

NOTICE OF CHANGE IN RATES AND CHARGES
BN LEASING CORPORATION D/B/A
AUBREY WATER COMPANY
DOCKET NO. W-03476A-15-0286
DECISION NO. 75460

On August 6, 2015, BN Leasing Corporation d/b/a Aubrey Water Company ("Aubrey" or "Company") filed an application with the Arizona Corporation Commission ("Commission") to increase its rates and charges for its water services. In Decision No. 75460 dated February 11, 2016, the Commission approved increased water rates for the Company.

Decision No. 75460 authorized an overall revenue requirement of \$391,099, an increase of \$225,627, or 136.35 percent. The rate increase will be phased in over a five-year period, with the first step increase effective March 1, 2016. Step 2 through Step 5 of the increase will be effective on March 1st of each of the next four years.

During the phase-in period, the typical monthly bill for a residential water customer with a 5/8 x 3/4-inch meter and median usage of 2,470 gallons would increase from \$16.82 to \$21.69 in year one; to \$26.05 in year two; to \$30.44 in year three; to \$34.77 in year four; and to \$38.87 in year five.

Questions regarding these new rates and charges should be directed to the Aubrey business office during normal business hours (Monday-Friday 7:30 AM to Noon and 1:00 PM to 4:30 PM) Phone (800) 315-5333.

NEW RATES AND CHARGES

	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
Effective:	March 1, 2016	March 1, 2017	March 1, 2018	March 1, 2019	March 1, 2020
<u>MONTHLY USAGE CHARGE</u>					
5/8" X 3/4" Meter (All Classes)	\$ 16.50	\$ 19.55	\$ 22.66	\$ 25.68	\$ 28.50
3/4" Meter (All Classes)	20.25	24.00	27.85	31.55	35.00
1" Meter (All Classes)	43.45	51.45	59.65	67.60	75.00
1 1/2" Meter (All Classes)	83.95	99.45	115.30	130.65	145.00
2" Meter (All Classes)	133.15	157.80	182.85	207.25	230.00
3" Meter (All Classes)	188.20	222.95	258.40	292.85	325.00
4" Meter (All Classes)	353.20	418.45	484.95	549.60	610.00
6" Meter (All Classes)	590.60	699.70	810.90	919.00	1,020.00
8" Meter (All Classes)	1,320.10	1,564.10	1,812.60	2,054.30	2,280.00
Bulk Water – Metered ¹	20.00	20.00	20.00	20.00	20.00
Bulk Water – Standpipe ²	None	None	None	None	None

COMMODITY RATES (per 1,000 gallons)

5/8" x 3/4" Meters (All Classes)

0 to 3,000 gallons	\$ 2.10	\$ 2.63	\$ 3.15	\$ 3.68	\$ 4.20
3,001 to 10,000 gallons	2.70	3.38	4.05	4.73	5.40
Over 10,000 gallons	3.15	3.94	4.73	5.52	6.30

3/4" Meters (All Classes)

0 to 3,000 gallons	\$ 2.10	\$ 2.63	\$ 3.15	\$ 3.68	\$ 4.20
3,001 to 10,000 gallons	2.70	3.38	4.05	4.73	5.40
Over 10,000 gallons	3.15	3.94	4.73	5.52	6.30

1" Meters (All Classes)

1 to 28,000 gallons	\$ 2.70	\$ 3.38	\$ 4.05	\$ 4.73	\$ 5.40
Over 28,000 gallons	3.15	3.94	4.73	5.52	6.30

1 1/2" Meters (All Classes)

1 to 48,000 gallons	\$ 2.70	\$ 3.38	\$ 4.05	\$ 4.73	\$ 5.40
Over 48,000 gallons	3.15	3.94	4.73	5.52	6.30

2" Meters (All Classes)

1 to 112,000 gallons	\$ 2.70	\$ 3.38	\$ 4.05	\$ 4.73	\$ 5.40
Over 112,000 gallons	3.15	3.94	4.73	5.52	6.30

3" Meters (All Classes)

1 to 160,000 gallons	\$ 2.70	\$ 3.38	\$ 4.05	\$ 4.73	\$ 5.40
Over 160,000 gallons	3.15	3.94	4.73	5.52	6.30

NOTICE OF CHANGE IN RATES AND CHARGES
AUBREY WATER COMPANY

NEW RATES AND CHARGES (Cont.)

	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
Effective:	<u>March 1, 2016</u>	<u>March 1, 2017</u>	<u>March 1, 2018</u>	<u>March 1, 2019</u>	<u>March 1, 2020</u>
<u>COMMODITY RATES (per 1,000 gallons)</u>					
<u>4" Meters (All Classes)</u>					
1 to 250,000 gallons	\$ 2.70	\$ 3.38	\$ 4.05	\$ 4.73	\$ 5.40
Over 250,000 gallons	3.15	3.94	4.73	5.52	6.30
<u>6" Meters (All Classes)</u>					
1 to 500,000 gallons	\$ 2.70	\$ 3.38	\$ 4.05	\$ 4.73	\$ 5.40
Over 500,000 gallons	3.15	3.94	4.73	5.52	6.30
<u>8" Meters (All Classes)</u>					
1 to 1,000,000 gallons	\$ 2.70	\$ 3.38	\$ 4.05	\$ 4.73	\$ 5.40
Over 1,000,000 gallons	3.15	3.94	4.73	5.52	6.30
Bulk Water – Metered ¹	\$ 6.40	\$ 7.80	\$ 9.20	\$ 10.60	\$ 12.00
Bulk Water – Standpipe ²	6.40	7.80	9.20	10.60	12.00

¹ Includes Bulk Water delivered for resale from the Company's bulk water fill station and Bulk Water delivered for construction and other uses from a fire hydrant meter or similar connection where the customer is billed monthly in arrears for water used. Company may, at its option, close account of a Bulk Water - Metered customer after three consecutive months of zero usage.

² Includes Bulk Water delivered from the Company's automated standpipe where the customer pays for water in advance of delivery. Standpipe customers pay only for the quantity of water purchased from the Standpipe facility and are not subject to a minimum charge.

MONTHLY SERVICE CHARGE FOR FIRE SPRINKLER

All Meter Sizes *
 * Greater of \$10.00 or 2 percent of the general service rate for a similar size meter

SERVICE LINE AND METER INSTALLATION CHARGES:

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

SERVICE CHARGES:

Establishment	\$25.00
Reconnection (Delinquent)	\$25.00
After Hours Service Charge	\$25.00
Meter Test (If Correct)	\$25.00
Deposit Requirement	*
Deposit Interest	*
Re-Establishment (Within 12 Months)	**
NSF Check	\$25.00
Deferred Payment, Per Month	1.50%
Meter Re-Read (If Correct)	\$20.00
Moving Customer Meter at Customer Request	Cost
Late Charge per month	1.50%

<u>Meter Size</u>	<u>Service Line Charges</u>	<u>Meter Installation Charges</u>	<u>Total</u>
5/8" x 3/4" Meter	\$ 500.00	\$ 155.00	\$ 655.00
3/4" Meter	500.00	255.00	755.00
1" Meter	550.00	315.00	865.00
1 1/2" Meter	610.00	525.00	1,135.00
2" Meter	925.00	1,045.00	1,970.00
2" Compound Meter	925.00	1,890.00	2,815.00
3" Meter	1,175.00	1,670.00	2,845.00
3" Compound Meter	1,310.00	2,545.00	3,855.00
4" Meter	1,660.00	2,670.00	4,330.00
4" Compound Meter	1,865.00	3,645.00	5,510.00
6" Meter	2,475.00	5,025.00	7,500.00
6" Compound Meter	2,615.00	6,920.00	9,535.00
8" or Larger Meter	Cost	Cost	Cost
Road Cuts	Cost	----	Cost

* Per Commission Rule A.A.C. R14-2-403(B)
 ** Number of months off the system times the monthly minimum per Commission Rule A.A.C. R14-2-403(D).
 All items billed at cost shall include labor, materials and parts, overheads and all applicable taxes.

All advances and/or contributions are to include labor, materials and parts, overheads and all applicable taxes, including gross-up taxes for Federal and State taxes, if applicable.

All items billed at cost shall include labor, materials and parts, overheads and all applicable taxes.

In addition to the collection of its regular rates and charges, the utility shall collect from its customers their proportionate share of any privilege, sales or use tax as provided for in A.A.C. R14-2-409(D)(5).