PUBLIC NOTICE OF HEARING AND PUBLIC COMMENT MEETING IN THE MATTER OF BERMUDA WATER COMPANY INC.'S RATE APPLICATION (DOCKET NO. W-01812A-25-0166)

Summary

On August 11, 2025, Bermuda Water Company, Inc. ("Bermuda Water") filed with the Arizona Corporation Commission ("Commission") an application ("Rate Application") for increases to its rates and charges, and for certain related approvals.

As part of its Rate Application, Bermuda Water requests approval of a formula rate plan, which would authorize Bermuda Water to apply a surcharge or sur-credit to customer bills based on the return on equity it earns compared to the return on equity authorized by the Commission.

Bermuda Water asserts that for the test year ending January 31, 2025, it had an adjusted operating income of \$1.65 million and a fair value rate base ("FVRB") of \$19.94 million, resulting in a rate of return of 8.29 percent on its FVRB. Bermuda Water proposes rates and charges that would produce a revenue increase of approximately \$339,872, or 5.16 percent, compared to current base rates. Bermuda Water's proposed revenue increase would produce a 9.55 percent rate of return on its proposed FVRB of \$19.94 million.

Bermuda Water's proposed rates and charges would result in the following revenue increase levels for each customer class:

Customer Class	Proposed Increase	
Residential	5.3%	
Commercial	5.2%	
Construction	5.2%	
Commercial Irrigation	5.2%	
Residential Irrigation	5.3%	
School	5.3%	
Wholesale	5.1%	

Bermuda Water's proposed rates and charges, not including any approved surcharge or adjustor, would result in the following monthly bill increase for a typical residential water customer served by a 5/8" meter with an average monthly usage of 6,931 gallons:

Current Bill	Proposed Bill	\$ Increase	% Increase
\$42.95	\$45.24	\$2.37	5.3%

NEITHER THE COMMISSION'S UTILITIES DIVISION ("STAFF") NOR ANY INTERVENOR HAS YET MADE ANY RECOMMENDATION REGARDING BERMUDA WATER'S RATE APPLICATION. THE COMMISSION IS NOT BOUND BY THE PROPOSALS OF BERMUDA WATER, STAFF, OR ANY INTERVENORS. THE COMMISSION WILL DETERMINE THE APPROPRIATE RELIEF TO BE GRANTED IN RESPONSE TO BERMUDA WATER'S RATE 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 COMPANY OR BY OTHER PARTIES.

If you have any questions concerning how the Rate Application may affect your bill or other substantive questions about the Application, you may contact Bermuda Water at: Bermuda Water Company, Inc. Office at 4544 Highway 95, Fort Mohave, AZ 86426; by phone at 1-866-673-9953; or by email at: BermudaRateCaseQuestions@nexuswg.com.

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

Copies of the Rate Application are available from **Bermuda Water Company at** https://www.myutility.us/bermudawater/news; at the Commission's Docket Control Center at 1200 West Washington Street, Phoenix, Arizona, and 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.

Arizona Corporation Commission Public Hearing Information

The Commission will hold a hearing on this matter beginning May 11, 2026, at 10:00 a.m., at the Commission's offices at 1200 West Washington Street, Phoenix, Arizona 85007.

In addition to the public comment meetings identified below, a public comment meeting will be held at the beginning of the first day of hearing, and comment may be provided in person or telephonically. To provide telephonic public comments, call 1-877-309-3457 and enter passcode 801972877##.

Public Comment Meeting at Commission Offices

The Commission will hold a public comment meeting in this matter on March 18, 2026, at 5:00 p.m. at the Commission's offices at 1200 West Washington Street, Phoenix, Arizona 85007.

During the public comment meeting at the Commission's offices, **both telephonic and in-person** public comment may be provided. To provide **telephonic** public comments, call **1-877-309-3457** and enter passcode **801972877##**.

Written public comments may be submitted by mailing a letter referencing **Docket No. W-01812A-25-0166** 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) by clicking on "Divisions" and then "Hearing," scrolling down to "eFiling Services," and clicking on "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 matter, you will receive no further notice of the proceedings in this matter unless you sign up to Follow the Docket. However, all documents filed in this matter 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 clicking on "Divisions" and then "Hearing" and then "Following a Docket."

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 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 "Divisions" and then "Hearing" and then "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 November 12, 2025**. Instructions and restrictions for eFiling are available on the Commission's website at http://azcc.gov/hearing/efiling. 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 showing the names of the parties to whom service was provided and the addresses (which could be email addresses) used;
- 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 <u>all motions to intervene must be filed on or before **November 12, 2025**.</u>

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 for the Hearing Division, E-mail Hearing Division@azcc.gov, voice phone number 602-542-4250. 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.