

Summary

On May 2, 2008, Arizona-American Water Company, Inc. ("Arizona-American" or "Company") filed an application with the Arizona Corporation Commission ("Commission") for permanent revenue increases for its following Districts: Agua Fria Water District, Havasu Water District, Mohave Water District, Paradise Valley Water District, Sun City West Water District, Tubac Water District, and Mohave Wastewater District. Under Arizona-American's proposal, the actual percentage rate increase for individual customers would vary depending upon the type and quantity of service provided.

For its **Tubac Water District**, Arizona-American's application requests an annual revenue increase of approximately \$278,040, or 65.72 percent over current revenues. For average consumption (11,767 gallons per month) 5/8 x 3/4 inch meter residential customers in the Tubac Water District, Arizona-American's request would increase monthly rates by 72.74 percent. **The actual percentage rate increase for individual customers would vary depending upon the type and quantity of service provided. The Company can calculate the impact of its rate increase proposal on your account.** If you would like the Company to calculate the impact of its proposal on your account, please email **our Arizona Representatives at azrates@amwater.com** and provide us with your Account Number and Service Address including City.

The Commission's Utilities Division Staff ("Staff") is in the process of auditing and analyzing the application, and has not yet made any recommendations regarding Arizona-American's proposed rate increase. The Residential Utility Consumer Office is also a party to this proceeding and will also analyze the application and make recommendations to the Commission. The Commission will determine the appropriate relief to be granted based on the evidence presented by the parties. The Commission is not bound by the proposals made by Arizona-American, Staff, or any intervenors; therefore, the final rates approved by the Commission may be higher or lower than the rates requested by Arizona-American.

How You Can View or Obtain a Copy of the Rate Proposal

Copies of the application and proposed rates are available for public inspection at the Arizona American Water office located at 15 Burrue Street in Tubac, at the Tubac Community Center located at 50 Bridge Road in Tubac, and at the Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours and on the Internet via the Commission's website (www.azcc.gov) using the e-Docket function. The rate filing information is also available on our website at www.arizonaamwater.com under the Customer Service tab.

Arizona Corporation Commission Public Hearing Information

The Commission will hold a hearing on this matter beginning **March 19, 2009, at 1:30 p.m.** at the Commission's offices, Hearing Room #1, 1200 West Washington Street, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. Written public comments may be submitted by mailing a letter referencing Docket No. W-01303A-08-0227 et al. to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by e-mail. For a form to use and instructions on how to e-mail comments to the Commission, please go to http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf. If you require assistance, you may contact the Consumer Services Section at 602-542-425 1 or 1-800-222-7000.

About Intervention

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than **December 15, 2008**, and send a copy of the motion to Arizona-American or its counsel and to all parties of record. Your motion to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any party upon whom service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of Arizona-American, a shareholder of Arizona-American, etc.); and
3. A statement certifying that you have mailed a copy of the motion to intervene to Arizona-American or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before **December 15, 2008**. If representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme Court, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. For information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any interested person or entity from appearing at the hearing and providing public comment on the application or from filing written comments in the record of the case.

ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator, Linda Hogan, E-mail Lhogan@azcc.gov, voice phone number 602/542-393 1. Requests should be made as early as possible to allow time to arrange the accommodation.

