUDED
5/8" x 3/4" Meter	Residential	\$10.50	1000	\$64.00	0
3/4" Meter	Residential	\$15.75		\$75.00	0
1" Meter	N/A	\$25.00		\$80.00	0
1-1/2" Meter	N/A	\$35.00		\$90.00	0
2" Meter	N/A	\$50.00		\$115.00	0
3" Meter	N/A	\$0.00		\$0.00	0
4" Meter	N/A	\$0.00		\$0.00	0
6" Meter	N/A	\$0.00		\$0.00	0
8" Meter	N/A	\$0.00		\$0.00	0
10" Meter	N/A	\$0.00		\$0.00	0
N/A	N/A	\$0.00		\$0.00	0

Interim Emergency Surcharge per month **\$ 45.90**

GALLONS IN EXCESS OF MINIMUM
 Commodity Charge in Excess of Minimum (Charge Per 1,000 Gallons)

	CURRENT RATES			PROPOSED RATES		
	RATES	Gallons		RATES	Gallons	
		FROM	TO		FROM	TO
5/8" x 3/4" Meter						
FIRST TIER	\$2.00	1,000	999,999,999	\$4.00	0	3,000
SECOND TIER	\$0.00	0	0	\$5.65	3,001	10,000
THIRD TIER	\$0.00	0	0	\$7.55	10,001	9,999,999
FLAT RATE	\$0.00	0	0			

GALLONS IN EXCESS OF MINIMUM FOR LARGER METER SIZES WITH ONLY TWO TIERS
 Commodity Charge in Excess of Minimum (Charge Per 1,000 Gallons)

METER SIZE	RATES		BREAK-OVER POINT	RATES		BREAK-OVER POINT
	SECOND TIER	THIRD TIER		SECOND TIER	THIRD TIER	
3/4" Meter	\$0.00	\$0.00	0	\$5.65	\$7.55	9,999,999
1" Meter	\$0.00	\$0.00	0	\$5.65	\$7.55	0
1-1/2" Meter	\$0.00	\$0.00	0	\$5.65	\$7.55	0
2" Meter	\$0.00	\$0.00	0	\$5.65	\$7.55	0
3" Meter	\$0.00	\$0.00	0	\$5.65	\$7.55	0
4" Meter	\$0.00	\$0.00	0	\$5.65	\$7.55	0
6" Meter	\$0.00	\$0.00	0	\$5.65	\$7.55	0
8" Meter	\$0.00	\$0.00	0	\$5.65	\$7.55	0
10" Meter	\$0.00	\$0.00	0	\$5.65	\$7.55	0
N/A	\$0.00	\$0.00	0	\$5.65	\$7.55	0

Instructions: Update all information as necessary in the Grey highlighted cells. In the Monthly Minimum or Basic Service Charge section, use the drop down functions in columns A and B to select the meter sizes and customer classes. Then update input the current and proposed rates and the gallons that are included with the basic service charge. The next section is for the 5/8 and 3/4" meters with three tiers. Input the current and proposed commodity rates along with the ranges of each tier. The last commodity section is for all meters that are 1" and larger with only two tiers. For each meter size fill in the break-over point, and update the rates if necessary.

CURRENT AND PROPOSED SERVICE CHARGES

SERVICE LINE AND METER INSTALLATION CHARGES						
METER SIZE	CURRENT CHARGES			COMPANY PROPOSED		
	Service Line Charge	Meter Charge	Total Charge	Service Line Charge	Meter Charge	Total Charge
5/8" x 3/4" Meter	\$290.00	\$10.50	\$300.50	\$415.00	\$105.00	\$520.00
3/4" Meter	325.00	15.75	340.75	415.00	205.00	620.00
1" Meter	375.00	25.00	400.00	465.00	265.00	730.00
1½" Meter	570.00	35.00	605.00	520.00	475.00	995.00
2" Turbine Meter	970.00	50.00	1,020.00	800.00	995.00	1,795.00
2" Compound Meter	0.00	0.00	0.00	800.00	1,840.00	2,640.00
3" Turbine Meter	0.00	0.00	0.00	1,015.00	1,620.00	2,635.00
3" Compound Meter	0.00	0.00	0.00	1,135.00	2,495.00	3,630.00
4" Turbine Meter	0.00	0.00	0.00	1,430.00	5,270.00	6,700.00
4" Compound Meter	0.00	0.00	0.00	1,610.00	3,545.00	5,155.00
6" Turbine Meter	0.00	0.00	0.00	2,150.00	4,925.00	7,075.00
6" Compound Meter	0.00	0.00	0.00	2,270.00	680.00	2,950.00

SERVICE CHARGES	CURRENT CHARGES	PROPOSED CHARGES
Establishment	\$10.00	\$30.00
Establishment (after hours)	\$15.00	\$0.00
Reconnection (delinquent)	\$5.00	\$30.00
After Hours Service Charge	\$0.00	\$50.00
Meter Test (If correct)	\$10.00	\$35.00
Deposit	*	\$0.00
Deposit Interest	**	\$0.00
Re-establishment (within 12 months)	***	\$0.00
NSF Check	\$10.00	\$25.00
Deferred Payment	****	1.50%
Meter Re-read	\$5.00	\$20.00
Late Fee	\$0.00	10%

*Deposit - Per Commission Rule A.A.C. R-14-2-403(B)(7).

**Deposit Interest - Per Commission Rule A.A.C. R-14-2-403(B)(3).

***Re-establishment (within 12 months) - Month off system times the monthly minimum A.A.C. R14-2-403(D).

****Deferred Payment - 1.50% of unpaid monthly balance.

The Monthly 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 regular rates, the utility will collect from its customers a proportionate share of any privilege, sales, use, and franchise tax. Per commission rule A.A.C. 14-2-409D(5).

Instructions: Update all information in the Grey highlighted cells. Add rows as necessary.