CURTAILMENT TARIFF

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Cancelling A.C.C. No. 631 Tariff or Schedule No. CT-273 Filed: November 22, 2021 Effective: December 22, 2021

Arizona Water Company ("Company") is authorized to curtail water service to all customers within its certificated area under the terms and conditions listed in this tariff. This tariff also applies to Consecutive water systems owned and operated by the Company.

This curtailment plan shall become part of the Arizona Department of Environmental Quality Emergency Operations Plan for the Company.

The Company shall notify its customers of this new tariff as part of its next regularly scheduled billing after the effective date of this tariff or no later than sixty (60) days after the effective date of this tariff.

The curtailment plan set forth in this Curtailment Tariff applies to ongoing water shortages and unplanned emergency events. The curtailment plan does not apply to planned maintenance outages.

The Company shall provide a copy of the curtailment tariff to any customer, upon request.

Stage 1 Exists When:

Company is able to maintain normal water production, storage, and distribution in a water system, currently satisfying customer water demands, and there are no known problems with well production or water storage in the system.

<u>Restrictions</u>: Under Stage 1, the Company is operating the water system normally and no curtailment is necessary. However, Company may request customers to voluntarily employ water conservation measures to reduce daily consumption to prevent the water system entering Stages 2, 3, or 4.

Notice Requirements: Under Stage 1, no notice is necessary.

Stage 2 Exists When:

- a. Company's water storage or well production has been less than 90 percent of capacity, as described in the Company's most recent Annual Report on file with the Commission, for at least 48 consecutive hours, and
- b. Company has identified issues including without limitation a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

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Restrictions: Under Stage 2, the Company may request the customers to voluntarily employ water conservation measures, including those from Stage 1, to reduce water consumption by approximately 25 percent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays. If these restrictions are ineffective to stop continued decline in the water system's water storage or well production capacity, the Company may immediately move to Stage 3.

Notice Requirements: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

Stage 3 Exists When:

- Company's total water storage or well production has been less than 75 percent of capacity for at least 24 consecutive hours, and
- b. Company has identified issues including without limitation a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 3, the Company shall notify the customers of mandatory Stage 3 water conservation measures to reduce daily consumption by approximately 50 percent. Examples of possible mandatory conservation measures include:

- All outside watering must be eliminated, except livestock, and indoor water conservation techniques must be employed whenever possible.
- Coin machine service will only operate between the hours of noon to 6 p.m.
- All hydrant meter, temporary construction, and landscape water use shall be suspended.

If these restrictions are ineffective to stop continued decline in the water system's water storage or well production capacity, the Company may immediately move to Stage 4.

Notice Requirements:

Company is required to notify customers it has implemented Stage 3 restrictions
by delivering written notice to each service address, or by United States first class
mail to the billing address or, by posting at local community centers and on the
Company's website, or by using local media outlets such as newspaper, radio, or

television, at the Company's option. Such Notice shall notify the customers of the general nature of the problem and the need to conserve water.

The Company shall notify the Consumer Services Section of the Utilities Division
of the Commission immediately when it decides to implement Stage 3 restrictions
and, when feasible, at least 12 hours prior to entering Stage 3.

Customers who fail to comply with Stage 3 restrictions shall be given a written notice. Company may disconnect service to customers who fail to comply with Stage 3 within 24 hours of customer receiving the notice until the customer enters into an agreement to comply with Stage 3 restrictions. To restore service, the customer shall be required to pay all authorized reconnection fees. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

Once Stage 3 has been reached, where reasonably possible the Company will begin to augment the supply of water by either hauling water using bulk tanker trucks or through an emergency interconnect with an approved water supply in an attempt to maintain the curtailment at a level no higher than Stage 3 until a permanent solution has been implemented. The Company will provide bottled drinking water, if necessary,

Stage 4 Exists When:

- Company's total water storage or well production has been less than 60 percent of capacity for at least 12 consecutive hours, and
- b. Company has identified issues including without limitation a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

<u>Restrictions:</u> Under Stage 4, Company shall notify the customers of mandatory Stage 4 restrictions to employ water conservation measures to reduce daily consumption by approximately 50 percent. Failure to comply will result in customer disconnection. Examples of possible mandatory conservation measures include:

- All outside watering must be eliminated, except livestock, and indoor water conservation techniques must be employed whenever and wherever possible.
- 2. Washing of any vehicle is prohibited.
- The use of water for dust control or any outdoor cleaning uses is prohibited.
- 4. The use of drip or misting systems of any kind is prohibited.



ARIZONA WATER COMPANY CURTAILMENT (continued)

- 5. The filling of any swimming pool, spas, fountains, or ornamental pools is prohibited.
- The use of construction water is prohibited.
- Restaurant patrons shall be served water only upon request.
- 8. The Company's operation of coin machine service is prohibited.
- The addition of new service lines and meter installations is prohibited.
- 10. Any other water intensive activity is prohibited.

Notice Requirements:

- 1. Company is required to notify customers it has implemented Stage 4 restrictions by delivering written notice to each service address, or by United States first class mail to the billing address, or by posting at local community centers and on the Company's website, or by using texting, local media outlets such as newspaper, radio, or television, at the Company's option. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.
- Company shall notify the Consumer Services Section of the Utilities Division of the Commission immediately when it decides to implement Stage 4 restrictions and, when feasible, at least 12 hours prior to entering Stage 4.

Once Stage 4 has been reached, where reasonably possible the Company will begin to augment the supply of water by either hauling water using bulk tank trucks or through an emergency interconnect with an approved water supply until a permanent solution has been implemented. The Company will provide bottled drinking water, if necessary.

Customers who fail to comply with Stage 4 restrictions shall be given a written notice. Company may disconnect service to customers who fail to comply with Stage 4 within 24 hours of receiving the notice until the customer enters into an agreement to comply with Stage 4 restrictions. To restore service, the customer shall be required to pay all authorized reconnection fees. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.