



Surcharge Glossary

What do the surcharges on my bill mean?

Arsenic Cost Recovery Mechanism (ACRM): The purpose of the ACRM is to recover the costs associated with complying with Safe Drinking Water Act Standards. The ACRM is a direct result of a mandate by the United States Environmental Protection Agency that changed the amount of arsenic allowable in drinking water from 50 parts per billion to 10 parts per billion.

Central Arizona Project (CAP) Surcharge: The purpose of the CAP Surcharge is to recover the costs of CAP water that Arizona Water purchases for recharge and recovery that are not included in current base rates.

Monitoring Assistance Program (MAP) Surcharge: The purpose of the MAP Surcharge is to recover the annual change in testing and noticing costs resulting from compliance with the State of Arizona's Monitoring Assistance Program.

Purchased Power Adjustor Mechanism (PPAM): The purpose of the PPAM is to adjust the costs associated with electric and gas prices when those prices change from what is included in customers current rates.

Regulatory Expense Surcharge (RES): The purpose of the RES is to collect the costs associated with filing and prosecuting a rate case with the Arizona Corporation Commission.

System Improvement Benefits (SIB) Surcharge: The purpose of the SIB Surcharge is to recover a portion of the costs associated with replacing aging and failing water infrastructure after the replacement infrastructure has been completed and placed in service.

SIB Efficiency Credit: The purpose of the SIB Efficiency Credit is to provide customers a credit equal to five percent of SIB Surcharge Revenues.

It is important to note that all adjustment mechanisms may not apply in your service area and therefore may not be on your bill. If you have any questions regarding your bill, please contact your local office. To find your local office's contact information [click here](#)