

ORIGINAL



0000010639

SALLQUIST & DRUMMOND, P.C.
ATTORNEYS AT LAW
TEMPE OFFICE
4500 S. LAKESHORE DRIVE
SUITE 339
TEMPE, ARIZONA 85282

RICHARD L. SALLQUIST

PHONE (602) 224-9222
FACSIMILE (480) 345-0412
E-MAIL dick@sd-law.com

July 19, 2004

HAND DELIVERED

Steve Olea
Arizona Corporation Commission
Utilities Division
1200 W. Washington
Phoenix, Arizona 85007

Arizona Corporation Commission
DOCKETED

JUL 19 2004

DOCKETED BY	
-------------	--

AZ CORP COMMISSION
DOCUMENT CONTROL

2004 JUL 19 P 3:25

RECEIVED

Re: Utility Source LLC: Docket No WS-04235A-04-0073

Dear Mr. Olea:

Staff has previously indicated a concern in this Docket because the Arizona Department of Water Resources had issued a Letter of Inadequacy regarding water service to the area. We have corresponded with you and various Staff members subsequent to the filing of this Application indicating that the Company was drilling a new well that it believes will provide adequate water and which will permit ADWR to issue a Letter of Adequacy.

To keep the Staff advised of our progress in that regard, I am enclosing a copy of the Application for Physical Availability Demonstration Analysis that includes the results of the new 2,800-foot depth well. It is the Consultant's belief that ADWR will process this Application within 60 to 90 days and thereafter issue a new Letter of Adequacy.

We are hopeful that the Commission Staff can continue processing the remaining portions of the CC&N Application pending ADWR's review of the adequacy issue. We thank you for your assistance in processing this Application, and if we can provide any additional information, please do not hesitate to call.

Sincerely,

Richard L. Sallquist

Steve Olea
July 19, 2004
Page 2

Enclosures

Copies: Docket Control (fifteen copies without enclosure)
Jim Fisher (without enclosure)
Lonnie McCleve (without enclosure)