

For the year of 2002

CONSUMER CONFIDENCE REPORT

Annual Drinking Water Quality Report

ROSE VALLEY WATER COMPANY

We are pleased to provide you with this year's Annual Quality Water Report for 2002. We want to keep you informed about the excellent water and services we have delivered to you over the past year. Our goal is and always has been, to provide you a safe and dependable supply of drinking water.

RVWC CCR for 2002

Is my water safe?

During the past 5 years, we have conducted more than 238 tests for over 103 contaminants listed by the regulatory authorities; in none of these tests did the numerical result exceed the level allowed by EPA. Last fall, Maricopa County found several of its own samples were positive for total coliforms; please see the paragraph titled TOTAL COLIFORM on page 2. Included in this report are details about where your water comes from, what it contains, and how it compares to standards set by regulatory agencies. We are committed to providing you with information because informed customers are our best allies.

During October of 2002, the naegleria fowleri ameoba was found in a chlorinated storage tank at Rose Valley Water Company and in the groundwater supplying a well in Peoria through testing done by an independent laboratory and confirmed by CDC. RVWC shut down its system as ordered by Maricopa County Environmental Services Department. Water was then supplied to Rose Valley's customers by the City of Peoria, through a hook up between the two systems. Rose Valley Water Company installed two state of the art chlorination systems as required and approved by Maricopa County Environmental Services Department. Rose Valley Water Company then returned their system to full operation in January of 2003, at which time Maricopa County Environmental Services Department state that Rose Valley's water was safe.

Do I need to take special precautions?

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. United States Environmental Protection Agency and Centers for Disease Control guidelines on appropriate means to lessen the risk of infection by Cryptosporidium and other microbial contaminants are available from the Environmental Protection Agency's Safe Water Drinking Hotline (800-426-4791).

Where does my water come from?

Our water source is from groundwater from the aquifer over 600 feet below ground and is pumped up to our storage tanks and distribution system by our two wells which are active at this time and are located in our service area.

Source water assessment and its availability

Currently, the Arizona Department of Environmental Quality (ADEQ) has not completed a source water assessment for Rose Valley. However, according to information from the Arizona Department of Environmental Quality (ADEQ) website, "The Source Water Assessment Plan (SWAP) will result in an evaluation of each source water that provides drinking water to each Public Water System (PWS) in Arizona. This evaluation will determine the degree to which a PWS is protected, or at risk from contamination. Once completed, SWAP reports will be used to assist local communities in implementing protection measures such as wellhead protection. In addition, specific monitoring requirements can be tailored for each system. For example, if a PWS has no history of a particular chemical as well as no potential for future contamination (based on land use practices and the risk they might pose to water sources), then monitoring relief or reduced monitoring for that chemical(s) would be granted for that PWS. If a different PWS had a history of problems with that same chemical(s), then monitoring would still be required." For more information, please contact ADEQ toll free at 1-800-234-5677 extension 4425 or (602) 207-4644.

Why are there contaminants in my drinking water?

The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.

Contaminants that may be present in source water include the following. Microbial contaminants, such as viruses and bacteria, that may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife. Inorganic contaminants, such as salts and metals, which can be naturally-occurring or result from urban stormwater runoff,

industrial, or domestic wastewater discharges, oil and gas production, mining, or farming. Pesticides and herbicides, which may come from a variety of sources such as agriculture, urban stormwater runoff, and residential uses. Organic Chemical Contaminants, including synthetic and volatile organic chemicals, which are by-products of industrial processes and petroleum production, and can also come from gas stations, urban stormwater runoff, and septic systems. Radioactive contaminants, which can be naturally-occurring or be the result of oil and gas production and mining activities. In order to ensure that tap water is safe to drink, the United States Environmental Protection Agency prescribes regulations that limit the amount of certain contaminants in water provided by public water systems. Food and Drug Administration (FDA) regulations establish limits for contaminants in bottled water which must provide the same protection for public health.

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the Environmental Protection Agency's (EPA) Safe Drinking Water Hotline (800-426-4791). Information on bottled water can be obtained from the United States Food and Drug Administration.

How can I get involved?

If you wish to contact us you can reach us at 1 800 850-4482. There are regular customer updates on our website which is located at www.rosevalleywaterco.com. If you would like to receive updated information from us electronically, please contact us at info@rosevalleywaterco.com and we will add you to our electronic mailing list.

Total Coliform

On October 18 and 21, 2002, the Maricopa County Environmental Services Department took 23 drinking water samples in the Rose Valley Water Company service area and from equipment at Rose Valley's facilities. Fourteen of those samples tested positive for total coliforms.¹ Pursuant to Arizona Department of Environmental Quality Rule R 18-4-202.B, a "maximum contaminant level" for total coliforms is "based on the presence or absence of coliform organisms in a standard 100 ml sample." If total coliforms are found in the sample, additional analysis must be performed to determine whether specific types of harmful coliforms such as *Escherichia coli* or fecal coliform are present. None of the fourteen samples tested positive for *Escherichia coli* for fecal coliform.

None of Rose Valley's regular, routine monthly samples for total coliform for 2002 ever tested positive for total coliforms. In January 2003, Rose Valley Water Company and Maricopa County Environmental Services Department agreed to a Compliance Agreement whereby Rose Valley Water Company agreed to increase its total coliforms sampling to 14 times per month (4 the first week of the month, 3 the second week of the month, 4 the third week of the month and 3 the fourth week of the month), instead of the regulatory 8 times per month.

Spanish (Español)

Este informe contiene información muy importante sobre la calidad de su agua beber. Tradúscalo o hable con alguien que lo entienda bien.

¹ Rose Valley Water Company does not agree that all of the drinking water samples taken by MCESD were taken using the proper sampling procedures. The use of improper sampling procedures can cause false positive test results.

Water Quality Data Table

The table below lists all of the drinking water contaminants that we detected during the calendar year of this report. The presence of contaminants in the water does not necessarily indicate that the water poses a health risk. Unless otherwise noted, the data presented in this table is from testing done in the calendar year of the report. The EPA or the State requires us to monitor for certain contaminants less than once per year because the concentrations of these contaminants do not change frequently.

Contaminants (units)	MCLG	MCL	Your Water	Range		Sample Date	Violation	Typical Source
				Low	High			
Inorganic Contaminants								
Antimony (ppb)	6	6	0.1	NA		4/16/01	No	Discharge from petroleum refineries; fire retardants; ceramics; electronics; solder; test addition.
Arsenic (ppb)	NA	50	5.4	NA		4/16/01	No	Erosion of natural deposits; Runoff from orchards; Runoff from glass and electronics production wastes
Asbestos (MFL)	7	7	0.2	NA		4/23/99	No	Decay of asbestos cement water mains; Erosion of natural deposits
Barium (ppm)	2	2	0.029	NA		4/16/01	No	Discharge of drilling wastes; Discharge from metal refineries; Erosion of natural deposits
Beryllium (ppb)	4	4	1	NA		4/16/01	No	Discharge from metal refineries and coal-burning factories; Discharge from electrical, aerospace, and defense industries
Cadmium (ppb)	5	5	0.5	NA		4/16/01	No	Corrosion of galvanized pipes; Erosion of natural deposits; Discharge from metal refineries; runoff from waste batteries and paints
Chromium [Total] (ppb)	100	100	1.2	NA		4/16/01	No	Discharge from steel and pulp mills; Erosion of natural deposits
Cyanide [as Free Cn] (ppb)	200	200	30	NA		4/16/01	No	Discharge from plastic and fertilizer factories; Discharge from steel/metal factories
Fluoride (ppm)	4	4	0.15	NA		4/16/01	No	Erosion of natural deposits; Water additive which promotes strong teeth; Discharge from fertilizer and aluminum factories
Mercury [Inorganic] (ppb)	2	2	0.2	NA		4/16/01	No	Erosion of natural deposits; Discharge from refineries and factories; Runoff from landfills; Runoff from cropland
Nickel (ppb)	MNR	MNR	10	NA		3/16/98	No	Erosion of natural deposits; Leaching
Nitrate [measured as Nitrogen] (ppm)	10	10	0.65	NA		1/7/02	No	Runoff from fertilizer use; Leaching from septic tanks, sewage; Erosion of natural deposits
Nitrite [measured as Nitrogen] (ppm)	1	1	0.05	NA		3/16/98	No	Runoff from fertilizer use; Leaching from septic tanks, sewage; Erosion of natural deposits
Selenium (ppb)	50	50	5	NA		4/16/01	No	Discharge from petroleum and metal refineries; Erosion of natural deposits; Discharge from mines
Sodium (ppm)	MNR	MNR	42.5	NA		3/16/98	No	Erosion of natural deposits; Leaching
Thallium (ppb)	0.5	2	1	NA		4/16/01	No	Discharge from electronics, glass, and Leaching from ore-processing sites; drug factories

Microbiological Contaminants

Total Coliform (# monthly) ((Samples<=40/month) # monthly positive samples)	0	1	0	NA	monthly	No	Naturally present in the environment
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Radioactive Contaminants

Alpha emitters (pCi/L)	0	15	3.7	NA	12/13/00	No	Erosion of natural deposits
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Synthetic organic contaminants including pesticides and herbicides

2,4,5-TP (Silvex) (ppb)	50	50	0.1	NA	10/9/98	No	Residue of banned herbicide
Alachlor (ppb)	0	2	0.1	NA	11/25/98	No	Runoff from herbicide used on row crops
Atrazine (ppb)	3	3	0.1	NA	11/25/98	No	Runoff from herbicide used on row crops
Benzo(a)pyrene (ppt)	0	200	100	NA	11/25/98	No	Leaching from linings of water storage tanks and distribution lines
Carbofuran (ppb)	40	40	2	NA	10/9/98	No	Leaching of soil fumigant used on rice and alfalfa
Chlordane (ppb)	0	2	0.1	NA	4/16/01	No	Residue of banned termiticide
Dalapon (ppb)	200	200	2	NA	10/9/98	No	Runoff from herbicide used on rights of way
Di (2-ethylhexyl) adipate (ppb)	400	400	0.5	NA	11/25/98	No	Discharge from chemical factories
Di (2-ethylhexyl) phthalate (ppb)	0	6	0.5	NA	11/25/98	No	Discharge from rubber and chemical factories
Dibromochloropropane (DBCP) (ppt)	0	200	20	NA	10/9/98	No	Runoff/leaching from soil fumigant used on soybeans, cotton, pineapples, and orchards
Dinoseb (ppb)	7	7	0.8	NA	10/9/98	No	Runoff from herbicide used on soybeans and vegetables
Diquat (ppq)	20	20	0.4	NA	10/9/98	No	Runoff from herbicide use
Endothall (ppb)	100	100	5	NA	10/9/98	No	Runoff from herbicide use
Endrin (ppb)	2	2	0.01	NA	4/16/01	No	Residue of banned insecticide
Ethylene dibromide (ppt)	0	50	10	NA	10/9/98	No	Discharge from petroleum refineries
Glyphosate (ppb)	700	700	59	NA	10/9/98	No	Runoff from herbicide use
Heptachlor (ppt)	0	400	10	NA	4/16/01	No	Residue of banned termiticide
Heptachlor epoxide (ppt)	0	200	10	NA	4/16/01	No	Breakdown of heptachlor
Hexachlorobenzene (ppb)	0	1	0.02	NA	10/9/98	No	Discharge from metal refineries and agricultural chemical factories
Hexachlorocyclopentadiene (ppb)	50	50	0.1	NA	10/9/98	No	Discharge from chemical factories
Lindane (ppt)	200	200	10	NA	4/16/01	No	Runoff/leaching from insecticide used on cattle, lumber, gardens
Methoxychlor (ppb)	40	40	0.05	NA	4/16/01	No	Runoff/leaching from insecticide used on fruits, vegetables, alfalfa, livestock
Oxamyl [Vydate] (ppb)	200	200	2	NA	10/9/98	No	Runoff/leaching from insecticide used on apples, potatoes and tomatoes
PCBs[Polychlorinated biphenyls] (ppt)	0	500	100	NA	8/7/01	No	Runoff from landfills; Discharge of waste chemicals
Pentachlorophenol (ppb)	0	1	0.1	NA	10/9/98	No	Discharge from wood preserving factories
Picloram (ppb)	500	500	0.1	NA	10/9/98	No	Herbicide runoff
Simazine (ppb)	4	4	0.2	NA	11/25/98	No	Herbicide runoff
Toxaphene (ppb)	0	3	0.5	NA	4/16/01	No	Runoff/leaching from insecticide used on cotton and cattle

Volatile Organic Contaminants

1,1,1-Trichloroethane (ppb)	200	200	0.5	NA	8/7/01	No	Discharge from metal degreasing sites and other factories
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1,1,2-Trichloroethane (ppb)	3	5	0.5	NA	8/7/01	No	Discharge from industrial chemical factories
1,1-Dichloroethylene (ppb)	7	7	0.5	NA	8/1/01	No	Discharge from industrial chemical factories
1,2,4-Trichlorobenzene (ppb)	70	70	0.5	NA	8/7/01	No	Discharge from textile-finishing factories
1,2-Dichloroethane (ppb)	0	5	0.5	NA	8/7/01	No	Discharge from industrial chemical factories
1,2-Dichloropropane (ppb)	0	5	0.5	NA	8/7/01	No	Discharge from industrial chemical factories
Benzene (ppb)	0	5	0.5	NA	8/7/01	No	Discharge from factories; Leaching from gas storage tanks and landfills
Carbon Tetrachloride (ppb)	0	5	0.5	NA	8/7/01	No	Discharge from chemical plants and other industrial activities
Chlorobenzene (ppb)	100	100	0.5	NA	8/7/01	No	Discharge from chemical and agricultural chemical factories
cis-1,2-Dichloroethylene (ppb)	70	70	0.5	NA	8/7/01	No	Discharge from industrial chemical factories
Dichloromethane (ppb)	0	5	0.5	NA	8/7/01	No	Discharge from pharmaceutical and chemical factories
Ethylbenzene (ppb)	700	700	0.5	NA	8/7/01	No	Discharge from petroleum refineries
o-Dichlorobenzene (ppb)	600	600	0.5	NA	8/7/01	No	Discharge from industrial chemical factories
p-Dichlorobenzene (ppb)	75	75	0.5	NA	8/7/01	No	Discharge from industrial chemical factories
Styrene (ppb)	100	100	0.5	NA	8/7/01	No	Discharge from rubber and plastic factories; Leaching from landfills
Tetrachloroethylene (ppb)	0	5	0.5	NA	10/18/01	No	Discharge from factories and dry cleaners
Toluene (ppm)	1	1	0.05	NA	8/7/01	No	Discharge from petroleum factories
trans-1,2-Dichloroethylene (ppb)	100	100	0.5	NA	8/7/01	No	Discharge from industrial chemical factories
Trichloroethylene (ppb)	0	5	0.5	NA	8/7/01	No	Discharge from metal degreasing sites and other factories
Vinyl Chloride (ppb)	0	2	0.3	NA	8/7/01	No	Leaching from PVC piping; Discharge from plastics factories
Xylenes (ppm)	10	10	0.05	NA	8/7/01	No	Discharge from petroleum factories; Discharge from chemical factories

Contaminant(s) (units)	MCLG	AL	Your Water	# of Samples > AL	Sample Date	Exceeds AL	Typical Source
Inorganic Contaminants							
Copper (ppm)	1.3	1.3	0.6	0	8/2/02	No	Erosion of natural deposits; Leaching from wood preservatives; Corrosion of household plumbing systems
Lead (ppb)	0	15	6.5	0	8/2/02	No	Corrosion of household plumbing systems; Erosion of natural deposits

Units Description:

NA: Not applicable

ND: Not detected

NR: Not reported

MNR: Monitoring not required, but recommended.

ND: Not detected

ppm: parts per million, or milligrams per liter (mg/L)

ppb: parts per billion, or micrograms per liter (µg/L)

ppt: parts per trillion, or nanograms per liter

ppq: parts per quadrillion, or picograms per liter

pCi/L: picocuries per liter (a measure of radioactivity)

MFL: million fibers per liter, used to measure asbestos concentration

of monthly positive samples: Number of samples taken monthly that were found to be positive

Important Drinking Water Definitions:

MCLG: Maximum Contaminant Level Goal: The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.

MCL: Maximum Contaminant Level: The highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available treatment technology.

AL: Action Level: The concentration of a contaminant that, if exceeded, triggers treatment or other requirements that a community water system shall follow.

MRDLG: Maximum residual disinfection level goal. The level of a drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.

MRDL: Maximum residual disinfectant level. The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.

Violations:

Total Coliform (# monthly)

Coliforms are bacteria that are naturally present in the environment and are used as an indicator that other, potentially-harmful, bacteria may be present. Coliforms were found in more samples than allowed and this was a warning of potential problems.

For more information contact:

**Rose Valley Water Company
Attn: Hoyt Pinaire
P. O. Box 1444
Green Valley, AZ 85622**

Phone: 800-850-4482

**PUBLIC NOTICE TO BE FILED WITH ANNUAL CCR
ROSE VALLEY WATER COMPANY, INC.**

CITY OF PEORIA WATER-FAILURE TO MONITOR

This notice is to inform customers of Rose Valley Water Company, Inc., that in July 2002 water was purchased from the City of Peoria and distributed in its system. Prior to this action, the City of Peoria failed to monitor for Volatile Organic Chemicals according to Safe Drinking Water Rules. The City of Peoria subsequently collected and tested for VOC samples to address this issue. These laboratory results are complete and no detection of VOC's was found.

Public water systems are required by the U.S. Environmental Protection Agency, and the Arizona Department of Environmental Quality, and the Maricopa County Environmental Services Department to monitor the drinking water for Regulated Volatile Organic Compounds and Regulated Synthetic Organic Compounds.

All analysis and samples from testing that were collected by the City of Peoria have been compiled within the guidelines for safe drinking water established by USEPA and ADEQ. Furthermore, all testing that Rose Valley Water Company, Inc. has accomplished has also been found to comply with the safe drinking water guidelines.

Please contact Jack Morris-Certified Operator for Rose Valley Water Company, Inc. at 602-942-7376 for more information. You may also contact the USEPA at their Safe Drinking Water Hotline, toll free 1-800-426-4791.

Este anuncio contiene informacion importante a lo que concierne su agua potable de calidad y salud. Porfavor hable con alguien que entienda este anuncio o llame a la compania de agua al 800-850-4482 para asitencia.

(This notice contains important information concerning your drinking water quality and health. Please discuss with someone who understands this notice, or contact the water system at 800-850-4482 for assistance.)

PUBLIC NOTICE

ROSE VALLEY WATER COMPANY

The following notice was provided to Rose Valley Water Company customers on January 28, 2003 as required by Maricopa County Environmental Services Department:

On October 18 and 21, 2002, the Maricopa County Environmental Services Department (“MCESD”) took 23 drinking water samples in the Rose Valley Water Company service area and from equipment at Rose Valley’s facilities. Fourteen of those samples tested positive for total coliforms.¹ Pursuant to Arizona Department of Environmental Quality Rule R18-4-202.B, a “maximum contaminant level” for total coliforms is “based on the presence or absence of coliform organisms in a standard 100 ml sample.” The existence of total coliforms in water is an indicator of the general condition of the water, and the possibility that the water contains specific types of potentially harmful coliforms. If total coliforms are found in the water sample, additional analysis must be performed to determine whether specific types of harmful coliforms such as *Escherichia coli* for fecal coliform are present. None of the fourteen samples tested positive for *Escherichia coli* or fecal coliform. This notice of a non-acute violation is required under the rules of MCESD.

Based upon the sample results for total coliforms, MCESD issued a Notice of Violation on October 25, 2002. Rose Valley and MCESD have entered into a compliance agreement dated January 24, 2003, whereby Rose Valley: (1) completed a total disinfection of its water storage and distribution system, which was certified by a professional engineer; (2) installed automatic chlorination devices, monitoring equipment and alarms to assure that a residual of not less than 0.5 mg/L free chlorine will be maintained at all points within the Rose Valley Service area; (3) agreed to perform extra water testing and monitoring of its water system; and (4) agreed to provide this public notice. All work has been conducted under the direction and approval of MCESD.

If you have any questions regarding the information contained in this notice, please call Rose Valley Water Company at 1-800-850-4482 or MCESD at 602-506-6623.

¹ Rose Valley Water Company does not agree that all of the drinking water samples taken by MCESD were taken using the proper sampling procedures. The use of improper sampling procedures can cause false positive test results.