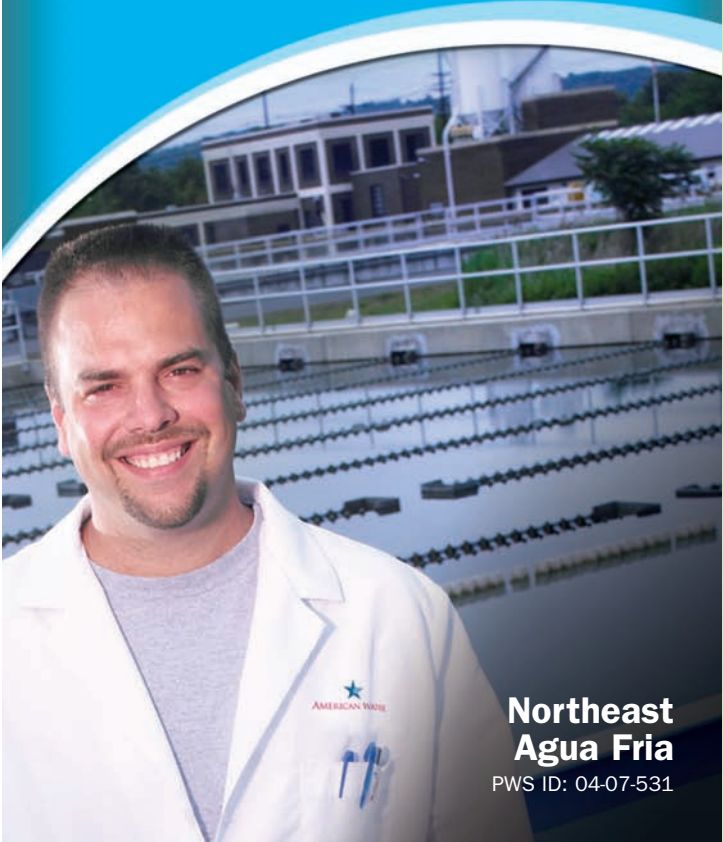


2008 Annual Water Quality Report



**Northeast
Agua Fria**

PWS ID: 04-07-531

Dear Arizona American Water Customer,

As a trusted leader in the industry, Arizona American Water places a strong emphasis on sharing information about the quality of the water we provide with our customers.

One way we do this is by reporting to you annually the results of our tests on the water we deliver to your home. Please review this Annual Water Quality Report, which outlines information applicable to your local water system for testing completed through December 2008. You'll find that we provide water that surpasses or meets all federal and state water quality regulations. In fact, we often address regulations well before they go into effect.

Just as important, Arizona American Water makes the necessary investments to maintain and upgrade its facilities, so that we can deliver quality water directly to your tap 24 hours a day, seven days a week.

Our customers are our top priority, and we are committed to providing them with the highest quality drinking water and service possible now and in the years to come. In addition to this written report, you can view information about Arizona American Water and your water system on our website <http://azamwater.com>. For more information or for any questions about this report relating to your drinking water, please contact Arizona American Water at (888) 237-1333.

Sincerely

Paul Townsley
President

What's Inside?

This report outlines the processes involved in delivering the highest quality drinking water available to you. In it, we will answer these important questions:

**Where does my water come from?
What is in my drinking water?**

We will also provide information on other available resources that will answer questions about water quality and health effects.

What is a Water Quality Report?

To comply with state and U.S. Environmental Protection Agency (EPA) regulations, Arizona American Water issues an annual water quality report which describes the quality of your drinking water. The purpose of this report is to raise your understanding of drinking water and your awareness of the need to protect your drinking water sources. This report includes details about where your water comes from and what it contains. The data presented in this report is a combination of data from our nationally recognized water quality lab and commercial laboratories all certified in drinking water testing by the State of Arizona Department of Health Services.

Our Mark of Excellence

We are once again proud to present to you our annual water quality report. Over the years, we have dedicated ourselves to producing drinking water that meets or exceeds all state and federal drinking water standards. We continually strive to adopt new and better methods of delivering the best quality drinking water to you. As regulations and drinking water standards change, it is our commitment to incorporate these changes system wide in an expeditious and cost-effective manner. As new challenges to drinking water safety emerge, we will be vigilant in maintaining our objective of providing quality drinking water at an affordable price. If you have any health concerns relating to the information in this report, we encourage you to contact your health care provider. We hope you find this report informative and useful. It is our pleasure to serve you.

Share This Report

Landlords, businesses, schools, hospitals and other groups are encouraged to share this important water quality information with water users at their location who are not billed customers of Arizona American Water Company and therefore do not receive this report directly.

Home Water Treatment Units

If you install a home treatment system such as a water softener or reverse osmosis system to improve taste or odor, remember to follow the manufacturer's instructions on operation and maintenance. Failure to perform maintenance can result in poor water quality. We recommend contacting the manufacturer of your treatment system for maintenance instructions or assistance. Additional information about home treatment systems is available from the Arizona Water Quality Association at 480-947-9850 or by writing to 6819 E. Diamond St., Scottsdale, AZ 85257.

Where Does My Water Come From?

All of the water provided by Arizona American Water comes from groundwater pumped from the West Salt River Valley (WSRV) Sub-Basin. The WSRV Sub-Basin is a broad, gently sloping alluvial plain that is bounded on the north by the Hieroglyphic Mountains and Hedgpeth Hills and on the west by the White Tank Mountains. Along the eastern boundary of the WSRV Sub-Basin are the Union Hills, Phoenix Mountains, and Papago Buttes. South Mountains, Estrella Mountains, and Buckeye Hills define the southern limits of the WSRV Sub-Basin. Depth to groundwater in the WSRV Sub-Basin varies from 150 to over 500 feet. In the Northeast Agua Fria area, groundwater is typically found between 300 and 400 feet below the surface. Sources of groundwater include natural recharge from flood flows in streams and along mountain fronts, and incidental recharge from agricultural and urban irrigation, canals, effluent, and artificial lakes.

Notice of Source Water Assessment

Although the Arizona Department of Environmental Quality has not performed a Source Water Assessment for our system, we are in the process of working with ADEQ on Wellhead Protection for all of our systems, which would include the initial assessment of the Northeast Agua Fria system. Once an assessment is completed by ADEQ, we will include a summary of the report in our CCR. If you have questions regarding the Source Water Assessments, please contact ADEQ at 602-771-4644.

The source is currently protected by well construction and system operations and management. Residents can help protect the source by taking hazardous household chemicals to hazardous material collection days, and limiting pesticide & fertilizer use.

For more information, call our Customer Service Center at 1 (888) 237-1333 or visit the ADEQ's Source Water Assessment and Protection Unit website at www.azdeq.gov/enviro/water/dw/swap.html.

Our Vision...

To be your trusted water resources company, dedicated to delivering innovative water solutions.

Our Values...

We believe in — and will not compromise — our integrity; respect for our customers, associates, and investors; commitment to the quality of the water we deliver and the environment in which we live.

How Did We Do?

Our water quality report is intended to provide you with valuable information on your water. Call us TOLL FREE at 1-866-464-0228. By completing a short phone survey (6 yes/no questions), you will help us improve the value of the information we provide to you each year.

What is In My Water?

This data presented in this report is a combination of analysis results from our nationally recognized water quality lab and commercial laboratories, all certified in drinking water testing by the State of Arizona Department of Health Services. For your information, we have compiled a list in the table below showing what substances were detected in our drinking water during 2008 or the last sampling period. If you have any questions about this report or your drinking water, please call our Arizona Customer Service Center at (888) 237-1333.

Water Quality Results

Regulated Substances Measured on the Water Leaving the Treatment Facility								
Substance (units)	Year Sampled	MCLG	MCL	Highest Amount Detected	Range of Detections	Compliance Achieved	Typical Source	
Arsenic (ppb) ¹	2007	NA	10	6	6	YES	Erosion of natural deposits	
Barium (ppb)	2007	200	200	37	37	YES	Erosion of natural deposits	
Nitrate (ppm)	2008	10	10	2.49	1.47 - 2.49	YES	Runoff from fertilizer use; leaching from septic tanks	
Alpha emitters (pCi/L)	2007	0	15	4.4	3.7 - 4.4	YES	Erosion of natural deposits	
Other Compounds Measured in the Distribution System								
Substance (units)	Year Sampled	MCLG/MRDLG	MCL/MRDL	Average Amount Detected	Range of Detections	Compliance Achieved	Typical Source	
TTHMs (ppb) ²	2008	NA	80	2.6	<0.5 - 5.2	YES	By-product of drinking water disinfection	
HAAs (ppb) ²	2008	NA	60	<1.0	<1.0	YES	By-product of drinking water disinfection	
Chlorine residual (ppm)	2008	4.0	4.0	1	0.8 - 1.3	YES	Water additive used to control microbes	
Tap Water Samples: Lead and Copper Results								
Substance (units)	Year Sampled	MCLG	Action Level	90th Percentile	Number of Samples	Number of Samples Above Action Level	Compliance Achieved	Typical Source
Copper (ppm)	2008	1.3	1.3	0.12	20	0	YES	Corrosion of household plumbing systems; erosion of natural deposits
Lead (ppb)	2008	0	15	9.0	20	0	YES	Corrosion of household plumbing systems; erosion of natural deposits
Unregulated Substances Measured on the Water Leaving the Treatment Facility								
Substance (units)	Year Sampled	Range of Detections	Typical Source					
Sodium (ppm)	2007	43	Erosion of natural deposits					
Sulfate (ppm)	2006	44	Erosion of natural deposits					
Hardness (grains/gallon)	2008	11.8	Natural calcium and magnesium content					
pH (standard units)	2008	7.6	pH is a measure of acid/base properties					
<p>¹ Arsenic — While your drinking water meets EPA's standard for arsenic, it does contain low levels of arsenic. EPA's standard balances the current understanding of arsenic's possible health effects against the costs of removing arsenic from drinking water. EPA continues to research the health effects of low levels of arsenic, which is a mineral known to cause cancer in humans at high concentrations and is linked to other health effects such as skin damage and circulatory problems.</p> <p>² TTHM/HAA — Although there is no collective MCLG for this contaminant group, there are individual MCLGs for some of the individual contaminants: Trihalomethanes: bromodichloromethane (zero); bromoform (zero); chloroform (zero); dibromochloromethane (0.06 mg/L). Haloacetic acids: dichloroacetic acid (zero); trichloroacetic acid (0.3 mg/L). Monochloroacetic acid, bromoacetic acid, and dibromoacetic acid are regulated with this group but have no MCLGs.</p>								

How to Read This Table

Arizona American Water conducts extensive monitoring to ensure that your water meets all water quality standards. The results of our monitoring are reported in the adjacent tables. For help with interpreting this table, see the "Table Definitions" section.

Starting with a **Substance**, read across. **Year Sampled** is usually in 2008 or year prior. **MCLG** is the goal level for that substance (this may be lower than what is allowed). **MCL** shows the highest level of substance (contaminant) allowed. **Highest Amount Detected** represents the highest amount that was found. **Range of Detections** tells the highest and lowest amounts measured. A **Yes** under **Compliance Achieved** means the amount of the substance is below government requirements. **Typical Source** tells where the substance usually originates.

Unregulated substances are measured, but maximum contaminant levels have not been established by the government.

Definitions of Terms Used in This Report

- **AL (Action Level):** The concentration of a contaminant, which, if exceeded, triggers treatment or other requirements, which a water system must follow.
- **gpg or grains/gallon:** Used to describe the dissolved hardness minerals contained in water and is a unit of weight that equals 1/7000 of a pound.
- **MCL (Maximum Contaminant Level):** The highest level of a contaminant 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 contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.
- **Maximum Residual Disinfectant Level (MRDL):** The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.
- **Maximum Residual Disinfectant Level Goal (MRDLG):** The level of a drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.
- **pCi/L (picocuries per liter):** Measurement of the natural rate of disintegration of radioactive contaminants in water (also beta particles).
- **ppm (parts per million):** One part substance per million parts water, or milligrams per liter.
- **ppb (parts per billion):** One part substance per billion parts water, or micrograms per liter.
- **TT (Treatment Technique):** A required process intended to reduce the level of a contaminant in drinking water.
- **TTHM – Total Trihalomethanes:** consist of Chloroform, Bromoform, Bromodichloromethane, Dibromochloromethane.
- **HAA – Haloacetic Acids:** consist of Monochloroacetic Acid, Dichloroacetic Acid, Trichloroacetic Acid, Bromoacetic Acid, Dibromoacetic Acid.

Substances Expected to be in Drinking Water

To ensure that tap water is safe to drink, U.S. EPA prescribes regulations limiting the amount of certain contaminants in water provided by public water systems. U.S. Food and Drug Administration regulations establish limits for contaminants in bottled water, which must provide the same protection for public health. Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of these contaminants does not necessarily indicate that the water poses a health risk.

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 can acquire naturally occurring minerals and, in some cases, radioactive material, and substances resulting from the presence of animals or from human activity.

Substances that may be present in source water include:

Microbial Contaminants, such as viruses and bacteria, which may come from sewage treatment plants, septic systems, agricultural livestock operations, or wildlife.

Inorganic Contaminants, such as salts and metals, which can be naturally occurring or may result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.

Pesticides and Herbicides, which may come from a variety of sources, such as agriculture, urban stormwater runoff, and residential uses.

Organic Chemical Contaminants, including synthetic and volatile organic chemicals, which are by-products of industrial processes and petroleum production, and may also come from gas stations, urban stormwater runoff, and septic systems.

Radioactive Contaminants, which can be naturally occurring or may be the result of oil and gas production and mining activities.

For more information about contaminants and potential health effects, call the U.S. EPA's Safe Drinking Water Hotline at 1-800-426-4791.

Lead

Arizona American Water Company monitored the water for lead and copper in 2008 at 20 residences throughout the community and met the federal lead and copper standards. The 20 houses sampled were representative of the types of houses throughout the system. If your house was sampled you would have received the analysis results. If you weren't part of the representative sampling and are concerned about elevated lead levels in your home's water, you may wish to flush your tap for 30 seconds to 2 minutes before using the water. Additional information is available from the Safe Drinking Water Hotline (800-426-4791).

Special Health Information

Some people may be more vulnerable to contaminants in drinking water than the general population. Immunocompromised 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 may be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. EPA/CDC (Centers for Disease Control and Prevention) 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).



19820 N. 7th Street, Suite 201
Phoenix, AZ 85024

Este informe contiene información muy importante sobre su agua potable. Tradúzcalo o hable con alguien que lo entienda bien. 1-(800) 383-0834

For more information about this report, or for any questions relating to your drinking water, please call our customer service center at 1-(800) 383-0834.