GOLD CANYON SEWER COMPANY
NEW RATES

On January 13, 2006, Gold Canyon Sewer Company ("GCSC") filed an application for a rate increase with the Arizona Corporation Commission ("Commission"). GCSC requeste d the increase to cover increased costs in provision of service and in the addition/replacement of its wastewater infrastructure. The prop osed rates were thoroughly audited by Commission Staff, and a public comment session and evidentiary hearings were held. After considering all the evidence presented, the Commission is sued Decision No. 69664 ("Order") on June 28, 2007 , authorizing a 73% rate increase effective on July 1, 2007. In its Order the Commission approved the following rates and charges:

SEWER		SERVICE CHARGES	
Monthly service charges:		Establishment	$25.00
Residential Service – Per Month	$60.55	Establishment (After Hours)	$50.00
Residential Service – (Less than 700 Square Ft)	$33.03	Re-establishment (Within 12 Months)	(b)
Residential Units (Home Owners Association)	$55.05	Re-establishment (After Hours) (b)	$40.00
Commercial – Per gallon per day	$0.30276	Re-connection (Delinquent)	(c)
Effluent Sales – Per 1,000 gallons	$0.786	Re-connection (Delinquent and After Hrs) (c)	$30.00
		Minimum Deposit (Residential)	(a)
HOOK –UP FEE FOR NEW SERVICE		Minimum Deposit (Non-Residential)	(a)
		Deposit Interest	6.00%
4 Inch Service Line	$900.00	NSF Check Charge	$10.00
6 Inch Service Line	$2,025.00	Deferred Payment Finance Charge Per Month	1.50%
8 Inch Service Line	$3,600.00	Late Payment Charge	1.50%
Larger than 8 Inch Service Line	$5,625.00	Main Extension Tariff	Cost

(a) Per A.A.C. R14-2-603B; Residential – two times average bill, Non-Residential - two and one-half times average bill

(b) Minimum charge times number of full months disconnected.

(c) Actual cost of physical disconnection and reconnection (if same customer) and there shall be no charge if there is no physical work performed.

Billing Adjustments:

Total monthly sewer and miscellaneous charges are subject to adjustment for all federal, state, and local government taxes, levies, and any assessments that may be imposed by federal or state regulatory agencies on sewer gross revenues.

Effective Date:

These rates and charges are effective July 1, 2007