

		Revised	SHEET NO.	9.0
<u>Chaparral City Water Company</u>				
(Name of Company)	<u>ALL SERVICE AREAS</u>			
W-02113A-07-0551				

**PART TWO**

**STATEMENT OF TERMS AND CONDITIONS**

**I. FIRE HYDRANT AND INTERIOR FIRE SPRINKLER SERVICE**

The Company will provide Fire Protection Service under the following conditions:

**A. Facility Specifications**

The size, location, number, and technical specifications of facilities used to provide Fire Protection Service shall be prescribed by the Fire Protection Service Customer, developer, or any authorized agency having jurisdiction over those facilities, so long as:

1. Those facilities do not adversely affect the Company's ability to provide other service, and
2. The maximum diameter of the fire protection service connection is not larger than the diameter of the main to which the service is connected, and
3. In the case of a fire hydrant, that the facilities are located in the public right-of-way, and
4. In the case of a fire sprinkler system, that the sprinkler system is separate from the other service facilities, unless the Company has specifically approved an integrated system and Company-approved check valves are installed.

<b>ISSUED:</b>			<b>EFFECTIVE:</b>	
	Month	Day	Year	Month Day Year
				Oct. 15, 2009
	ISSUED BY: <u>Robert Hanford, General Manager</u>			
	<u>12021 North Panorama Drive, Fountain Hill,</u>			
	<u>Arizona, 85268</u>			
	Decision No. 71308			

		Revised	SHEET NO.	10.0
<b>Chaparral City Water Company</b>				
(Name of Company)	<b>ALL SERVICE AREAS</b>			
W-02113A-07-0551				

**PART TWO, SECTION I (Cont.)**

**B. Construction Specifications; Ownership of Facilities; Relocation**

Fire hydrants, and all valves, pipes, fittings and appurtenances related to the hydrant shall be installed to the Company's construction specifications under non-refundable Contributions in Aid of Construction, paid by the Developer or Fire Protection Service Customer, and shall become the property of the Company.

Fire sprinkler systems up to a mutually-agreed upon point of interconnection shall be installed to the Company's construction specifications under non-refundable Contributions in Aid of Construction, paid by the Developer or Fire Protection Service Customer, and shall become the property of the Company. The installation, maintenance and operation of fire sprinkler systems within the Customer's facility, and beyond the point of interconnection, shall be the responsibility of the Customer.

Relocation costs of any Company-owned fire protection facilities shall be paid by the Customer or the party requesting relocation. Relocation costs include costs incurred due to moving facilities to accommodate reconstruction, widening, realignment, or grade changes to alleys, streets, roads, or highways.

<b>ISSUED:</b>			<b>EFFECTIVE:</b>	
	Month	Day	Year	Month Day Year
				Oct. 15, 2009
	ISSUED BY: Robert Hanford, General Manager			
	12021 North Panorama Drive, Fountain Hill,			
	Arizona, 85268			
	Decision No. 71308			

		Revised	SHEET NO.	11.0
<u>Chaparral City Water Company</u>				
(Name of Company)	<b>ALL SERVICE AREAS</b>			
W-02113A-07-0551				

**PART TWO, SECTION I (Cont.)**

**C. Interruptible Service; Company's Liability Limitations**

The Company will exercise reasonable diligence to provide continuous water service to fire hydrant and interior fire sprinkler service customers. Fire Protection Service is conditioned upon the express understanding that THE COMPANY DOES NOT GUARANTEE OR INSURE UNINTERRUPTED OR REGULAR WATER SERVICE, NOR DOES THE COMPANY REPRESENT THE PRESENCE OF ADEQUATE PRESSURE, VOLUME, OR FIRE FLOW AVAILABLE ANYWHERE ON ITS WATER SYSTEM BY OFFERING FIRE PROTECTION SERVICE AS SPECIFIED HEREIN.

Fire Protection Service is further conditioned on the Fire Protection Services Customer agreeing TO HOLD HARMLESS AND INDEMNIFY THE COMPANY from and against any and all liability, loss, damage or expense the Company may incur as a result of claims, demands, costs or judgment against the Company including, but not limited to, loss of or damage to property or injury or to death of persons, arising, directly or indirectly, out of the Company's providing of water service, or any activities or operations related thereto, or any breach by the Fire Protection Service Customer of the terms, covenants or conditions of this Tariff Schedule. The Company shall be entitled to recover its reasonable attorneys' fees should the Fire Protection Service Customer fail to comply with this provision. This provision applies to, and regardless of, any negligence or alleged negligence on the part of the Company, its employees, servants or agents.

<b>ISSUED:</b>			<b>EFFECTIVE:</b>	
	Month	Day	Year	Month
				Day
				Year
		ISSUED BY: <u>Robert Hanford, General Manager</u>		Oct. 15, 2009
		<u>12021 North Panorama Drive, Fountain Hill,</u>		
		<u>Arizona, 85268</u>		
		Decision No. 71308		

		Revised	SHEET NO.	12.0
Chaparral City Water Company				
(Name of Company)	ALL SERVICE AREAS			
W-02113A-07-0551				

**PART TWO, SECTION II**

**II. CROSS-CONNECTION CONTROL AND BACKFLOW PREVENTION**

**PURPOSE:**

The purpose of this tariff is to protect the water system and facilities of Chaparral City Water Company ("the Company") 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 Arizona Administrative Code ("A.A.C.") R-14-2-405.B.6 and A.A.C. R18-4-115. This tariff is applicable to all customers served by the Company who meet the requirements set forth below.

**REQUIREMENTS:**

In accordance with the rules and regulations of the Arizona Corporation Commission and the Arizona Department of Environmental Quality, including A.A.C. R14-2-405.B.6 and A.A.C. R18-4-115 relating to backflow prevention:

1. The Company may require a customer to pay for and install a backflow-prevention assembly whenever A.A.C. R18-4-115.B or .C applies.
2. A backflow-prevention assembly installed by the customer tariff must comply with the requirements set forth in A.C.C. R18-4-115.D and E, which rules are incorporated herein by this reference.
3. Subject to the provision of A.A.C. R14-2-407 and R14-2-410, and in accordance with paragraphs 1 and 7 of this tariff, the Company may terminate service or 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 have thirty (30) days in which to comply with this notice. If the customer can show good cause as to why she or he cannot install the device within thirty (30) days, the Company, in its discretion, may suspend this requirement for a reasonable period of time, which shall not exceed ninety (90) days.

<b>ISSUED:</b>		<b>EFFECTIVE:</b>	
	Month Day Year		Month Day Year
		ISSUED BY: Robert Hanford, General Manager	Oct. 15, 2009
		12021 North Panorama Drive, Fountain Hill, Arizona, 85268	
		Decision No. 71308	

		Revised	SHEET NO.	12.1
Chaparral City Water Company				
(Name of Company)	ALL SERVICE AREAS			
W-02113A-07-0551				

**PART TWO, SECTION II (Cont.)**

5. The testing of any backflow-prevention assembly and related equipment must comply with the requirements set forth in A.A.C. R18-4-115.F. The Company may require the customer to pay to have the backflow-prevention assembly tested as necessary to ensure that it is functioning properly. The Company may also require the customer to pay for any repairs to a backflow-prevention assembly.
6. The customer shall provide the Company with all records relating to the installation, testing and repair of each backflow-prevention assembly. For each backflow-prevention assembly, these records must include:
  - a. The assembly identification number and description (e.g., manufacturer and model number);
  - b. Its location;
  - c. The dates of all tests;
  - d. A description of repairs and recommendations for repairs made by tester; and
  - e. The tester's name, employer, address and certification number.
7. 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 any testing requirement, and a hazard as contemplated under A.A.C. R14-2-410.B.1.a. may exist, the Company may terminate service immediately and without notice. The backflow-prevention assembly must be repaired or replaced by the customer, at the customer's expense, and the assembly retested before service may be restored.
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 any testing requirement, and there is no possibility of a hazard as contemplated under A.A.C. R14-2-410.B1.a., 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. The customer's failure to remedy the deficiency or malfunction of the assembly, or failure to retest the assembly to ensure that it is properly functioning, shall be grounds for termination of water service in accordance with A.A.C. R14-2-410.

ISSUED:		EFFECTIVE:	
	Month Day Year		Month Day Year
		ISSUED BY: Robert Hanford, General Manager	Oct. 15, 2009
		12021 North Panorama Drive, Fountain Hill, Arizona, 85268	
		Decision No. 71308	

		Revised	SHEET NO.	13.0
<u>Chaparral City Water Company</u>				
(Name of Company)	<b>ALL SERVICE AREAS</b>			
W-02113A-07-0551				

**PART TWO, SECTION III**

**III. WATER SERVICE CURTAILMENT**

**APPLICABILITY:**

To all customers served by Chaparral City Water Company ("Company") where the Company determines that temporary water shortages might lead to water system outages, whether caused by drought, fire or other disaster, diminishing supplies, contamination, equipment failure, increased demands or other causes.

**PURPOSE:**

To implement procedures to cause all customers, regardless of customer class, to reduce water use by compliance with specified water conservation measures and other actions required to reduce each customer's normal water use.

**NOTICE OF CURTAILMENT IMPLEMENTATION:**

The Company will notify customers of the need to curtail water use, the stage of curtailment implemented, and the extent of curtailment required, by using one or more of the most appropriate methods listed below, as determined by the Company:

1. A notice published in a local newspaper of general circulation that serves the targeted area.
2. A bill insert or a notice on the customer's monthly bill.
3. Radio and television announcements in the targeted area.
4. Signs, leaflets, or other means of providing public notice as determined by the Company.

The Company will notify the customers when such curtailment is no longer needed.

**CURTAILMENT STAGES:**

**Stage One:**

Voluntary water use reduction by costumers of 25% or less, as specified by the Company, by adhering to the following practices:

<b>ISSUED:</b>		<b>EFFECTIVE:</b>	
	Month Day Year		Month Day Year
		ISSUED BY: Robert Hanford, General Manager	Oct. 15, 2009
		<u>12021 North Panorama Drive, Fountain Hill,</u> <u>Arizona, 85268</u>	
		Decision No. 71308	

		Revised	SHEET NO.	13.1
Chaparral City Water Company				
(Name of Company)	ALL SERVICE AREAS			
W-02113A-07-0551				

**PART TWO, SECTION III (Cont.)**

1. No washing of streets, sidewalks, driveways, parking lots, service station aprons or other exterior features.
2. No washing of automobiles, trucks, trailers, trailer houses or any type of mobile equipment.
3. Exterior landscape watering not more frequently than once every 2 days.
4. Exterior landscape automatic watering timers reduced from their normal duration setting.
5. No filling of swimming or wading pools.
6. Restaurants to serve drinking water only upon request.
7. Hotels, motels and other temporary lodging facilities to notify their customers that towels and linens will be washed upon request only, and that their water use should be limited.
8. Use of water from fire hydrants only in case of fire.
9. Do not waste water. **EXAMPLES:** Do not let water run down streets and repair any leaking plumbing fittings.
10. Reduce other water uses such that the targeted reduction from the customer's historic water use is achieved.

**Stage Two:**

Voluntary water use reduction by customers of more than 25%, as specified by the Company, by adhering to the practices listed under Stage One and the following practices:

1. Exterior landscape watering not more frequently than once every 3 days.
2. Exterior landscape automatic watering timers further reduced from their normal duration setting.
3. Reduce other water uses such that the targeted reduction from the customer's historic water use is achieved.
4. No use of construction water services for dust control, soil compaction, or similar purposes, unless required by the Maricopa County Environmental Services Department, the Arizona Department of Environmental Quality, or other agency with jurisdiction over air quality.

**Stage Three:**

Mandatory water use reduction by customers to a level specified by the Company to meet health and safety requirements, by adhering to the practices listed under Stage One and Stage Two and the following practices:

<b>ISSUED:</b>			<b>EFFECTIVE:</b>	
	Month	Day	Year	Month
				Day
				Year
	ISSUED BY: Robert Hanford, General Manager			Oct. 15, 2009
	12021 North Panorama Drive, Fountain Hill,			
	Arizona, 85268			
	Decision No. 71308			

		Revised	SHEET NO.	13.2
<u>Chaparral City Water Company</u>				
(Name of Company)	ALL SERVICE AREAS			
W-02113A-07-0551				

**PART TWO, SECTION III (Cont.)**

1. Exterior landscape watering not more frequently than once every 4 days.
2. Exterior landscape automotive watering timers reduced from their normal duration setting.
3. Reduce other water uses such that the targeted water use reduction is achieved.
4. No use of construction water services.
5. Have on hand a minimum of a 3-day emergency supply of drinking water.

Stage Four:

Mandatory water use reductions by customers, when Stage Three conditions are expected to last longer than two months, by adhering to the practices listed under Stage One through Stage Three, together with the Targeted Water use Reduction Levels set forth below.

EXEMPTIONS AND APPEALS:

Reduction under Stages One, Two, Three and Four do not apply to water directly used for public health and safety purposes.

A customer who wishes an exemption from the targeted water use reduction must submit a written request to the Company within ten days of the Company's notice of curtailment. Following review of the request, the Company will decide whether the targeted water use reduction for that customer should be changed. The Company's decision shall be final.

TARGETED WATER USE REDUCTION LEVEL:

All water bills rendered during a Stage Four curtailment will show the customer's targeted water use reduction percentage, together with all other information the Company considers necessary for the customer to achieve the targeted water use reduction level. If the water bill shows that the customer used water above the targeted water use level, the water bill will include a notice to the customer to end all outdoor water use and that failure to comply will result in temporary loss of service. If the customer exceeds the targeted water use level in the following month, the water bill for that month will include a notice to the customer that water service will be terminated for failure to comply with the curtailment procedures imposed by the Company during supply shortages unless the customer agrees to take actions satisfactory to the Company to end unauthorized use of water. A customer's water service will not be terminated for this type of failure to comply without first receiving notice from the Company of its intent to terminate service.

<b>ISSUED:</b>			<b>EFFECTIVE:</b>	
	Month	Day	Year	Month Day Year
				Oct. 15, 2009
	ISSUED BY: Robert Hanford, General Manager			
	12021 North Panorama Drive, Fountain Hill,			
	Arizona, 85268			
	Decision No. 71308			

		Revised	SHEET NO.	13.3
<b>Chaparral City Water Company</b>				
(Name of Company)	<b>ALL SERVICE AREAS</b>			
W-02113A-07-0551				

**PART TWO, SECTION III (Cont.)**

If a customer does not take corrective actions satisfactory to the Company and water service is subsequently terminated and such customer believes water service was terminated in error, the customer should call the Company's local office to discuss the basis of the Company's termination of water service with a customer service representative or office manager. If a customer believes that water service was terminated improperly, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

**TERMS AND CONDITIONS:**

Any customer whose service is terminated for failure to comply with the specific actions required shall not have service restored until such customer demonstrates compliance with such specific actions, satisfactory to the Company, and pays any past due water charges plus a reconnection charge as provided for in the appropriate tariff schedule.

**SPECIAL PROVISIONS:**

1. This curtailment plan shall become part of the Arizona Department of Environmental Quality Emergency Operations Plan for the Company.
2. 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.
3. The Company shall provide a copy of the curtailment tariff to any customer, upon request.
4. If curtailment efforts do not reduce water use sufficiently and localized water shortages result, the Company will inform the customers of the availability of alternative water supplies in other areas of the Company's water system or neighboring water systems.
5. The Company shall notify the Consumer Service Section of the Utilities Division of the Arizona Corporation Commission at least twelve (12) hours prior to entering either of curtailment Stages 2, 3, or 4. The notification to the Consumer Service Section shall include the cause, present conditions, and expected duration for the water service curtailment.

<b>ISSUED:</b>			<b>EFFECTIVE:</b>	
	Month	Day	Year	Month Day Year
				Oct. 15, 2009
	ISSUED BY: Robert Hanford, General Manager			
	12021 North Panorama Drive, Fountain Hill,			
	Arizona, 85268			
	Decision No. 71308			

		Revised	SHEET NO.	14.0
<b>Chaparral City Water Company</b>				
(Name of Company)	<b>ALL SERVICE AREAS</b>			
W-02113A-07-0551				

**PART TWO, SECTION IV**

**IV. RULES AND REGULATIONS**

The Company has adopted the Rules and Regulations established by the Commission as the basis for its operating procedures. A.C.R.R. R14-2-401 through A.C.R.R. R14-2-411 will be controlling of Company procedures, unless specific Commission Order(s) provide otherwise.

<b>ISSUED:</b>			<b>EFFECTIVE:</b>	
	Month	Day	Year	Month
				Day
				Year
		<b>ISSUED BY: Robert Hanford, General Manager</b>		<b>Oct. 15, 2009</b>
		<b>12021 North Panorama Drive, Fountain Hill,</b>		
		<b>Arizona, 85268</b>		
		<b>Decision No. 71308</b>		