

**PUBLIC NOTICE OF HEARING ON GLOBAL WATER-FARMERS WATER
COMPANY, INC.'S APPLICATION FOR INCREASES TO ITS RATES AND CHARGES
FOR WATER UTILITY SERVICE AND FOR CERTAIN RELATED APPROVALS.
(DOCKET NO. W-01654A-24-0108)**

Summary

On June 27, 2024, Global Water-Farmers Water Company, Inc. ("GW-Farmers" or "Company") filed a Rate Application for an increase in its rates and charges for utility service and for certain related approvals. GW-Farmers asserted that for the test year ending December 31, 2023, GW-Farmers had an adjusted operating loss of \$639,709 and a fair value rate base ("FVRB") of \$4,020,125, resulting in a rate of return of negative 15.91%. GW-Farmers proposed rates and charges that would produce an overall revenue increase of \$1,292,837 or approximately 105%, to produce a 7.85% rate of return on GW-Farmers FVRB.

GW-Farmers proposes a two-phase implementation of the revenue increase. GW-Farmers proposed to implement 50% of the requested increase during the first six months and to implement the full revenue increase at the end of six months. The Company's proposed rates would increase the monthly bill for an average residential customer served by a 5/8" x 3/4" meter, with monthly usage of 4,813 gallons from \$18.43 to \$23.33, an increase of \$4.90, or 26.57%. In Phase 2, the monthly bill for the average residential 5/8" x 3/4" meter customer using 4,813 gallons would increase to \$29.78, an overall increase of \$11.35, or 61.58%.

In addition, GW-Farmers requests approval of Rate Case Expense of \$161,290 to be recovered over two years by means of a surcharge that the Company estimates to be \$1.17 per month for a 5/8" x 3/4" meter residential customer.

GW-Farmers also requested approval of an acquisition premium arising from Global Water's acquisition of the Farmers Water Company in Decision No. 78761 (November 21, 2022), which the Company proposes to defer for recovery in a future rate case, a Federal Compliance Cost Recovery Mechanism to expand the Arsenic Cost Recovery Mechanism to include water treatment needed to comply with federal mandates, a Systems Improvements Benefits Mechanism ("SIB") to recover capital costs associated with pre-approved system improvement projects, a Tax Expenses Adjustment Mechanism ("TEAM") to pass through changes in tax rates, and a Sustainable Water Surcharge ("SWS") to allow the Company to diversify and acquire additional water supplies and address significant water supply issues.

NEITHER THE COMMISSION'S UTILITIES DIVISION ("STAFF") NOR ANY INTERVENOR HAS YET MADE ANY RECOMMENDATION REGARDING GW-FARMERS' APPLICATION. THE COMMISSION IS NOT BOUND BY THE PROPOSALS OF GW-FARMERS, STAFF, OR ANY INTERVENORS. THE COMMISSION WILL DETERMINE THE APPROPRIATE RELIEF TO BE GRANTED IN RESPONSE TO GW-FARMERS APPLICATION BASED ON THE EVIDENCE PRESENTED IN THIS MATTER. THE FINAL RATES APPROVED BY THE COMMISSION MAY BE HIGHER, LOWER, OR DIFFERENT THAN THE RATES PROPOSED BY GW-FARMERS OR BY OTHER PARTIES.

If you have any questions concerning how the Application may affect your bill or other substantive questions about the Application, you may contact GW-Farmers at: **GW-FARMERS, 21410 N. 19th AVENUE, SUITE 220, PHOENIX, ARIZONA 85027, PHONE NUMBER 866-940-1102, AND E-MAIL ADDRESS ratecase@gwresources.com.**

How You Can View or Obtain a Copy of the Application

Copies of the Application are available from GW-Farmers from Global Water Resources, Inc. 21410 N. 19th Avenue, Suite 220, Phoenix, Arizona 85027, Phone Number 866-940-1102; by emailing a request to ratecase@gwresources.com; at the Commission's Docket Control Center at 1200 West Washington Street, Phoenix, Arizona, and the Commission's office at 400 West Congress Street, Suite 218, Tucson, Arizona, during regular business

hours, and on the Commission website (www.azcc.gov) using the e-Docket function and the Docket Number shown above.

Arizona Corporation Commission Public Hearing Information

The Commission will hold a hearing on this matter beginning **February 10, 2025 at 10:00 a.m.**, at the Commission's offices at 400 West Congress, Room 222, Tucson, Arizona 85007.

A public comment meeting will be held on January 29, 2025 commencing at 5:30 p.m. and ending at the earlier of 8:00 p.m. or when the last public commenter has concluded, whichever is earlier and at the beginning of the first day of hearing. Comments may be provided in person or telephonically. To provide telephonic public comments, call **1-877-309-3457** and enter passcode **24601833204###**.

Written public comments may be submitted by mailing a letter referencing **Docket No. W-01654A-24-0108** to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by submitting comments on the Commission's website (www.azcc.gov) using "Cases and Open Meetings" and "Make a Public Comment in a Docket." If you require assistance, you may contact the Consumer Services Section at 602-542-4251 or 1-800-222-7000.

If you do not intervene in this proceeding, you will receive no further notice of the proceedings in this docket unless you sign up to Follow the Docket. However, all documents filed in this docket are available online (usually within 24 hours after docketing) at the Commission's website (www.azcc.gov) using the e-Docket function. **Information on how to Follow a Docket is available on the Commission's website by clicking on "Cases and Open Meetings" and "Follow a Docket or Document Type."**

About Intervention

The law provides for an open public hearing at which, under appropriate circumstances, interested persons may intervene. An interested person may be granted intervention if the outcome of the case will directly and substantially impact the person, and the person's intervention will not unduly broaden the issues in the case. Intervention, among other things, entitles a party to present sworn evidence at the hearing and to cross-examine other parties' witnesses. **Intervention is not required for you to appear at the hearing and provide public comment, to file written comments in the docket for the case, or to receive emailed notice of each filing made in the case by following the docket.**

Information about what intervention means, including an explanation of the rights and responsibilities of an intervenor, is available on the Commission's website (www.azcc.gov) by clicking on "Cases and Open Meetings" and then clicking on "Intervene in a Case." The information includes a Sample Intervention Request and a Fillable Intervention Request Form.

To request intervention, you must file a written request to intervene, either (a) by filing a hard copy request (meeting filing requirements) with Docket Control (Docket Control, 1200 West Washington, Phoenix, AZ 85007), or (b) by eFiling the request. Your request **must be filed or eFiled no later than October 18, 2024**. Instructions and restrictions for eFiling are available on the Commission's website at <http://azcc.gov/hearing/efile-forutilities-instruction>. You also **must** serve a copy of the request to intervene on each party of record, on the same day that you file the request to intervene with the Commission.

Your request to intervene **must** contain the information below:

1. Your name, address, and telephone number;
2. The docket number for the case in which you are requesting to intervene;
3. A short statement explaining:
 - a. Your interest in the proceeding (e.g., a customer of the regulated company involved, a property owner in an area to be affected by the case, etc.),
 - b. How you will be directly and substantially affected by the outcome of the case, and

c. Why your intervention will not unduly broaden the issues in the case;

4. A statement certifying that you have sent a copy of your request to intervene to the regulated company or its attorney and to all other parties of record in the case; and

5. If you are not represented by an attorney who is an active member of the Arizona State Bar, and you are not representing yourself as an individual, sufficient information and any appropriate documentation to demonstrate compliance with Arizona Supreme Court Rules 31.1, 31.2, 31.3, 38, 39, and 42, as applicable. This only applies if you are NOT representing yourself and you are not a licensed attorney.

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 **October 18, 2024**.

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, Carolyn Buck, E-mail ADACoordinator@azcc.gov, voice phone number 602-542-2247. Requests should be made as early as possible and no later than 48 hours in advance of the event to allow time to arrange the accommodation.