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BEFORE THE ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION
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8 IN THE MATTER OF THE APPLICATION OF
9 ARIZONA-AMERICAN WATER COMPANY,
10 INC., AN ARIZONA CORPORATION, FOR
11 AUTHORITY TO IMPLEMENT ARSENIC
COST RECOVERY MECHANISMS FOR ITS
AGUA FRIA WATER, SUN CITY WEST
WATER, HAVASU WATER, AND TUBAC
WATER DISTRICTS.

Docket No. W-01303A-05-0280

12 IN THE MATTER OF THE APPLICATION OF
13 ARIZONA-AMERICAN WATER COMPANY,
14 INC., AN ARIZONA CORPORATION, FOR A
15 DETERMINATION OF THE CURRENT FAIR
16 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

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

Docket No. W-01303A-02-0869

**NOTICE OF FILING TESTIMONY
SUMMARY**

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- 24

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 ANTHEM
9 WATER DISTRICT, ITS AGUA FRIA WATER
10 DISTRICT, AND ITS ANTHEM/AGUA FRIA
11 WASTEWATER DISTRICT.

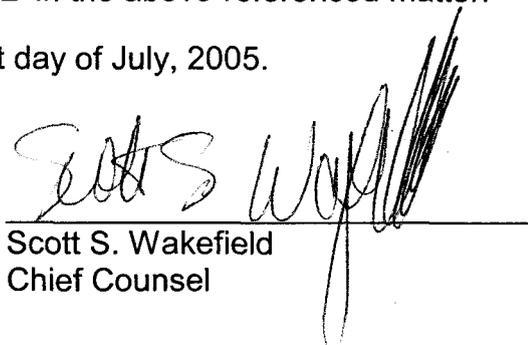
Docket No. WS-01303A-02-0870

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NOTICE OF FILING TESTIMONY SUMMARY

The Residential Utility Consumer Office ("RUCO") hereby provides notice of filing the Testimony Summary of Marylee Diaz Cortez in the above-referenced matter.

RESPECTFULLY SUBMITTED this 21st day of July, 2005.



Scott S. Wakefield
Chief Counsel

AN ORIGINAL AND NINETEEN
COPIES of the foregoing filed this 21st day
of July, 2005 with:

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

COPY of the foregoing hand delivered/
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Teena Wolfe
Administrative Law Judge
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

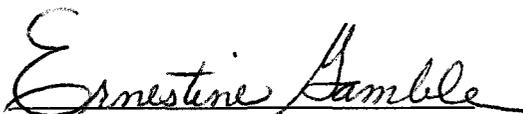
- 1 Christopher C. Kempley, Esq.
Chief Counsel
- 2 Timothy Sabo, Attorney
Legal Division
- 3 Arizona Corporation Commission
1200 West Washington Street
- 4 Phoenix, Arizona 85007
- 5 Ernest G. Johnson
Director, Utilities Division
- 6 Arizona Corporation Commission
1200 West Washington Street
- 7 Phoenix, Arizona 85007
- 8 Craig A. Marks
Corporate Counsel
- 9 Arizona American Water
19820 N. 7th Street
- 10 Suite 201
Phoenix, Arizona 85024
- 11
- 12 Walter W. Meek
Arizona Utility Investors Association, Inc.
2100 North Central Avenue, Suite 210
- 13 Phoenix, Arizona 85004

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By 
Ernestine Gamble
Legal Secretary

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ARIZONA-AMERICAN WATER COMPANY
DOCKET NO. W-01303A-05-0280 ET AL
SUMMARY OF THE TESTIMONY OF MARYLEE DIAZ CORTEZ

The following is a summary of the issues set forth in the direct testimony of Ms. Diaz Cortez. A full discussion of these issues and the underlying theory and rationales for her recommendations are contained in the referenced document.

The testimony of Ms. Diaz Cortez is restricted to two issues: the Company's request for approval of an Arsenic Cost Recovery Mechanism (ACRM) and the Company's request for a hook-up fee for new customers in the Company's Havasu District.

Ms. Diaz Cortez recommends approval of the proposed ACRM mechanism provided the characteristics of the ACRM are the same as those recently approved by the Commission for Arizona Water Company in its Northern and Eastern Division rate cases. Ms. Diaz Cortez recommends that the Commission deny the requested hook-up fee for the Havasu District. Hook-up fees are appropriately used to fund future growth. Since the need for the arsenic treatment plant for the Havasu District is not growth related (i.e. the plant is necessary regardless of growth) a hook-up fee is inappropriate.