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

ORIGINAL



ARIZONA CORPORATION COMMISSION

22

DATE: December 6, 2004

DOCKET NO: W-01583A-04-0178

TO ALL PARTIES:

Arizona Corporation Commission
DOCKETED

DEC 06 2004

DOCKETED BY

Enclosed please find the recommendation of Assistant Chief Administrative Law Judge Dwight D. Nodes. The recommendation has been filed in the form of an Opinion and Order on:

LAS QUINTAS SERENAS WATER COMPANY
(RATES)

10-day period for filing of exceptions has been waived.

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Administrative Law Judge by filing an original and thirteen (13) copies of the exceptions with the Commission's Docket Control at the address listed below by **4:00 p.m.** on or before:

December 9, 2004

The enclosed is NOT an order of the Commission, but a recommendation of the Administrative Law Judge to the Commissioners. Consideration of this matter has tentatively been scheduled for the Open Meeting to be held on:

TO BE DETERMINED

For more information, you may contact Docket Control at (602)542-3477 or the Hearing Division at (602)542-4250. For information about the Open Meeting, contact the Executive Secretary's Office at (602) 542-3931.

BRIAN C. McNEIL
EXECUTIVE SECRETARY

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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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

IN THE MATTER OF THE APPLICATION OF
LAS QUINTAS SERENAS WATER CO. FOR A
RATE INCREASE.

DOCKET NO. W-01583A-04-0178

DECISION NO. _____

OPINION AND ORDER

DATE OF HEARING: October 13, 2004
PLACE OF HEARING: Tucson, Arizona
ADMINISTRATIVE LAW JUDGE: Jane L. Rodda
APPEARANCES: Mr. Lawrence V. Robertson, Jr., Munger
Chadwick, PLC, on behalf of Las Quintas
Serenas Water Co.; and
Mr. Jason D. Gelman, Staff Attorney, Legal
Division, on behalf of the Utilities Division of
the Arizona Corporation Commission.

BY THE COMMISSION:

Having considered the entire record herein and being fully advised in the premises, the
Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

* * * * *

FINDINGS OF FACT

1. Las Quintas Serenas Water Co. ("LQS" or "Company") provides water utility service to approximately 905 customers in a portion of southern Pima County, Arizona.
2. On March 9, 2004, LQS filed an application with the Commission for a permanent rate increase.
3. On April 8, 2004, the Commission's Utilities Division Staff ("Staff") filed a letter indicating the Company's rate application was sufficient, and classifying the Company as a Class C utility.

1 4. A Procedural Order dated April 16, 2004, set the matter for hearing and established
2 procedural guidelines and deadlines.

3 5. On May 26, 2004, as required by the April 16, 2004 Procedural Order, LQS mailed
4 notice of the hearing to its customers by first class mail.

5 6. On August 20, 2004, Staff filed the Direct Testimony of Elena Zestrijan, Alejandro
6 Ramirez and Dorothy Hains.

7 7. On September 20, 2004, LQS filed the Rebuttal Testimony of Stave Gay, the
8 Company's Operator/Manager, Dale Calvert, the Company's accountant, and Kathleen Conger, the
9 Company's Office Manager.

10 8. On October 1, 2004, Staff filed the Surrebuttal Testimony of Elena Zestrijan,
11 Alejandro Ramirez and Dorothy Hains.

12 9. On October 13, 2004, the hearing convened as scheduled in Tucson, Arizona.

13 10. LQS's current rates and charges were authorized in Decision No. 54760 (November
14 13, 1985).

15 11. In its current application, LQS utilized a test year ending September 30, 2003.

16 12. In its Application, the Company had requested an increase in total revenues of
17 \$88,993, or 30.97 percent, over adjusted test year revenues of \$287,332. In its application, the
18 Company reported an adjusted Original Cost Rate Base ("OCRB") of \$198,058.

19 13. Staff recommends an 8.1 percent cost of capital and a fair value rate base of \$161,341.

20 14. Staff determined that the Company had adjusted test year revenues of \$287,332, and
21 adjusted Operating Expenses of \$276,952, resulting in Operating Income of \$10,380, a 6.4 percent
22 rate of return an adjusted OCRB. Staff recommends a revenue increase of \$3,400, or 1.18 percent,
23 from \$287,332 to \$290,732.

24 15. In its rebuttal testimony, the Company agreed with most of Staff's adjustments,
25 including Staff's adjusted OCRB and recommended return on equity of 8.1 percent. However, the
26 Company disputed four of Staff's adjustments to various Operating Expense accounts aggregating
27

28

1 \$8,287.¹ The Company argued that adjusted test year Operating Expenses were \$285,238, which
2 resulted in Operating Income of \$2,094. Ultimately, the Company requested a revenue increase of
3 \$13,878, or 4.83 percent, from \$287,332 to \$301,210, an 8.1 percent rate of return on an adjusted
4 OCRB of \$161,341.

5 16. Staff recommends a Repairs and Maintenance Expense totaling \$7,920. Staff's
6 recommended amount did not include \$174 associated with the purchase of chlorine used for water
7 treatment. The Company had misclassified this amount but provided evidence at the hearing in the
8 form of testimony and receipts that support the legitimacy of this expenditure. Staff did not dispute
9 the Company's evidence and believed that this additional sum should be allowed as part of the Repair
10 and Maintenance Expense.

11 17. We concur with the Company that the \$174 should properly be allowed in Repairs and
12 Maintenance Expense.

13 18. Staff recommends a Rate Case Expense of \$4,000, which recognizes rate case
14 expenses of \$12,000 amortized over three years. (Zestrijan Surrebuttal at 6) The Company proposes
15 a rate case expense of \$9,934. (Ex A-4) The difference between Staff's recommendation and the
16 Company's proposal is \$5,934. The Company provided documentation that indicated rate case
17 expenses of \$23,006 had been billed as of the hearing date, and estimated additional expenses totaling
18 approximately \$9,500, for a total estimated Rate Case Expense of approximately \$32,500. (Ex A-5)
19 The Company recognized that some of the rate case costs were incurred because of the extended
20 period since the last rate case. Id. Accordingly, the Company broke out the time spent documenting
21 additions to the rate base and suggested that only half of that time should be included in the
22 calculation of the rate case expense. The Company proposes to amortize its adjusted rate case
23 expense of \$29,801 over three years, for an annual Rate Case Expense of \$9,934. (Ex A-5)

24 19. The Company's proposed rate case expenses are excessive when compared to
25 similarly sized companies, and appears to have been caused in part by an exceptionally long time
26 since its last rate case and the Company's efforts to justify expenses that Staff had initially disallowed

27 _____
28 ¹ The four accounts were Repairs and Maintenance, Rate Case Expense, Transportation Expense, and telephone charges
that are part of Miscellaneous Expenses.

1 for lack of documentation. Under these circumstances, we believe that a reasonable rate case expense
2 of \$18,000, amortized over three years is reasonable. Amortizing the \$18,000 over three years, a
3 reasonable time period for the Company to file another rate case, results in an annual expense of
4 \$6,000.

5 20. Staff recommends a Transportation Expense of \$3,073. The Company argues the
6 adjusted Transportation Expense should be \$4,610. Staff had removed \$2,789 associated with
7 reimbursements for the Company's Operator's use of his own vehicle. Staff removed the expense
8 because it had been paid to the Operator's wife, who was not an employee of the Company. (Zestrijan
9 Surrebuttal at 6)² The Company does not dispute that the reimbursements should be disallowed. The
10 Company argues, however, that because it purchased a used truck during the test year, the expenses
11 associated with that truck should be annualized to more accurately reflect the actual expenses
12 associated with that vehicle. With the purchase of the truck, the Company no longer needs to
13 reimburse Mr. Gay for the use of his own vehicle on Company business. LQS provided receipts for
14 fuel, insurance and registration which when annualized, indicate an additional cost of \$1,537 over the
15 amount Staff recommends for Transportation Expenses. Staff does not object to allowing the
16 expenses associated with the "new" truck, only to allowing purported reimbursements made to a
17 nonemployee. (TR at 144)

18 21. The Company's proposed adjustment to annualize the expenses associated with the
19 truck purchased in June of the test year is reasonable. Staff included the truck in rate base. The
20 Company offered receipts for the costs of the title annual registration, insurance and mileage. (S-5)
21 Staff does not dispute that the expenses are appropriate, only that Staff did not have adequate time
22 prior to the hearing to thoroughly evaluate the expenses. (TR at 135)

23 22. The evidence indicates that the Company's proposed annualization adjustment to
24 Transportation Expense is appropriate and reasonable. We therefore, find that the Company's
25 proposal should be adopted and that the appropriate Transportation Expense should be \$4,610.
26

27 ² In the past, the Company's previous accountant had mistakenly included Mr. Gay's transportation reimbursements with
28 his compensation and reported it on his W-2. The Company tried to avoid confusion by writing the reimbursement
checks to Mrs. Gay to distinguish them from wages.

1 23. Staff recommends Total Miscellaneous Expenses of \$6,602. As part of its
2 adjustments, Staff disallowed \$632 associated with undocumented long distance telephone charges
3 included in Miscellaneous Expenses. Staff did not believe that the Company should be incurring out
4 of state long distance charges and was concerned that without documentation that supports the claim
5 that the calls were related to the Company's utility business, they should be disallowed. (Zestrijan
6 Surrebuttal at 7) LQS argued that the long distance calls were made for legitimate business purposes
7 such as contacting customers who were outside the state and contacting software technicians to
8 trouble shoot a problem encountered with the program that monitors operation of the water system
9 status. (S-5)

10 24. The Company provided documentation that shows \$149 of the long distance toll
11 charges were associated with contacting customers and/or troubleshooting a software problem. Such
12 charges are legitimate utility expenses. The Company did not meet its burden with respect to the
13 remainder of the toll charges, and did not provide sufficient information concerning the
14 appropriateness of access charges and taxes to allow the recovery of these costs. Our determination
15 concerning telephone charges is based on the evidence presented in this case, and does not imply that
16 in the future the Company cannot demonstrate that a different expense level for long distance phone
17 charges is appropriate. Consequently, we approve a total Miscellaneous Expense of \$6,751 (Staff's
18 recommended amount of \$6,603 plus \$149).

19 25. Based on the foregoing, we find that LQS had adjusted Operating Expenses in the test
20 year totaling \$280,811.

21 26. In the test year, based on Total Revenues of \$287,332 and adjusted Operating
22 Expenses of \$280,822, LQS experienced Operating Income of \$6,521, a 4.04 percent rate of return on
23 an adjusted OCRB of \$161,341.

24 27. LQS has an actual capital structure comprised of 100 percent equity.

25 28. As recommended by Staff, and agreed to by the Company, a cost of equity of 8.1
26 percent is reasonable.

27 29. LQS waived reconstruction cost new rate base, thus, its fair value rate base is the same
28

1 as its OCRB, which is \$161,341.

2 30. Based on the foregoing, LQS's operating income requirement is \$13,069. With test
 3 year Operating Income of \$6,521, LQS had an operating income deficiency of \$6,548. Utilizing
 4 Staff's recommended gross revenue conversion factor of 1.26459, LQS has a gross revenue
 5 deficiency of \$8,281. Accordingly, LQS's revenue requirement is \$295,613, a 2.9 percent increase
 6 over test year revenues.

7 31. The rates and charges for LQS at present, as proposed by the Company, and as
 8 recommended by the Staff are as follows:

	Present Rates	Proposed Rates Company	Staff
<u>MONTHLY USAGE CHARGE:</u>			
5/8" x 3/4" Meter	\$10.00	\$12.50	\$9.35
3/4" Meter	N/A	12.50	22.50
1" Meter	10.00	25.00	53.00
1 1/2" Meter	10.00	50.00	66.00
2" Meter	10.00	100.00	90.00
3" Meter	N/A	150.00	125.00
4" Meter	250.00	250.00	225.00
6" Meter	N/A	400.00	350.00
Standpipe	10.00	12.50	9.60
Gallons included in minimum charge			
5/8" x 3/4" Meter	2,000	0	0
1" Meter	2,000	0	0
1 1/2" Meter	N/A	0	0
2" Meter	2,000	0	0
3" Meter	N/A	0	0
4" Meter	50,000	0	0
6" Meter	N/A	0	0
Standpipe	2,000		
<u>COMMODITY CHARGE (per 1,000 gallons)</u>			
5/8" x 3/4" meter			
0 to 20,000 gallons	\$1.36	\$1.36	N/A

1	0 to 4,000 gallons	1.36	1.36	\$0.95
	Over 20,000 gallons	1.36	2.05	N/A
2	4,000 to 23,000	1.36	2.05	1.15
3	Over 23,000 gallons	1.36	2.05	1.35
4	1" Meter			
	0 to 20,000 gallons	1.36	1.36	N/A
5	0 to 40,000 gallons	1.36	N/A	1.15
	Over 20,000 gallons	1.36	2.05	N/A
6	Over 40,000 gallons	1.36	2.05	1.35
7	1 ½" Meter			
8	0 to 20,000 gallons	1.36	1.36	N/A
	0 to 100,000	1.36	N/A	1.15
9	Over 20,000 gallons	1.36	2.05	N/A
10	Over 100,000 gallons	1.36	N/A	1.35
11	2" Meter			
	0 to 20,000 gallons	1.36	1.36	N/A
12	0 to 150,000	1.36	N/A	1.15
	Over 20,000 gallons	1.36	2.05	N/A
13	Over 150,000 gallons	1.36	N/A	1.35
14	4" Meter			
15	0 to 20,000 gallons	1.36	1.36	N/A
	0 to 400,000	1.36	N/A	1.15
16	Over 20,000 gallons	1.36	2.05	N/A
17	Over 400,000 gallons	1.36	N/A	1.35
18	Standpipe			
	0 to 20,000 gallons	1.36	1.36	N/A
19	0 to 4,000 gallons	1.36	1.36	0.95
	Over 20,000 gallons	1.36	2.05	N/A
20	4,000 to 23,000	1.36	2.05	1.15
21	Over 23,000 gallons	1.36	2.05	1.35
22	<u>SERVICE LINE AND METER INSTALLATION CHARGES:</u>			
	(Refundable pursuant to A.A.C. R14-2-405)			
23	5/8" x 3/4" Meter	\$150.00	\$150.00	\$150.00
24	1" Meter	225.00	225.00	225.00
25	1 ½" Meter	350.00	475.00	475.00
	2" Meter	500.00	625.00	625.00
26	3" Meter	N/A	850.00	850.00
	4" Meter	2,200.00	1,800.00	1,800.00
27	6" Meter	N/A	3,000.00	3,000.00
28	Standpipe charges			

1	Original Key Deposit	\$25.00	\$40.00	\$30.00
2	Additional Set	5.00	10.00	5.00
3	<u>SERVICE CHARGE:</u>			
4	Establishment	\$10.00	\$20.00	\$15.00
5	Establishment (After Hours)	15.00	30.00	20.00
6	Reconnection	10.00	20.00	10.00
7	Reconnection (After hours/customer request)	--	30.00	15.00
8	Meter Test (If Correct)	15.00	25.00	20.00
9	Guarantee Deposit	(b)	(b)	(b)
10	Late Payment Fee	N/A	(c)	(c)
11	Reestablishment (Within 12 Months)	7.28	(a)	(a)
12	NSF Check	10.00	15.00	10.00
13	Meter Reread (If Correct)	10.00	15.00	15.00
14	Off Site Facilities hook-up fee	250.00	500.00	250.00

- 12 (a) Number of months off system times minimum monthly charge
 13 (b) Per Commission rule A.A.C. R14-2-403(D).
 14 (c) 1.5% per Commission rule A.A.C. R14-2-409G(6).

15 32. The Company currently has single commodity rate and a \$10 monthly minimum
 16 charge for all meter sizes except for the 4 inch meter which has a monthly charge of \$250. The
 17 smaller meter sizes include 2,000 gallons in the monthly charge and the 4 inch meter monthly
 18 minimum includes 50,000 gallons. Staff recommends a monthly minimum charge that increases with
 19 meter size, eliminates any water included in the monthly charge and incorporates a tiered commodity
 20 charge. Staff's recommended rates decrease the monthly charge for the 5/8 inch meters. LQS
 21 proposes increasing the monthly usage charge for all meter sizes, eliminating any gallonage included
 22 in the monthly minimum and adds a two tiered commodity charge.

23 33. LQS believes that Staff's proposed rate design will result in the loss of revenue
 24 because customers on larger meters will switch to smaller meters. LQS has over 30 residential and
 25 commercial accounts which receive service from meters larger than the 5/8 inch. LQS states that
 26 under Staff's proposed design, the larger meters will bear the brunt of the increase because their rates
 27 would be raised while the 5/8 inch meter rate would be lowered. LQS believes it is likely that the 30
 28 residential customers on larger meters would switch to the smaller size meter with the result the

1 Company would lose revenue from these customers with no opportunity to make it up for other
2 customers. Based on an assumption that half of the 30 residential customers opted to switch meter
3 sizes, LQS estimates the Company would lose \$3,555 in revenue annually. The Company
4 understands Staff's goal that customers who place extra demand on the system by using larger meters
5 should pay for the cost of that demand. At the hearing, as a compromise, the Company proposed that
6 the monthly charge for the 5/8 inch meter should remain unchanged and that the charges for the one
7 inch, 1 1/2 inch and 2 inch meters should be lowered by 50 percent from Staff's recommended
8 amounts. (TR at 86) The Company believes that its modified design would provide the Company
9 with a reasonable measure of assurance that it would have the opportunity to recover the revenues
10 that the Commission would approve in this proceeding. (TR at 87)

11 34. Staff recommends that the Company's proposed service line and meter installation
12 charges be accepted and that the hook-up fee approved in Decision No. 58839 be continued. Staff
13 recommended service charges that are generally lower than those proposed by the Company.

14 35. LQS objected to Staff's proposed service charges. LQS's office manager testified that
15 its proposed service charges were based on its estimates of the time required to perform the service.
16 Staff did not perform a time study, nor had it requested one from the Company. Rather, Staff based
17 its recommended service charges on what the Commission has approved for other companies. (TR at
18 147)

19 36. According to the Company's application, the number of customers on different meter
20 sizes is as follows:

700	5/8 inch meter
36	1 inch
6	1 1/2 inch
4	2 inch
1	4 inch
150	Standpipe

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24 37. Staff's proposed rate design which includes graduated increasing charges based on
25 meter size, and a tiered commodity charge is rationally based to encourage conservation and to
26 allocate fairly costs among the meter sizes. Customers on larger meters place greater demands on the
27 system and should be responsible for the extra costs. Thus, we generally approve Staff's
28

1 recommended rate design, but modify the monthly charge for the 1 inch meter to address the
2 Company's concerns about its ability to reach the approved return. We adjust the 5/8 inch meter and
3 the standpipe monthly minimum to account for the higher revenue requirement we approve herein.
4 Furthermore, we find that the Company has met its burden to demonstrate that its proposed service
5 charges are aligned with actual costs and should be adopted.

6 38. Under the rates approved herein the average monthly bill of the 5/8 inch meter
7 customer would decrease \$0.13, or 0.05 percent, from \$23.83 to \$23.70 and the median monthly bill
8 would increase \$0.57, or 3 percent, from \$19.29 to \$19.86.

9 39. LQS is current with its Utilities and Corporations Reports.

10 40. LQS is current on its sales and property tax payments.

11 41. The Arizona Department of Environmental Quality ("ADEQ") has determined that the
12 Company is currently delivering water that meets water quality standards required by A.A.C., Title
13 18, Chapter 4.

14 42. The U. S. Environmental Protection agency ("EPA") reduced the arsenic maximum
15 contaminant level ("MCL") in drinking water from 50 micrograms per liter ($\mu\text{g/l}$) to 10 $\mu\text{g/l}$. The
16 date for compliance with the new MCL is January 23, 2006. The most recent lab analysis indicates
17 that the arsenic level for LQS's Well No. 7 is 12 $\mu\text{g/l}$, which is above the new arsenic MCL. Arsenic
18 Levels in Wells Nos. 5 and 6 are below the new standard.

19 43. The Company has stated that it intends to blend to reduce arsenic levels in the system.
20 As of the time of the hearing, the Company had not submitted its blending plan to the Pima County
21 Department of Environmental Quality ("PCDEQ") for review and approval.

22 44. Staff has calculated a preliminary estimate of arsenic removal costs for LQS's system
23 using ADEQ Arsenic Master Plan ("AMP") in case the Company's blending plan is not acceptable to
24 ADEQ. Staff's estimate includes \$186,992 in capital costs, \$124,122 for annual operations and
25 maintenance costs and \$28,049 in engineering costs. However, we make no finding in this Decision
26 as to the reasonableness of Staff's estimates or any costs that may be incurred by LQS to meet the
27 new arsenic MCLs.
28

1	5/8" x 3/4" Meter	\$10.50
2	3/4" Meter	22.50
	1" Meter	38.00
3	1 1/2" Meter	66.00
	2" Meter	90.00
4	3" Meter	125.00
	4" Meter	225.00
5	6" Meter	350.00

6	Standpipe	10.50
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8 COMMODITY CHARGE (per 1,000
9 gallons)

10	<u>5/8" x 3/4" meter</u>	
	0 to 4,000 gallons	\$0.95
11	4,001 to 23,000 gallons	1.15
12	Over 23,000 gallons	1.35

13	<u>1" Meter</u>	
	0 to 40,000 gallons	1.15
14	Over 40,000 gallons	1.35

15	<u>1 1/2" Meter</u>	
16	0 to 100,000 gallons	1.15
	Over 100,000 gallons	1.35

17	<u>2" Meter</u>	
18	0 to 150,000 gallons	1.15
19	Over 150,000 gallons	1.35

20	<u>4" Meter</u>	
	0 to 400,000 gallons	1.15
21	Over 400,000 gallons	1.35

22	<u>Standpipe</u>	
23	0 to 4,000 gallons	0.95
	4,001 to 23,000 gallons	1.15
24	Over 23,000 gallons	1.35

25 SERVICE LINE AND METER INSTALLATION CHARGES:
26 (Refundable pursuant to A.A.C. R14-2-40-5)

27	5/8" x 3/4" Meter	\$150.00
	1" Meter	225.00
28	1 1/2" Meter	475.00

1	2" Meter	625.00
	3" Meter	850.00
2	4" Meter	1,800.00
	6" Meter	3,000.00
3		
4	Standpipe charges	
	Original Key Deposit	\$30.00
5	Additional Set	5.00
6	<u>SERVICE CHARGE:</u>	
7	Establishment	\$20.00
	Establishment (After Hours)	30.00
8	Reconnection	20.00
9	Reconnection (After hours/customer request)	30.00
10	Meter Test (If Correct)	25.00
	Guarantee Deposit	(b)
11	Late Payment Fee	(c)
	Reestablishment (Within 12 Months)	(a)
12	NSF Check	15.00
13	Meter Reread (If Correct)	15.00
	Off Site Facilities hook-up fee	250.00

- 14
- 15 (a) Number of months off system times minimum monthly charge
- 16 (b) Per Commission rule A.A.C. R14-2-403(D).
- 17 (c) 1.5% per Commission rule A.A.C. R14-2-409G(6).

18 IT IS FURTHER ORDERED that the revised schedules of rates and charges shall be effective

19 for all service rendered on and after January 1, 2005.

20 IT IS FURTHER ORDERED that Las Quintas Serenas Water Company shall notify its

21 customers of the revised schedules of rates and charges authorized herein by means of an insert in its

22 next regularly scheduled billing, in a form approved by Staff.

23 IT IS FURTHER ORDERED that Las Quintas Serenas Water Company utilize the

24 depreciation rates delineated in the Engineering Report issued in this matter.

25 IT IS FURTHER ORDERED that Las Quintas Serenas Water Company submit its detailed

26 arsenic removal plan to ADEQ or the PCDEQ by February 28, 2005, for review and approval. A

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1 copy of this plan shall also be submitted to the Director of the Utilities Division by February 28,
2 2005.

3 IT IS FURTHER ORDERED that the proposed curtailment tariff filed by Las Quintas Serenas
4 Water Company is approved, and that Las Quintas Serenas Water Company shall docket the
5 approved curtailment tariff within thirty days of the effective date of this Decision.

6 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

7 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.
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10 CHAIRMAN COMMISSIONER COMMISSIONER

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13 COMMISSIONER COMMISSIONER

14
15 IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive
16 Secretary of the Arizona Corporation Commission, have
17 hereunto set my hand and caused the official seal of the
18 Commission to be affixed at the Capitol, in the City of Phoenix,
19 this ____ day of _____, 2004.

20 BRIAN C. McNEIL
EXECUTIVE SECRETARY

21 DISSENT _____

22
23 DISSENT _____

24 JR:
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1 SERVICE LIST FOR: LAS QUINTAS SERENAS WATER COMPANY

2
3 DOCKET NO.: W-01583A-04-0178

4 Steve Gay
5 General manager/Operator
6 Las Quintas Serenas Water Company
7 16965 Camino De Las Quintas
8 P.O. Box 68
9 Sahuarita, Arizona 85629

10 Lawrence Robertson
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18 1200 West Washington Street
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20 Ernest Johnson, Director
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