



BEFORE THE ARIZONA CORPORATION COMMISSION

- 1 MARC SPITZER
- 2 Chairman
- 3 JIM IRVIN
- 4 Commissioner
- 5 WILLIAM A. MUNDELL
- 6 Commissioner
- 7 JEFF HATCH-MILLER
- 8 Commissioner
- 9 MIKE GLEASON
- 10 Commissioner
- 11

Arizona Corporation Commission  
**DOCKETED**  
 JAN 29 2003  
 DOCKETED BY

7 IN THE MATTER OF THE APPLICATION OF )  
 ARIZONA WATER COMPANY FOR )  
 8 APPROVAL OF A TARIFF FILING TO )  
 REFLECT CHANGES DUE TO THE )  
 9 PURCHASED POWER ADJUSTMENT )  
 MECHANISM FOR ITS BISBEE, MIAMI. )  
 10 SAN MANUEL, SEDONA AND PINWOOD )  
 WATER SYSTEMS )  
 11 \_\_\_\_\_ )

DOCKET NO. W-01445A-02-0816  
  
**65543**  
 DECISION NO. \_\_\_\_\_  
  
 ORDER

12 Open Meeting  
 January 14 and 15, 2003  
 13 Phoenix, Arizona

14 BY THE COMMISSION:

FINDINGS OF FACT

- 16 1. Arizona Water Company ("Company") is an Arizona corporation engaged in the business
- 17 of providing water utility service pursuant to Certificates of Convenience and Necessity granted by this
- 18 Commission.
- 19 2. On October 30, 2002, the Company submitted an application for approval of its Tariff
- 20 AM 253 designed to reflect changes to the Purchased Power Adjustment Mechanism rate ("PPAM")
- 21 for the Bisbee, Miami, San Manuel, Sedona and Pinewood water systems.
- 22 3. Decision No. 58120, dated December 23, 1992, authorized the PPAM rate for each of
- 23 the Company's water systems.
- 24 4. Decision No. 59859, dated October 9, 1996, authorized a PPAM rate for the San Manuel
- 25 system of \$(0.001).
- 26 5. Decision No. 62755, dated July 25, 2000, authorized a PPAM rate for the Bisbee system
- 27 of \$(0.005).
- 28 ...

1           6.     Decision No. 64282, dated December 28, 2001, set the PPAM rate at \$0.000 for the  
2 Company's Northern Group Systems including Sedona and Pinewood.

3           7.     Decision No 65045, dated July 24, 2002, authorized PPAM rate for the Miami system of  
4 \$(0.005).

5           8.     All of the above rates per one hundred gallons sold.

6           9.     The proposed modification in the Company's tariff revisions being filed at this time will  
7 involve the following changes per one hundred gallons sold:

	<u>Old PPAM</u>	<u>Change</u>	<u>New PPAM</u>	
8				
9				
10	Bisbee	\$(0.005)	\$(0.002)	\$(0.007)
11	Miami	\$(0.005)	\$(0.001)	\$(0.006)
12	San Manuel	\$(0.001)	\$(0.001)	\$(0.002)
13	Sedona	\$0.000	\$(0.001)	\$(0.001)
14	Pinewood	\$0.000	\$(0.001)	\$(0.001)

15           10.    Staff has reviewed Arizona Water Company's filing and agrees the calculations are  
16 accurate and comply with the methodology set forth in the Company's tariff.

17           11.    Therefore, Staff recommends that the Commission authorize Arizona Water Company to  
18 change its PPAM rate for its Bisbee, Miami, San Manuel, Sedona and Pinewood systems.

19           12.    Staff recommends the Company notify customers of the change in the Purchased Power  
20 Adjustment Mechanism rate 30 days prior to the change takes effect.

21           13.    Staff further recommends the Company file tariff pages consistent with this Decision  
22 within 30 days from the date of this Order.

#### CONCLUSIONS OF LAW

23           1.     Arizona Water Company is an Arizona public service corporation within the meaning of  
24 Article XV, Section 2, of the Arizona Constitution.

25           2.     The Commission has jurisdiction over the Company and of the subject matter in this  
26 Application.

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**65543**

Decision No. \_\_\_\_\_

1 3. The Commission, having reviewed the application and Staff's Memorandum dated  
2 January 2, 2003, concludes that Arizona Water Company's PPAM rate be changed for its Bisbee,  
3 Miami, San Manuel, Sedona and Pinewood systems.

4 ORDER

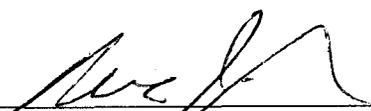
5 IT IS THEREFORE ORDERED that Arizona Water Company's PPAM rates be changed for  
6 its Bisbee, Miami, San Manuel, Sedona and Pinewood systems as shown in Finding of Fact No. 10.

7 IT IS FURTHER ORDERED that the Company notifies customers of the change in the  
8 Purchased Power Adjustment Mechanism rate 30 days prior to the change becoming effective, but no  
9 later than 30 days after the effective date of this Decision.

10 IT IS FURTHER ORDERED that Arizona Water Company file tariff pages consistent with this  
11 Decision within 30 days of the effective date of this Order.

12 IT IS FURTHER ORDERED that this Decision become effective immediately.

13  
14 **BY ORDER OF THE ARIZONA CORPORATION COMMISSION**

15  
16     
17 CHAIRMAN COMMISSIONER COMMISSIONER

18  
19    
20 COMMISSIONER COMMISSIONER

21 IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive  
22 Secretary of the Arizona Corporation Commission, have  
23 hereunto, set my hand and caused the official seal of this  
Commission to be affixed at the Capitol, in the City of  
Phoenix, this 23<sup>rd</sup> day of January, 2003.

24   
25 BRIAN C. McNEIL  
Executive Secretary

26  
27 DISSENT: \_\_\_\_\_

28 EGJ:ENZrdp/DR

65543

Decision No. \_\_\_\_\_

1 SERVICE LIST FOR: Arizona Water Company  
DOCKET NO. W-01445A-02-0816

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