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BEFORE THE ARIZONA CORPORATION COMMISSION

ON COMMISSION RECEIVED

COMMISSIONERS

Arizona Corporation Commission

2003 OCT 31 P 2:59

MARC SPITZER - Chairman  
WILLIAM A. MUNDELL  
JEFF HATCH-MILLER  
MIKE GLEASON  
KRISTIN K. MAYES

**DOCKETED**

OCT 31 2003

AZ CORP COMMISSION  
DOCUMENT CONTROL

DOCKETED BY *AKC*

IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, INC., AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS SUN CITY WEST WATER AND WASTEWATER DISTRICTS.

DOCKET NO. WS-01303A-02-0867

IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, INC., AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS SUN CITY WATER AND WASTEWATER DISTRICTS.

DOCKET NO. WS-01303A-02-0868

IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, INC., AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS MOHAVE WATER DISTRICT AND ITS HAVASU WATER DISTRICT.

DOCKET NO. W-01303A-02-0869

IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, INC., AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS MOHAVE WATER DISTRICT AND ITS ANTHEM WATER DISTRICT, ITS AGUA FRIA WATER DISTRICT, AND ITS ANTHEM/AGUA FRIA WASTEWATER DISTRICT.

DOCKET NO. WS-01303A-02-0870

**STAFF'S STATEMENT OF OBJECTIONS TO ARIZONA-AMERICAN WATER COMPANY'S REBUTTAL TESTIMONY**

1 IN THE MATTER OF THE APPLICATION OF  
2 ARIZONA-AMERICAN WATER COMPANY,  
3 INC., AN ARIZONA CORPORATION, FOR A  
4 DETERMINATION OF THE CURRENT FAIR  
5 VALUE OF ITS UTILITY PLANT AND  
6 PROPERTY AND FOR INCREASES IN ITS  
7 RATES AND CHARGES BASED THEREON  
8 FOR UTILITY SERVICE BY ITS TUBAC  
9 WATER DISTRICT.

DOCKET NO. W-01303A-02-0908

**STAFF'S STATEMENT OF  
OBJECTIONS TO ARIZONA-  
AMERICAN WATER  
COMPANY'S REBUTTAL  
TESTIMONY**

8 Staff is concurrently filing its surrebuttal testimony in these consolidated rate cases. Staff also  
9 files this Statement of Objections to Arizona Water Company's Rebuttal Testimony. Several of  
10 Arizona-American's witnesses offer "testimony" as to the interpretation of the Arizona Constitution  
11 and cases interpreting it. See Bourassa Rebuttal at 9; Zepp Rebuttal at 28 and 30. It is well-  
12 established that expert testimony is not permitted as to matters of domestic law. See, e.g. *Southern*  
13 *Pine Helicopters, Inc. v. Phoenix Aviation Managers, Inc.*, 320 F.3d 838, 841 (8<sup>th</sup> Cir. 2003);  
14 *Christiansen v. City of Tulsa*, 332 F.3d 1270, 1283 (10<sup>th</sup> Cir. 2003); *Aguilar v. International*  
15 *Longshoremen's Union Local #10*, 966 F.2d 443, 447 (9<sup>th</sup> Cir. 1992); 32 C.J.S. Evidence § 634  
16 (1996).

17 Moreover, even if these legal matters were the proper subject of legal testimony, Arizona-  
18 American's witnesses are unqualified to offer expert testimony on legal subjects. Staff will not  
19 compound these errors by addressing legal matters in its surrebuttal testimony. Instead, Staff will  
20 rebut these legal arguments in Staff's briefs in this case. The Commission should give no weight to  
21 this improper and unqualified testimony.

22 RESPECTFULLY SUBMITTED this 31<sup>st</sup> day of October 2003.

23  
24   
25 Timothy J. Sabo  
26 Attorney, Legal Division  
27 Arizona Corporation Commission  
28 1200 West Washington Street  
Phoenix, Arizona 85007  
(602) 542-3402

1 The original and twenty-one (21) copies  
of the foregoing were filed this  
2 31<sup>st</sup> day of October 2003 with:

3 Docket Control  
Arizona Corporation Commission  
4 1200 West Washington Street  
Phoenix, Arizona 85007  
5

6 Copies of the foregoing were mailed  
this 31<sup>st</sup> day of October 2003 to:

7  
8 Norman D. James  
Jay L. Shapiro  
Fennemore Craig  
9 3003 N. Central Avenue, Suite 2600  
Phoenix, AZ 85012  
10 Attorneys for Arizona-American Water Company

11 Daniel Pozefsky  
RUCO  
12 1110 W. Washington, Suite 220  
Phoenix, Arizona 85007  
13

14 William P. Sullivan  
Paul R. Michaud  
Martinez & Curtis  
15 2712 North 7<sup>th</sup> Street  
Phoenix, Arizona 85006  
16 Attorney for the Town of Youngtown

17 Carlton G. Young  
3203 W. Steinbeck Drive  
18 Anthem, Arizona 85068-1540

19 Frank J. Grimmelmann  
42441 N. Cross Timbers Court  
20 Anthem, Arizona 85086

21 Raymond E. Dare  
Sun City Taxpayers Association  
22 12611 N. 103<sup>rd</sup> Avenue, Suite D  
Sun City, Arizona 85351-3467  
23

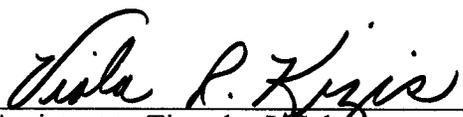
24 Walter W. Meek, Pres.  
AUIA  
25 2100 N. Central Ave., Suite 210  
Phoenix, Arizona 85004

26 John A. Buric  
27 Warner Angle Hallam Jackson & Formanek PLC  
3550 N. Central Ave., Suite 1500  
28 Phoenix, AZ 85012  
Attorneys for Fiesta RV Resort Limited Partnership

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28

Mr. David P. Stephenson  
Director of Rates and Revenues  
American Water Works Service Co., Inc.  
303 H Street, Suite 250  
Chula Vista, California 91910

Kenneth C. Sundlof, Jr.  
Robert Taylor  
Jennings Strouss & Salmon PLC  
The Collier Center, Floor 11  
201 E. Washington Street  
Phoenix, AZ 85004-2385  
Attorneys for Sun Health Corporation

  
Assistant to Timothy J. Sabo