

**CENTRAL ARIZONA PROJECT  
FINAL 2015-2016 RATE SCHEDULE**

Approved  
June 5, 2014

**DELIVERY RATES FOR VARIOUS CLASSES OF WATER SERVICE**

Units = \$/ acre-foot

(The Letter Designations in the Formulas Refer to the Rate Components Shown Below)

	<u>2014</u>	<b>Firm 2015</b>	<b>Provi- sional 2016</b>	<u>Advisory</u>			
				<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b><u>Municipal and Industrial</u></b>							
Long Term Subcontract (B+C) <sup>1</sup>	\$ 146	\$ 157	\$ 161	\$ 166	\$ 171	\$ 174	\$ 196
Non-Subcontract (A+B+C) <sup>2</sup>	166	179	184	190	196	199	221
Recharge (A+B+C) <sup>3</sup>	166	179	184	190	196	199	221
AWBA Interstate Recharge (A+B+C+D) <sup>4</sup>	189	n.p.	n.p.	n.p.	n.p.	n.p.	n.p.
<b><u>Federal</u></b> (B+C) <sup>5</sup>	\$ 146	\$ 157	\$ 161	\$ 166	\$ 171	\$ 174	\$ 196
<b><u>Agricultural</u></b>							
Settlement Pool (C) <sup>6</sup>	\$ 67	\$ 75	\$ 76	\$ 79	\$ 81	\$ 82	\$ 99
<b><u>Agricultural Incentives</u></b> <sup>6</sup>							
Meet Settlement Pool Goals	(14)	(18)	(15)	(14)	(12)	(9)	(22)
Meet AWBA/CAGR D GSF Goals	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Meet Recovery Goals	(2)	(2)	(2)	(2)	(2)	(2)	(2)

**RATE COMPONENTS**

Units = \$/acre-foot

	<u>2014</u>	<b>Firm 2015</b>	<b>Provi- sional 2016</b>	<u>Advisory</u>			
				<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b><u>Capital Charges</u></b>							
(A) Municipal and Industrial - Long Term Subcontract <sup>7</sup>	\$ 20	\$ 22	\$ 23	\$ 24	\$ 25	\$ 25	\$ 25
<b><u>Delivery Charges</u></b>							
(B) Fixed OM&R <sup>8</sup>	\$ 79	\$ 82	\$ 85	\$ 87	\$ 90	\$ 92	\$ 97
(C) Pumping Energy Rate <sup>9</sup>	67	75	76	79	81	82	99
(D) Property Tax Equivalency <sup>10</sup>	23	n.p.	n.p.	n.p.	n.p.	n.p.	n.p.

**DIRECT UNDERGROUND WATER STORAGE**

Units = \$/acre-foot

	<u>2014</u>	<b>Firm 2015</b>	<b>Provi- sional 2016</b>	<u>Advisory</u>			
				<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b><u>Underground Water Storage O&amp;M</u></b> <sup>11</sup>							
Phoenix AMA	\$ 8	\$ 9	\$ 10	\$ 12	\$ 13	\$ 14	\$ 15
Tucson AMA	15	15	15	15	15	15	15
<b><u>Underground Water Storage Capital Charge</u></b> <sup>12</sup>							
Phoenix AMA	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
Tucson AMA	9	9	9	9	9	9	9

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**NOTES:**

- 1) Long-Term Municipal and Industrial (M&I) Subcontract include those users that hold a M&I subcontract.
- 2) Non-Subcontract includes M&I users that are taking water under an agreement other than a subcontract and may also be referred to as "Excess" water. It is administered according to CAP's Access to Excess policy.
- 3) Recharge includes the Arizona Water Banking Authority, CAGR, BOR and M&I subcontract holders and other Arizona entities who have valid Arizona Department of Water Resources water storage permits and accrue long-term storage credits. It is administered according to CAP's Access to Excess policy.
- 4) The AWBA Interstate Recharge rate is currently not published (n.p.) and will be provided upon request as there is not any anticipation of water available for this class.
- 5) Federal water may also be referred to as "Indian" water.
- 6) Rate is the Pumping Energy Rate 1 component. Incentives may be earned for meeting delivery goals in three areas. Any incentives earned are applied to Settlement Pool deliveries.
- 7) For M&I subcontract water, the Capital Charge is paid on full allocation regardless of amount delivered and not included in delivery rates.
- 8) Fixed O&M costs divided by projected total water volumes plus components to fund capital replacements and a rate stabilization reserve. This amount is collected on all ordered water whether delivered or not.
- 9) The energy rate applies to all actual water volumes as opposed to scheduled. The calculation is pumping energy costs divided by projected volumes.
- 10) The rate is based upon the tax levy for the previous elapsed tax year divided by the average water deliveries (excluding Federal deliveries and water storage credits) for the three previous completed delivery years (e.g., for 2012, the tax equivalency is the levy for the 2010-2011 tax year divided by the average water deliveries for 2008, 2009 and 2010). This rate is currently not published (n.p.) and is available upon request, although it is not anticipated there will be water available for this class.
- 11) Underground Water Storage O&M is paid by all direct recharge customers using CAP recharge sites.
- 12) Underground Water Storage Capital Charge is paid by all direct recharge customers except AWBA for M&I firming, the CAGR, municipal providers within the CAP service area and co-owners of CAWCD recharge facilities using no more than their share of capacity.