



ORIGINAL

EXCEPTION

BEFORE THE ARIZONA CORPORATION COMMISSION RECEIVED

WILLIAM A. MUNDELL
Chairman
JIM IRVIN
Commissioner
MARK SPITZER
Commissioner

Arizona Corporation Commission
DOCKETED

NOV 19 2001

2001 NOV 19 P 3:48

AZ CORP COMMISSION
DOCUMENT CONTROL

DOCKETED BY [Signature]

IN THE MATTER OF THE APPLICATION
OF SALT RIVER PROJECT AGRICULTURAL
IMPROVEMENT AND POWER DISTRICT FOR
AN ORDER AUTHORIZING ITS ISSUANCE
OF REVENUE BONDS AND REFUNDING
REVENUE BONDS

DOCKET NO. E-2217A-01-0183
APPLICANT'S EXCEPTIONS
TO
RECOMMENDED ORDER

TO THE HONORABLE ARIZONA CORPORATION COMMISSION:

Pursuant to A.A.C. R14-3-110(B), Salt River Project Agricultural Improvement
and Power District (the "District") submits the following exceptions to the form of Order
recommended by the Hearing Officer in this Docket:

A. Findings and Facts.

1. At paragraph 3, sentence 4 add the word "Valley" to the Association's name as
follows: "Salt River Valley Water Users' Association"

2. At paragraph 5, in the first sentence, change "fiscal years 2001 through 2003" to
"fiscal years 2002 through 2004" and substitute "\$1.7 billion," "\$553.9 million" and "\$1.1
billion" in place of "\$1.1 billion," "\$522.2 million" and "\$596.7 million," respectively, to
reflect updated information provided in SRP's First Update to Response to Commission Staff's
First Set of Data Requests.

3. At paragraph 8, delete the first sentence and move footnote 1 to the words "Bond
derivative" at the beginning of the next sentence (which becomes the first sentence).

1 4. At paragraph 8, add the following to the end of the last sentence: “, consistent with  
2 SRP’s prior Applications.”

3 5. At paragraph 11, change “affect” to “effect” in the third sentence.

4 6. At paragraph 12, change “restrict” to “restricts” in the last sentence.

5 7. In footnote 3 at the bottom of page 4, delete the word “income” since SRP does not  
6 pay income taxes.

7 B. Conclusions of Law.

8 1. At paragraph 2, insert “Application and the” prior to the words “Amended  
9 Application” and substitute “A.R.S. Sections 48-2465 and –2471” in place of “A.R.S. Section  
10 48-2471.”

11 C. Order.

12 1. At the end of the third paragraph, add “and the Amended Application.”

13 2. Please conform paragraph 5 to prior Orders as follows: “IT IS FURTHER  
14 ORDERED that the amount of derivatives issued by Salt River Project Agricultural  
15 Improvement and Power District pursuant to the Application and the Amended Application shall  
16 not exceed seven percent of its total capitalization.”

17 DATED at Tempe, Arizona this 19th day of November 2001.

18  
19 SALT RIVER PROJECT AGRICULTURAL  
20 IMPROVEMENT AND POWER DISTRICT

21 W. Gary Hull  
22 Jane D. Alfano  
23 Salt River Project  
24 P.O. Box 52025, PAB207  
25 Phoenix, AZ 85072-2025  
26 Telephone: (602) 236-3277

Kenneth C. Sundlof  
Jennings, Strouss & Salmon, P.L.C.  
The Collier Center, 11<sup>th</sup> Floor  
201 E. Washington St.

Phoenix, AZ 85004-2385

Attorneys for Applicant

By W. Gary Hull  
W. Gary Hull

The original and 10 copies hand delivered  
this 19th day of November 2001, to:

Docket Control  
ARIZONA CORPORATION COMMISSION  
1200 W. Washington Street  
Phoenix, AZ 85007

With copies to:

Christopher Kempley, Chief Counsel  
Janice M. Alward, Assistant Chief Counsel  
Teena Wolfe, Attorney  
Legal Division  
ARIZONA CORPORATION COMMISSION  
1200 W. Washington St.  
Phoenix, AZ 85007

Ernest G. Johnson, Director  
Utilities Division  
ARIZONA CORPORATION COMMISSION  
1200 W. Washington St.  
Phoenix, AZ 85007

Linda A. Jaress, Executive Consultant  
ARIZONA CORPORATION COMMISSION  
1200 W. Washington St.  
Phoenix, AZ 85007

By Deborah Cozno