

ORIGINAL



**Santa Rosa Utility
Company
Docket No.
SW-04136A-05-0287**

**Santa Rosa Water
Company
Docket No.
W-04137A-05-0286**

**Applicants Comments to
Staff Report**

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1. Q. Please state your name and position.

A. My name is Jim Poulos and I am the Vice-President and General Manager of Santa Rosa Water Company (SRWC) and Santa Rosa Utility Company (SRUC), the applicants in this proceeding.

2. Q. What are your business qualifications?

A. I am also the Vice-President and General Manager of several other water and wastewater utilities in the State of Arizona including Pima Utility Water, Pima Utility Sewer, Lago Del Oro Water Company, Saddlebrooke Utility Company, Ridgeview Utility Company, Mountain Pass Utility Company, Quail Creek Water Company, Picacho Water Company and Picacho Sewer Company. Collectively, these utilities provide water and wastewater services to a population of nearly 40,000.

3. Q. Do you want to comment on some of the conditions recommended by Staff in this proceeding?

A. Yes, I have comments and alternative suggestions on three of the conditions.

4. Q. What is your concern about Staff's recommendation No. 2 on the water service CC&N extension on page 4 of the Staff Report which proposes that SRWC file with Docket Control a copy of the developer's Certificate of Assured Water Supply (CAWS) for the extension area within 365 days of the effective date of the final decision and order?

A. The entire development, including the development in the extension area, will occur in phases. The majority of the extension area will be developed in the first phase, however a small portion of the extension area will be developed in subsequent phases. Given the sequential development, the recommendation should instead read "To require SRWC to file with Docket Control a copy of the developer's first CAWS in the extension, stating that there is adequate water supply, where applicable or when required by statute, within 365 days of the effective date of the final decision and order issued pursuant to this application. SRWC shall also be required to file with Docket Control copies of all subsequent developer's CAWS in the extension area as they are issued and prior to providing service in these areas."

5. Q. Are you also concerned with Staff's recommendation No. 3 on the water service CC&N extension regarding nitrate control and removal?

A. Yes. SRWC sampled one of the many irrigation wells on the property to gain a general sense of the water quality and nitrates were detected in that well. However, irrigation wells are distinguished from potable wells in that irrigation wells use a perforated casing throughout all of the zones in the aquifer to encourage higher water production without regard to the poor water quality that generally exists in the upper zones. By contrast, potable wells use a blank casing to seal off the well from the generally poor water quality in the upper zones of the aquifer, and install perforated casing at the bottom portion of the well to draw the water from the lower zone of the aquifer where there is generally good quality water. This is a common practice that is used in all of our water systems and should not require the condition recommended by Staff.

6. Q. What do you recommend in lieu of Staff recommendation No. 3 to allay Staff's concern about nitrates?

A. We suggest replacing Staff recommendation No. 3 with the following "To require SRWC to submit the results to Docket Control if it's next required nitrate monitoring result exceeds ADEQ's MCL. In the event the next required nitrate monitoring result shows that its water exceeds ADEQ's MCL, SRWC shall be required to file with Docket Control a plan of action for addressing the nitrate issue within sixty days of receiving that result."

7. Q. Why is the Company's suggestion for nitrates preferable?

A. Because there is no evidence of nitrates in the lower aquifer from which the drinking water will be drawn once the blank casings are installed. Additionally, the area is not known for high nitrates in the potable water. As a result, SRWC should follow ADEQ's normal testing protocol and if nitrates are detected above the MCL, SRWC will be required by ADEQ to treat the drinking water. If the initial nitrate monitoring result exceeds the MCL, the Company will agree to file with Docket Control a plan of action for addressing the nitrate issue within sixty days of receiving that result.

8. Q. What are your final concerns on page 5 of the Staff Report with Staff recommendation No. 7 on the water service CC&N extension and Staff recommendation No. 3 on the wastewater service CC&N extension?

A. Staff recommended that SRWC and SRUC comply with all requirements and conditions set forth in Decision No. 65753, issued March 20, 2003. However, many of those requirements and conditions have already been met. Our concern is that the applicants would have to meet the requirements and conditions they have already met again. To address this concern, we suggest the following language in lieu of Staff recommendation No. 7 for the water service CC&N extension and Staff recommendation No. 3 for the wastewater service CC&N extension "To require SRWC (and SRUC) to comply with all requirements and conditions set forth in Decision No. 65753, issued March 20, 2003, that have not already been met.

9. Q. Does this conclude your comments?

A. Yes.