

SHANGRI-LA RV RESORT

10498 North Frontage Road, Yuma, AZ 85365
(928) 342-9123

December 26, 2025

RE: SIXTY (60) DAY NOTICE OF ELECTRICAL UTILITY RATE CHANGES AND FURLough POLICY

Dear Resident:

This letter serves as sixty (60) days' notice that Shangri-La RV Resort (the "Resort") will be implementing changes to the electrical utility billing rates and furlough policy charged to residents, effective on your monthly billing statement with a due date of **March 1, 2026**.

Background

Under Arizona law, specifically the Arizona Recreational Vehicle Space Rental Act, A.R.S. § 33-2107(B)(3), when a recreational vehicle park landlord charges separately for electricity, the landlord may not charge more than the prevailing basic service single family residential rate charged by the serving utility or provider. Arizona Public Service Company (APS), our serving utility, has designated the middle tier rate (601-999 kWh monthly usage) as the prevailing basic service single family residential rate for purposes of this statute.

New Electrical Billing Rates

Effective March 1, 2026, the Resort will implement the following electrical billing rates in accordance with APS Rate Schedule R-1 (Medium Tier - 601-999 kWh):

- **Basic Service Charge:** \$0.458 per day
- **Energy Charge:** \$0.14052 per kilowatt-hour (kWh)

These rates are taken directly from the APS tariff and comply with Arizona statutory requirements. The Resort does not add any administrative fees or markups to these rates.

Utility Furlough Policy

The Resort will honor utility furlough requests from residents who will be absent from their home site for an extended period of time. Because APS does not charge to connect or disconnect electrical service, as part of the prevailing single family residential rate, the Resort will not charge any electrical fees during approved furlough periods.

How to Request a Utility Furlough:

Residents who wish to request a utility furlough must notify the Resort office in writing at least ten (10) days in advance of their departure date. Your written request should include:

- Your name and home site number
- The date you will be leaving
- The expected date of your return
- Contact information while you are away

IMPORTANT NOTICE REGARDING ELECTRICAL USAGE DURING FURLOUGHS:

If your electrical meter shows **any usage** at your home site after you have reported to the Resort that you are not present, you will be charged for electrical service in accordance with

the rates stated above. To avoid charges during your furlough period, you must ensure that all electrical items at your home site are disconnected or turned off before you depart. This includes, but is not limited to:

- Refrigerators and freezers
- Water heaters
- Air conditioning and heating systems
- Battery chargers and power strips
- Any other appliances or devices that consume electricity
- Outdoor lighting or equipment

It is the resident's responsibility to ensure that no electrical usage occurs during the furlough period. The Resort will monitor your meter and will charge you for any usage detected, even if minimal.

Billing Details

Your monthly electrical bill will continue to include:

- Opening and closing meter readings with dates
- Total kilowatt-hours (kWh) consumed during the billing period
- Basic service charge (calculated at \$0.458 per day for actual days of service) •
- Energy charge (calculated at \$0.14052 per kWh consumed)

The basic service charge will be calculated based on the actual number of days of service during your billing period. If you have properly requested and been approved for a utility furlough and have no electrical usage during the furlough period, you will not be charged for electricity during that time.

Questions or Concerns

If you have any questions regarding these rate changes, the furlough policy, or your electrical billing, please contact the Resort office at (928) 342-9123 or manager@shangrilarv.com. A copy of the APS Rate Schedule R-1 is available for review at the Resort office.

We appreciate your understanding as we implement these changes to ensure compliance with Arizona law.

Sincerely,

Management
Shangri-La RV Resort