ARIZONA WATER COMPANY

— 2006 ANNUAL WATER QUALITY REPORT FOR APACHE JUNCTION, ARIZONA, PWSID #11-004 —

This report contains important information about your drinking water. *Este informe contiene información muy importante sobre su agua beber.*

Arizona Water Company provides groundwater to its Apache Junction customers from wells located throughout the Apache Junction area and from surface water from the Colorado River transported through the Central Arizona Project canal system and treated at the City of Mesa's Brown Road Treatment Plant Facility. The City of Mesa delivers this treated surface water to Arizona Water Company through a booster station located near Brown Road on Crismon Road. ***The water supplied by the Company meets all state and federal safe drinking water standards.***

The data in the accompanying tables are from water samples that have been analyzed by independent laboratories, which are certified by the Arizona Department of Health Services.

DETECTED WATER QUALITY CONSTITUENTS

Water Quality Constituent	Units	MCLG	MCL	Highest Level Detected	Range of Levels Detected	Sample Year	Likely Source of Detected Constituent **
Radiochemicals							
1. Alpha Emitters	pCi/L	0	15	2.2	0.1 - 2.2	2003	Erosion of natural deposits
2. Combined Radium 226/228	pCi/L	0	5	2.2	nd - 2.2	2003	Unknown
3. Uranium	ppb	0	30	4.9	nd - 4.9	2003	Unknown
Inorganics							
4. Arsenic	ppb	n/a	10	31	21 - 31	2006	Erosion of natural deposits; runoff from orchards; runoff from glass and electronics production wastes
5. Asbestos	MFL	7	7	0.5	nd - 0.5	2003	Decay of asbestos cement water mains; erosion of natural deposits
6. Barium	ppm	2	2	0.17	0.03 - 0.17	2006	Discharge of drilling wastes; discharge from metal refineries; erosion of natural deposits
7. Chromium	ppb	100	100	9	nd - 9	2006	Discharge from steel and pulp mills; erosion of natural deposits
8. Fluoride	ppm	4	4	2.66	0.51 - 2.66	2006	Erosion of natural deposits; water additive which promotes strong teeth; discharge from fertilizer and aluminum factories
9. Nitrate (as Nitrogen)	ppm	10	10	1.97	1.35 - 1.97	2006	Runoff from fertilizer use; leaching from septic tanks, sewage; erosion of natural deposits
Disinfectants and Disinfection Byproducts							
Water Quality Constituent	Units	MRDLG	MRDL	Running Annual Average	Range of Levels Detected	Sample Year	Likely Source of Detected Constituent **
10. Chlorine	ppm	4	4	1.29	0.31 - 2.11	2006	Water additive used to control microbes
Water Quality Constituent	Units	MCLG	MCL	Running Annual Average	Range of Levels Detected	Sample Year	Likely Source of Detected Constituent **
11. Haloacetic Acids (five)	ppb	n/a	60	11	nd - 39	2006	By-product of drinking water disinfection
12. Total Trihalomethanes	ppb	n/a	80	31	15 - 108	2006	By-product of drinking water chlorination
Unregulated Synthetic Organics, Unregulated Volatile Organics, and Other Unregulated Constituents							
Water Quality Constituent	Units	Average Level Detected			Range of Levels Detected	Sample Year	Likely Source of Detected Constituent **
13. Sodium	ppm	187			93 - 294	2006	Unknown
Constituents Subject to an Action Level							
Water Quality Constituent	Units	Action Level	90th Percentile of Sample Results	Number of Samples That Exceeded the Action Level		Sample Year	Likely Source of Detected Constituent **
14. Copper	ppm	1.3	0.18	0		2004	Corrosion of household plumbing systems; erosion of natural deposits; leaching from wood preservatives
15. Lead	ppb	15	5	0		2004	Corrosion of household plumbing systems, erosion of natural deposits

*** Sources of constituents are unknown, but are generally believed to be resulting from those sources listed.*

In addition to the water quality constituents listed in the above table, Arizona Water Company's water supplies were tested for the following constituents and such constituents were **not detected**: Total Coliform Bacteria, Fecal Coliform and *E. Coli*, Antimony, Beryllium, Cadmium, Cyanide, Mercury (Inorganic), Nitrite (as Nitrogen), Selenium, Thallium, 2,4-D, 2,4,5-TP (Silvex), Alachlor, Atrazine, Benzo(a)pyrene (PAH), Carbofuran, Chlordane, Dalapon, Di(2-ethylhexyl) Adipate, Di(2-ethylhexyl) Phthalate, Dibromochloropropane, Dinoseb, Diquat, Endothall, Endrin, Ethylene Dibromide, Heptachlor, Heptachlor Epoxide, Hexachlorobenzene, Hexachlorocyclopentadiene, Lindane, Methoxychlor, Oxamyl (Vydate), PCBs (Polychlorinated Biphenyls), Pentachlorophenol, Picloram, Simazine, Toxaphene, Benzene, Carbon Tetrachloride, (Mono)Chlorobenzene, o-Dichlorobenzene, p-Dichlorobenzene, 1,2-Dichloroethane, 1,1-Dichloroethylene, cis-1,2-Dichloroethylene, trans-1,2-Dichloroethylene, Dichloromethane, 1,2-Dichloropropane, Ethylbenzene, Styrene, Tetrachloroethylene, 1,2,4-Trichlorobenzene, 1,1,1-Trichloroethane, 1,1,2-Trichloroethane, Trichloroethylene, Toluene, Vinyl Chloride, Xylenes, Aldicarb, Aldicarb Sulfone, Aldicarb Sulfoxide, Aldrin, Bromobenzene, Bromodichloromethane, Bromoform, Bromomethane (Methyl Bromide), Butachlor, Carbaryl, Chlorodibromomethane, Chloroethane, Chloroform, Chloromethane, o-Chlorotoluene, p-Chlorotoluene, Dibromo-methane, Dicamba, m-Dichlorobenzene, 1,1-Dichloroethane, 2,2-Dichloropropane, 1,3-Dichloropropane, 1,1-Dichloropropene, 1,3-Dichloropropene, Dieldrin, 3-Hydroxycarbofuran, Methomyl, Metholachlor, Metribuzin, Propachlor, 1,1,1,2-Tetrachloroethane, 1,1,2,2-Tetrachloroethane, 1,2,3-Trichloropropane, Nickel, Acetochlor, 2,4-Dinitrotoluene, 2,6-Dinitrotoluene, 4,4'-DDE, DCPA-acid metabolites, EPTC, Molinate, MTBE, Nitrobenzene, Terbacil, and Perchlorate.

Some people who drink water containing arsenic in excess of the MCL over many years could experience skin damage or problems with their circulatory system, and may have an increased risk of getting cancer.

In developing new drinking water standards, the EPA has proposed including Radon on the regulated contaminant list with an MCL of 300 to 4000 pCi/L. Arizona Water Company collected samples at a number of its wells in the Apache Junction water system in 1999 and found the average

level of Radon to be 602 pCi/L, with a range from 350 to 970 pCi/L. Additional information on Radon is available from the Safe Drinking Water Hotline (800-426-4791).

Note: Data presented are from the most recent testing done in accordance with applicable regulations. Some constituents are monitored less frequently than once a year because either their concentrations do not change frequently or they are not likely to be detected. Therefore, some of the water quality testing data contained herein, although representative, may be more than one year old. If you have questions about this water quality report please contact R. W. Henderson, Vice President of Operations, Arizona Water Company, P. O. Box 29006, Phoenix, Arizona 85038-9006. Telephone (602) 240-6860 or e-mail mail@azwater.com.

In 2001, the Arizona Department of Environmental Quality (ADEQ) completed a Source Water Assessment of five ground water wells, which are the primary sources of water used by Arizona Water Company's Apache Junction water system. The Assessment reviewed the adjacent land uses that may pose a potential risk to the wells. These risks include, but are not limited to: gas stations, landfills, dry cleaners, agriculture fields, waste water treatment plants, and mining activities. Once ADEQ identified the adjacent land uses, they were ranked as to their potential to affect the wells. The result of the Assessment was a low risk to the sources.

Residents can help protect sources by practicing good septic system maintenance, taking hazardous household chemicals to hazardous material collection sites, and limiting pesticide and fertilizer use.

The complete Assessment is available for inspection at the ADEQ, 1110 West Washington Street, Phoenix, Arizona 85007, between the hours of 8:00 a.m. and 5:00 p.m. Electronic copies are available from ADEQ at dml@azdeq.gov. For more information, call Regina Lynde, Environmental Compliance Specialist for Arizona Water Company at 602-240-6860 or visit the ADEQ's Source Water Assessment and Protection Unit website at: www.azdeq.gov/environ/water/dw/swap.html.

EPA REQUIRED NOTICE FOR FLUORIDE

Dear User,

The U.S. EPA requires that we send you notice on the level of fluoride in your drinking water. The drinking water in your community has a fluoride concentration of 2.66 milligrams per liter (mg/L).

"Federal regulations require that fluoride, which occurs naturally in your water supply, not exceed a concentration of 4.0 mg/L in drinking water. This is an enforceable standard called a Maximum Contaminant Level (MCL) and it has been established to protect the public health. Exposure to drinking water levels above 4.0 mg/L for many years may result in some cases of crippling skeletal fluorosis, which is a serious bone disorder.

Federal law also requires that we notify you when monitoring indicates that the fluoride in your drinking water exceeds 2.0 mg/L. This is intended to alert families about dental problems that might affect children under nine years of age. The fluoride concentration of your water exceeds this federal guideline.

Fluoride in children's drinking water at levels of approximately 1 mg/L reduces the number of dental cavities. However, some children exposed to levels of fluoride greater than about 2.0 mg/L may develop dental fluorosis. Dental fluorosis, in its moderate and severe forms, is a brown staining and/or pitting of the permanent teeth.

Because dental fluorosis occurs only when developing teeth (before they erupt from the gums) are exposed to elevated fluoride levels, households without children are not expected to be affected by this level of fluoride. Families with children under the age of nine are encouraged to seek other sources of drinking water for their children to avoid the possibility of staining and pitting.

Your water supplier can lower the concentration of fluoride in your water so that you will still receive the benefits of cavity prevention while the possibility of stained and pitted teeth is minimized. Removal of fluoride may increase your water costs. Treatment systems are commercially available for home use. Information on such systems is available at the address given below. Low fluoride bottle drinking water that would meet all standards is also commercially available."

The EPA requires that Arizona Water Company provide the following information:

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of various contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the Environmental Protection Agency's Safe Drinking Water Hotline (800-426-4791).

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. EPA/CDC guidelines on appropriate means to lessen the risk of infection by Cryptosporidium and other microbial contaminants are available from the Safe Drinking Water Hotline (800-426-4791).

The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.

Constituents that may be present in source water include: (A) Microbials, such as viruses and bacteria, which may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife. (B) Inorganics, such as salts and metals, which can be naturally-occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming. (C) Pesticides and herbicides, which may come from a variety of sources such as agriculture, urban stormwater runoff, and residential uses. (D) Organics, including synthetic and volatile organic chemicals, which are by-products of industrial processes and petroleum production, and can also come from gas stations, urban stormwater runoff, and septic systems. (E) Radionuclides, which can be naturally-occurring or be the result of oil and gas production and mining activities.

In order to ensure that tap water is safe to drink, EPA prescribes regulations which limit the amount of certain constituents in water provided by public water systems. FDA regulations establish limits for constituents in bottled water which must provide the same protection for public health.

DEFINITIONS, ABBREVIATIONS, AND UNITS DESCRIPTIONS:

AL	=	Action Level, the concentration of a constituent, which, if exceeded, triggers treatment, or other requirements, which a water system must follow.
MCL	=	Maximum Contaminant Level, the highest level of a constituent that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available treatment technology.
MCLG	=	Maximum Contaminant Level Goal, the level of a constituent in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.
MRDL	=	Maximum Residual Disinfection Level, the highest level of a constituent that is allowed in drinking water.
MRDLG	=	Maximum Residual Disinfection Level Goal, the level of a constituent in drinking water below which there is no known or expected risk to health. MRDLGs allow for a margin of safety.
EPA	=	The United States Environmental Protection Agency.
FDA	=	The United States Food and Drug Administration.
CDC	=	The United States Centers For Disease Control.
MFL	=	Million fibers per liter.
ppm	=	Parts per million, or milligrams per liter (mg/l).
ppb	=	Parts per billion, or micrograms per liter (µg/l).
pCi/L	=	Picocuries per liter (a measure of radioactivity).
n/a	=	None adopted.
nd	=	None detected.

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