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5

6 **BEFORE THE ARIZONA CORPORATION COMMISSION**

7 IN THE MATTER OF THE APPLICATION
8 OF SUNRISE VISTAS UTILITIES
COMPANY FOR APPROVAL FOR RATE
9 CHANGE.

DOCKET NO: WS-03586A-22-0068
NOTICE OF COMPLIANCE

10 Pursuant to Decision No. 78715 (September 20, 2022), Sunrise Vistas Utilities
11 Company (“Company”) files this Notice of Compliance in the above-captioned matter.
12 Decision No. 78715 orders the Company to file, for Staff’s review and approval, a
13 Purchased Water Adjustor Mechanism Plan of Administration. See Exhibit A.

14 RESPECTFULLY SUBMITTED this 18th day of November, 2022.

15 SHAPIRO LAW FIRM, P.C.

16 By: /s/ Jay L. Shapiro

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19 Attorney for Sunrise Vistas Utilities Company

20 **ORIGINAL** e-Filed
this 18th day of November, 2022, with:

21 Docket Control
22 Arizona Corporation Commission
1200 W. Washington Street
23 Phoenix, AZ 85007
24
25
26

1 **COPY** e-mailed
2 this 18th day of November, 2022, to:

3 Bridget Humphrey
4 Legal Division
5 Arizona Corporation Commission
6 1200 W. Washington Street
7 Phoenix, AZ 85007
8 bhumphrey@azcc.gov

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25 By: /s/ Whitney Birk

26

EXHIBIT A

PURCHASED WATER ADJUSTOR MECHANISM
PLAN OF ADMINISTRATION

I. Purpose and Applicability

The purpose of this tariff is to provide a mechanism to pass through to customers increases or decreases to the cost of water purchased by Sunrise Vistas Utilities Company from Bermuda Water Co. This tariff is applicable to all customers of Sunrise Vistas' water division and will be utilized only if Sunrise Vistas' Purchased Water Cost amounts to a calculated increase or decrease of at least \$0.01 per thousand gallons. The PWAM Surcharge does not apply to changes in the volume of water purchased, only rate increases or decreases imposed by Bermuda.

II. Definitions

Unless the context otherwise requires, the definitions set forth in R14-2-401 of the Arizona Corporation Commission's ("Commission") rules and regulations governing water utilities shall apply in interpreting this tariff schedule.

"Bermuda" means Bermuda Water Co.

"Purchased Water Cost" means the actual cost billed by Bermuda for water purchased by Sunrise Vistas for use in the Sunrise Vistas water system.

"Purchased Water" means the actual quantity (in thousands of gallons) of water purchased by Sunrise Vistas from Bermuda and transported through the interconnection between Bermuda's water system and Sunrise Vistas' water system.

"PWAM Surcharge" means the surcharge calculated in accordance with Section IV below.

"PWAM Surcharge Rate" means the rate per thousand gallons that is calculated in accordance with Section III below.

"Sunrise Vistas" means Sunrise Vistas Utilities Company.

"Water Sold" means the actual quantity (in thousands of gallons) of water sold by Sunrise Vistas to its customers during the month corresponding to the month in which water was purchased from Bermuda.

III. PWAM Surcharge Rate Calculation

For each month Sunrise Vistas obtains Purchased Water at a Purchased Water Cost that is at least \$0.01 per thousand gallons greater or \$0.01 per thousand gallons less than the current wholesale cost of \$2.3165 per thousand gallons, inclusive of tax, Sunrise Vistas will calculate the PWAM Surcharge Rate per the following formula:

$$(\text{Purchased Water Cost per 1,000 gallons} - \$2.3165) * \text{Purchased Water} / \text{Water Sold}$$

IV. Terms and Conditions

(A) Assessment and Billing of PWAM Surcharge: If the Purchased Water Cost increases or decreases by at least \$0.01 per thousand gallons, Sunrise Vistas will assess the PWAM Surcharge to each water division customer bill based on actual usage for the previous month. The PWAM Surcharge will be implemented beginning with Sunrise Vistas' next billing cycle following the effective date of the change to the Purchased Water Cost for a period of up to 12 months. The PWAM Surcharge shall be presented as a separate line item on the customer billing.

(B) Notice of Commission: Sunrise Vistas shall notify Commission Staff at the time Sunrise Vistas bills the PWAM Surcharge. Notice shall include the following information:

1. The Purchased Water Cost
2. The Purchased Water Quantity
3. A copy of the bills received for the purchase of water from Bermuda or Commission decision granting new rates to Bermuda.
4. The calculation showing the increase or decrease per thousand gallons that will be reflected on the PWAM Surcharge line of the water division customer bills.

(C) Notice to Customers: Sunrise Vistas shall notify customers of the water division whenever the PWAM Surcharge is implemented or changed. Notification will occur on the first bill following implementation of the PWAM with a notice directing customers to the company website for more details and a copy of the approved PWAM Tariff.