CUSTOMER NOTICE

BERMUDA WATER COMPANY

Docket No. W-01812A-25-0166

Dear Bermuda Water Company Customer:

On September 18, 2026, the Arizona Corporation Commission voted to approve the rate case filed by Bermuda Water Company. Per Decision No. 82177 the new rates are effective on or after October 1, 2026.

Under the approved rates, the typical residential bill for a 5/8-inch meter, with a median usage of 5,000 gallons, would **decrease** by $0.22, or 0.67%, from $32.66 to $32.44. A temporary rate case expense Sur-charge will be in effect until the costs of the rate case are recovered. (see chart)

In addition to approving the rates shown in this notice, the Arizona Corporation Commission approved an Annual Rate Adjustment Mechanism (ARAM). The ARAM allows the Commission to review Bermuda Water Company's financial results each year and determine whether rates should increase, decrease, or remain unchanged. Any future proposed rate adjustment must be reviewed and approved by the Commission before it becomes effective. Customers will receive additional notice and information regarding any future ARAM filing, instruction on how to participate, and when new rates are approved.

The ARAM allows for more frequent, but smaller rate adjustments. By reviewing the Company's financial results annually, the Commission can make smaller adjustments when appropriate while maintaining regulatory oversight and increasing transparency.

The first ARAM will be filed by the Company on January 31, 2028, and will not take affect until July 29, 2028.

Please follow the link below to the Commission Decision in this docket.

https://docket.images.azcc.gov/0000217438.pdf?i=1790632714303

The new rates and charges for Bermuda are as follows:

Monthly Usage Changes

Residential, Commercial, Construction, Irrigation

Meter Size	Minimum Charge/Month
5/8" and 3/4" Meter	$21.20
1" Meter	$53.00
1 1/2" Meter	$105.00
2" Meter	$168.00
3" Meter	$336.00
6" Meter	$1,049.00

Rates - Schools

Meter Size	Minimum Charge/Month
1" Meter	$53.00
1 1/2" Meter	$105.00
2" Meter	$168.00
6" Meter	$1,049.00
8" Meter	$1,679.00
10" Meter	$1,755.00

Commodity Rates (per 1,000 gallons)

Meter Size	Consumption	Rate
5/8" and 3/4" (Residential)	1-3,000 gallons	$1.60
	3,001 – 9,000 gallons	$3.22
	Over 9,000 gallons	$4.82
5/8" Meter (Commercial)	1-9,000 gallons	$3.22
	Over 9,000 gallons	$4.82
1" Meter (Residential & Commercial)	1-25,000 gallons	$3.22
	Over 25,000 gallons	$4.82
1 1/2" Meter (Residential & Commercial)	1-50,000 gallons	$3.22
	Over 50,000 gallons	$4.82
2" Meter (Residential & Commercial)	1-80,000 gallons	$3.22
	Over 80,000 gallons	$4.82
3" Meter (Residential & Commercial)	1-165,000 gallons	$3.22
	Over 165,000 gallons	$4.82
6" Meter (Residential & Commercial)	1-500,000 gallons	$3.22
	Over 500,000 gallons	$4.82
Construction/Irrigation (All Meter Sizes)	All Usage	$2.56
Schools (Meter Sizes Smaller than 6")	All Usage	$2.71
Schools (6" Meter Sizes and Larger)	All Usage	$2.78
Wholesale (All Meter Sizes)	All Usage	$2.71

Rate Case Sur-Charge

Meter Size (All Classes) [339]	Minimum Charge/Month
5/8" and 3/4" Meters	$0.47
1" Meter	$1.18
1 1/2" Meter	$2.34
2" Meter	$3.74
3" Meter	$7.45
6" Meter	$23.33
10" Meter	$39.02

[339] – No rate case expense surcharge is applicable to wholesale customers.

Service Lines and Meter Installation Charges

Meter Size	Service Line	Meter Charge	Total Charge
5/8” x 3/4” Meter	$500.00	$140.00	$640.00
3/4” Meter	$500.00	$140.00	$640.00
1” Meter	$560.00	$290.00	$850.00
1 1/2” Meter	$560.00	$500.00	$1060.00
2” Meter	$900.00	$900.00	$1,800.00
3” or Larger Meters	At Cost	At Cost	At Cost

Services Charges

Charge	Amount
Establishment	$50.00
Re-establishment Fee (Within 12 months)	****
After Hours Service Charge	$75.00
Reconnection (Delinquent)	$50.00
Meter Test Performed by Company	NT
Meter Test Performed by Outside Vendor	$25.00
Deposit	*
Deposit Interest	**
NSF Check (Returned)	$25.00
Deferred Payment Interest	*****
Meter Re-Read Charge (If Correct)	$30.00
Late Payment	***
Compromised Meter Lock	$25.00

* Per Rule A.A.C. R14-2-403.B.7
** Per A.A.C. R14-2-403.B.3
*** 1.5% or $5.00, whichever is greater
**** Months off system times the monthly minimum, per Rule A.A.C. R14-2-403.D
***** Interest at 0% each month with signed agreement. Per Rule A.A.C. R14-2-409.G
NT No Tariff

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