



0000039158

**Transcript Exhibit(s)**

**Docket #(s):** W-21445A-01-0496

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**Exhibit # :** AWC-1, S-1

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We the undersigned own property on Hewitt Station Rd adjacent to the AWC 12" pipeline. If at anytime in the future water service became available off that line we would be interested in becoming a customer of Arizona Water Company.

Date	Name	Property Address
	Helen Martin	31898 Hewitt Station Rd.
	Wm H Martin	" " "
	Richard Matthews	33306 East Hewitt St Road
	Cheryl J. Matthews	33306 E. Hewitt St Rd.
	Edith C. Berry	33844 E. HEWITT STATION RD.
	Larry E. Berry	33844 Hewitt Station Rd.
	Mimi Rose	520-699-2848
	SUSAN Rose	" "
	Robert Rose	" "
	Richard Matthews Jr	520 689 5228

**RECEIVED**  
 JUL 26 2001  
 ARIZONA WATER COMPANY  
 PHOENIX - LEGAL

**RECEIVED**  
 JUL 19 2001  
 ARIZONA WATER COMPANY  
 PHOENIX - ENGINEERING

**EXHIBIT**  
 AWC-1  
 10-3-01  
 adm Hed

**FILE COPY**  
MEMORANDUM

Jason ✓  
cc: Teena  
Dawn =

RECEIVED

2001 AUG 31 A 11:45

TO: Docket Control  
Arizona Corporation Commission

FROM: Steve Olea  
Acting Director  
Utilities Division

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AZ CORP COMMISSION  
DOCUMENT CONTROL

AUG 31 2001

LEGAL DIV.  
ARIZ. CORPORATION COMMISSION

Date: August 17, 2001

RE: ARIZONA WATER COMPANY - APPLICATION FOR AN EXTENSION OF  
ITS CERTIFICATE OF CONVENIENCE AND NECESSITY (CC&N) TO  
PROVIDE WATER SERVICE IN PINAL COUNTY, ARIZONA (DOCKET  
NO. W-01445A-01-0496)

Attached is the Staff Report for the above referenced application. Staff is recommending approval of the application following a hearing.

Originator: Jim Fisher

Attachment: Original and Eleven Copies

EXHIBIT  
S-1  
10-3-01 JLL  
tabbles admitted

STAFF ACKNOWLEDGEMENT

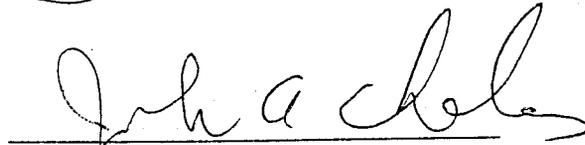
The Staff members designated below contributed elements of this Staff Report.

Contributing Staff:



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Jim Fisher  
Executive Consultant II



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John Chelus  
Utilities Engineer

STAFF REPORT  
UTILITIES DIVISION  
ARIZONA CORPORATION COMMISSION

ARIZONA WATER COMPANY  
APPLICATION FOR AN EXTENSION OF ITS  
CERTIFICATE OF CONVENIENCE AND NECESSITY  
TO PROVIDE WATER SERVICE IN PINAL COUNTY, ARIZONA

DOCKET NO. W-01445A-01-0496

AUGUST 2001

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## **Introduction**

On July 19, 2001, Arizona Water Company ("AWC") filed an Application for an Extension of its Certificate of Convenience and Necessity ("CC&N") to portions of Pinal County, for water services with the Arizona Corporation Commission ("ACC").

## **Background**

AWC is an Arizona corporation, authorized by the ACC to provide water service through authorized CC&Ns within portions of Gila, Navajo, Cochise, Maricopa, Pima, Yavapai, Coconino and Pinal counties, Arizona. The ACC initially authorized AWC a CC&N in 1955.

By this application, AWC seeks to extend its CC&N to serve additional twenty-six sections adjacent to its existing twelve-inch water transmission line in Pinal County. The transmission line is located north of highway 60, running east to west, connecting two of AWC's present CC&N's. AWC purchased the transmission line and pumping facilities to enhance services to its customers in the Town of Superior. Subsequent to obtaining the facility, AWC was requested by property owners to extend service to properties adjacent to AWC transmission facilities. The property owners include the Boyce Thompson Arboretum and Pinal County.

AWC currently provides water service to four customers in the proposed extension area and estimates that over the next five years 10 additional customers will require service in the extension area. AWC owns and operates the facilities currently being used to serve these customers, and will use the facilities to serve future customers.

AWC is financially capable to construct, operate and maintain the facilities necessary to provide service to the extension area. AWC will continue to charge its current authorized rates and charges for its Florence system to the extension area.

AWC is in compliance with the ACC's filing requirements and current on its taxes.

AWC holds a Pinal County franchise for the extension area.

## **Capacity and ADEQ, ADWR Compliance**

Staff has reviewed the AWC application with associated information provided by the Company. Based on this information, AWC has adequate production and storage facilities to serve its existing customers and any additional customers that are anticipated in the new area.

The Arizona Department of Environmental Quality ("ADEQ") has determined that this system is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, Chapter 4.

**Staff Analysis**

AWC is requesting twenty-six sections of land to be included in its CC&N. AWC holds the CC&N on the east and west of proposed extension territory. AWC currently has substantial facilities traversing the length of the requested territory. The applicant is presently serving four commercial customers in the requested area, and no other utility is seeking to serve any portion of the requested area. AWC is in compliance with ADEQ and ACC requirements. The Company is meeting a need for service and has demonstrated that it is a fit and proper company to serve the proposed extension area.

**Recommendations**

Staff recommends that the Commission grant approval of AWC's application to extend the Certificate of Convenience and Necessity consistent with the legal description provided.

Staff further recommends that AWC be ordered to charge its existing rates and charges in the extension area.

Staff further recommends the Commission require AWC to file the associated City and County franchise Agreements within 365 days of the effective date of the ACC Decision on this application.