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BEFORE THE ARIZONA CORPORATION COMMISSION RECEIVED

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COMMISSIONERS

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Arizona Corporation Commission

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AZ CORP COMMISSION
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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. WS-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 (8th Cir. 2003);
14 *Christiansen v. City of Tulsa*, 332 F.3d 1270, 1283 (10th Cir. 2003); *Aguilar v. International*
15 *Longshoremen's Union Local #10*, 966 F.2d 443, 447 (9th 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 31st day of October 2003.

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1 The original and twenty-one (21) copies
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2 31st day of October 2003 with:

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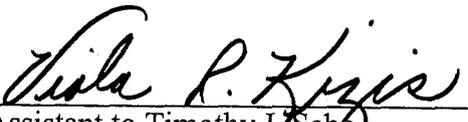
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