

## POLICY GUIDANCE MEMORANDUM # 8

August 10, 1981

## PRIVATE WATER COMPANIES

The groundwater code includes specific provisions which apply to cities, towns and private water companies. The code gives a private water company the right to withdraw and transport groundwater within its service area for the benefit of landowners and residents within its service area.<sup>1</sup>

"Private water company" does not include:

1. A city or town
2. A political subdivision or other entity established pursuant to Title 45, A.R.S. (e.g. irrigation district, agricultural improvement district, irrigation water delivery district, etc.)<sup>2</sup>

For the purpose of grandfathered rights and service area rights, the Department considers that "private water company" includes:

1. Public service corporations regulated by the Arizona Corporation Commission under a certificate of public convenience and necessity.
2. Homeowners associations
3. Cooperatives.
4. Wells under single or joint ownership from which groundwater is distributed to four or more households.

<sup>1</sup> Section 45-492, Arizona Revised Statutes

<sup>2</sup> Unless the political subdivision or entity is regulated as a public service corporation by the Arizona Corporation Commission under a certificate of public convenience and necessity.