0000044538

Transcript Exhibit(s)

Docket #(s): W-01445A-05-0700

WS-01775A-05-0700

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2006 MAR -9 P 1:41

AZ CORP COMMISSION
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Exhibit # : S-1

LFG David ✓

MEMORANDUM

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2006 JAN 27 A 9:02

AZ CORP COMMISSION
DOCUMENT CONTROL

TO: Docket Control

FROM: Ernest G. Johnson
Director
Utilities Division

Date: January 27, 2006

RE: STAFF REPORT FOR ARIZONA WATER COMPANY AND FRANCISCO GRANDE UTILITY COMPANY – JOINT APPLICATION TO TRANSFER A PORTION OF FRANCISCO GRANDE UTILITY COMPANY'S EXISTING CERTIFICATE OF CONVENIENCE AND NECESSITY TO ARIZONA WATER COMPANY AND FOR ARIZONA WATER COMPANY TO INCLUDE THE SAME AREA IN ITS CASA GRANDE CERTIFICATE OF CONVENIENCE AND NECESSITY (DOCKET NOS. W-01445A-05-0700 AND WS-01775A-05-0700)

Attached is the Staff Report for the joint application filed by Arizona Water Company and Francisco Grande Utility Company to transfer a portion of existing Certificate of Convenience and Necessity and include the same area in Arizona Water Company's Casa Grande Certificate of Convenience and Necessity to provide water service. Staff is recommending approval with conditions.

EGJ:BNC:tdp

Originator: Blessing Chukwu

EXHIBIT
admitted

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JAN 27 2006
LEGAL DIV.
ARIZ. CORPORATION COMMISSION

Service List for: Arizona Water Company and Francisco Grande Utility Company
Docket Nos. W-01445A-05-0700 and WS-01775A-05-0700

Mr. Robert W. Geake
Arizona Water Company
Post Office Box 29006
Phoenix, Arizona 85038

Mr. Christopher C. Kempley
Chief, Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Mr. Ernest G. Johnson
Director, Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Ms. Lyn Farmer
Chief, Hearing Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

STAFF REPORT
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION

ARIZONA WATER COMPANY AND FRANCISCO GRANDE UTILITY COMPANY

W-01445A-05-0700 AND WS-01775A-05-0700

JOINT APPLICATION TO TRANSFER A PORTION OF EXISTING CERTIFICATE OF CONVENIENCE AND NECESSITY AND TO INCLUDE SAME AREA IN ARIZONA WATER COMPANY'S CASA GRANDE CERTIFICATE OF CONVENIENCE AND NECESSITY

JANUARY 2006

STAFF ACKNOWLEDGMENT

The Staff Report for Arizona Water Company and Francisco Grande Utility Company (Docket Nos. W-01445A-05-0700 and WS-01775A-05-0700) was the responsibility of the Staff members signed below. Blessing Chukwu was responsible for the review and analysis of the Company's application. Marlin Scott, Jr. was responsible for the engineering and technical analysis.

Blessing Chukwu
Executive Consultant III

Marlin Scott, Jr.
Utilities Engineer

EXECUTIVE SUMMARY
ARIZONA WATER COMPANY AND FRANCISCO GRANDE UTILITY COMPANY JOINT APPLICATION TO TRANSFER A PORTION OF EXISTING CERTIFICATE OF CONVENIENCE AND NECESSITY AND TO INCLUDE SAME AREA IN ARIZONA WATER COMPANY'S CASA GRANDE CERTIFICATE OF CONVENIENCE AND NECESSITY
DOCKET NOS. W-01445A-05-0700 AND WS-01775A-05-0700

On October 4, 2005, Arizona Water Company ("AWC") and Francisco Grande Utility Company ("FGUC") collectively referred to as ("The Utilities") jointly filed an application with the Arizona Corporation Commission ("ACC" or "Commission") to transfer a portion of FGUC's existing Certificate of Convenience and Necessity ("CC&N") to AWC and for AWC to include the same area in AWC's Casa Grande CC&N to provide water service. On December 9, 2005, Staff filed a Sufficiency Letter indicating that the application had met the sufficiency requirements of A.A.C. R14-2-402.

AWC is an Arizona Corporation, in good standing with the Corporations Division, and engaged in providing water utility service to customers in various portions of Cochise, Coconino, Gila, Maricopa, Navajo, Pima, Pinal and Yavapai Counties in Arizona. According to the Company's Annual Report for the year ending December 31, 2004, the Company provides water utility service to approximately 72,800 customers in Arizona.

FGUC is an Arizona Corporation, in good standing with the Corporations Division, and is certificated by Decision No. 47711 (March 3, 1977) to provide water and wastewater service in an area known as Francisco Grande, which is located west of Casa Grande, Pinal County, Arizona.

By this application, the Utilities are seeking Commission authority to transfer a portion of FGUC's existing CC&N to AWC-Casa Grande system. The requested transfer areas, with total 1-1/2 square-miles, will reduce FGUC's existing CC&N from 15-1/2 to 14 square-miles and increase AWC-Casa Grande's existing CC&N from 128 to 129-1/2 square-miles of local certificated area. These two water companies are located west of the City of Casa Grande in Pinal County.

Based on Staff's review and analysis of the application, Staff believes that the existing AWC system will have adequate production and storage capacity to serve the existing CC&N and requested transfer areas within a conventional five year planning period and can reasonably be expected to develop additional production and storage as required in the future.

Staff recommends the Commission approve the joint application by AWC and FGUC to transfer a portion of FGUC's existing water CC&N to AWC and for AWC to include the same area in its Casa Grande CC&N to provide water service subject to compliance with the following conditions:

1. To require AWC to charge its authorized rates and charges in the requested transfer areas.

2. To require AWC to file with Docket Control, as a compliance item in this docket, copies of the Arizona Department of Environmental Quality's Certificate of Approval to Construct for facilities needed to serve the requested transfer areas within two years of the effective date of an order in this proceeding.

3. To require AWC to file with Docket Control, as a compliance item, a Notice of Filing indicating AWC has submitted for Staff's review and approval, a copy of the fully executed main extension agreements for water facilities for the requested transfer areas within two years of a decision in this case.

4. To require AWC to file with Docket Control, as a compliance item in this docket, a copy of the developers' Certificate of Assured Water Supply for the requested transfer areas where applicable or when required by statute, within two years of the effective date of the final decision and order issued pursuant to this application.

Staff further recommends that the Commission's Decision granting the requested CC&N transfer be considered null and void, after due process, should AWC fail to meet Conditions No. 2, 3, and 4 listed above within the time specified.

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Introduction

On October 4, 2005, Arizona Water Company ("AWC") and Francisco Grande Utility Company ("FGUC") collectively referred to as ("The Utilities") jointly filed an application with the Arizona Corporation Commission ("ACC" or "Commission") to transfer a portion of FGUC's existing Certificate of Convenience and Necessity ("CC&N") to AWC and for AWC to include the same area in AWC's Casa Grande CC&N to provide water service.

On November 3, 2005, the ACC Utilities Division ("Staff") filed an Insufficiency Letter, indicating that the Utilities' application did not meet the sufficiency requirements of Arizona Administrative Code ("A.A.C."). A copy of the Insufficiency Letter was sent to the Utilities via U.S mail. In the Letter, Staff listed the deficiencies that needed to be cured for administrative purposes.

On November 10, 2005, the Utilities provided additional documentation to support the relief requested.

On December 9, 2005, Staff filed a Sufficiency Letter indicating that the application had met the sufficiency requirements of A.A.C. R14-2-402.

Background

AWC is an Arizona Corporation, in good standing with the Corporations Division, and engaged in providing water utility service to customers in various portions of Cochise, Coconino, Gila, Maricopa, Navajo, Pima, Pinal and Yavapai Counties in Arizona. AWC is a wholly-owned subsidiary of Utility Investment Company, which is a wholly-owned subsidiary of United Resources, Inc. According to AWC's Annual Report for the year ending December 31, 2004, AWC provides water utility service to approximately 72,800 customers in Arizona. AWC provides water service to customers in 18 water systems in three groups: Northern, Eastern and Western.

FGUC is an Arizona Corporation, in good standing with the Corporations Division, and is certificated by Decision No. 47711 (March 3, 1977) to provide water and wastewater service in an area known as Francisco Grande, which is located west of Casa Grande, Pinal County, Arizona.

By this application, the Utilities are seeking Commission authority to transfer a portion of FGUC's existing CC&N to AWC-Casa Grande system. The requested transfer areas, with total 1-1/2 square-miles, will reduce FGUC's existing CC&N from 15-1/2 to 14 square-miles and increase AWC-Casa Grande's existing CC&N from 128 to 129-1/2 square-miles of local certificated area. These two water companies are located west of the City of Casa Grande in Pinal County.

The Water Systems

According to FGUC's 2004 Annual Report, the plant description shows three wells (two leased and one owned), two storage tanks (250,000 and 170,000 gallons), four booster pumps (three 65 and one 25-Horsepower), a 12,000 gallon pressure tank and 11,880 feet of 6, 8, and 10-inch water mains serving one service connection, Francisco Grande Resort ("Resort"). FGUC notes that its wells are not used and water is being purchased from AWC.

According to AWC, the above mentioned FGUC's plant is located on the property of Francisco Grande Resort; the Resort is located within AWC's CC&N; and the Resort is a customer of AWC. The Commission in Decision No. 62283, issued on February 1, 2000, granted a joint application filed by the Utilities to transfer a portion of FGUC's CC&N (which included the area in which the Resort is located) to AWC and for AWC to expand its CC&N area to include the certificated area transferred by FGUC.

According to the Water Use Data Sheets submitted by AWC, AWC's Casa Grande System has 14 wells producing 15,240 gallons per minute ("GPM"), 14.192 million gallons of storage capacity, and a distribution system serving 18,314 service connections as of September 2005. Based on historical growth rates, it is anticipated that the existing service area could grow to approximately 26,700 connections at the end of five years. AWC has predicted an additional 25 connections for the requested transfer areas at the end of five years, resulting in a projected total customer base of approximately 26,725 at the end of five years. Based on the existing well production and storage capacities, the system can serve approximately 22,100 service connections.

AWC is proposing to extend its water system into the transfer areas (the BCY, Ltd. and Cache Investments, LLC developments) by extension of its distribution system. AWC is projecting zero customers in the first year and 25 customers within five years in the development of the transfer areas.

BCY, Ltd. and Cache Investments, LLC ("developers") are proposing to develop an approximately 950-acre master planned community (totaling approximately 2,800 residential units) and have requested for water service from AWC. According to AWC, these developments will require the developers to drill two production wells each capable of producing 1,000 GPM (each well estimated to cost $750,000). Other than the cost of the onsite distribution system (estimated at $1,500 per lot), no additional costs will be incurred by the developers for storage, offsite transmission mains or booster pumps.

Staff concludes that the existing AWC system will have adequate production and storage capacity to serve the existing CC&N and requested transfer areas within a conventional five year planning period and can reasonably be expected to develop additional production and storage as required in the future.

The Arizona Department of Environmental Quality's Certificate of Approval to Construct ("ATC") for facilities needed to serve the requested transfer areas have not been submitted by AWC. As such, Staff recommends that AWC file with Docket Control, as a compliance item in this docket, copies of the Arizona Department of Environmental Quality's Certificate of ATC for facilities needed to serve the requested transfer areas within two years of the effective date of an order in this proceeding.

Finance of Utility Facilities

The Company is proposing to finance the required utility facilities through advances in aid of construction. Advances in aid of construction are often in the form of Main Extension Agreements ("MXAs"). MXAs are standard industry practice. The minimal acceptable criteria for line extension agreements between water utilities and private parties are established by A.A.C. R14-2-406. These agreements generally require the developer to design, construct and install (or cause to be), all facilities to provide adequate service to the development. The developer is required to pay all costs of constructing the required facilities necessary to serve the development. Upon acceptance of the facilities by the Utility Company, the developer conveys the utility facilities through a warranty deed to the Utility Company. Utility Companies will often refund ten (10) percent of the annual water revenue associated with development for a period of ten (10) years.

Staff recommends that AWC file with Docket Control, as a compliance item, a Notice of Filing indicating AWC has submitted for Staff's review and approval, a copy of the fully executed main extension agreements for water facilities for the requested transfer areas within two years of a decision in this case.

Arizona Department of Environmental Quality ("ADEQ") Compliance

According to ADEQ, the FGUC's water system, under Public Water System ("PWS") #11-333, is an inactive water system; therefore compliance status is not applicable for this system.

ADEQ regulates AWC's Casa Grande water system under PWS #11-009. Based on the compliance information submitted by AWC, the Casa Grande system has no deficiencies and ADEQ has determined that this system is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, and Chapter 4.

Arizona Department of Water Resources ("ADWR") Compliance

There are five (5) Active Management Areas ("AMAs") in Arizona and each has a different goal depending on the water supply need of the area. AWC is located in the Pinal AMA, as designated by ADWR. The goal of the Pinal AMA is to allow the development of non-irrigation water uses, extend the life of the agricultural economy for as long as feasible, and preserve water supplies for future non-agricultural uses. As a result, AWC is subject to the

reporting and conservation rules of ADWR. ADWR has indicated that AWC is in compliance with the Pinal AMA requirements.

Staff recommends that AWC be required to file with Docket Control, as a compliance item in this docket, a copy of the developers' Certificate of Assured Water Supply for the requested transfer areas where applicable or when required by statute, within two years of the effective date of the final decision and order issued pursuant to this application.

ACC Compliance

According to the Utilities Division Compliance Section, AWC has no outstanding ACC compliance issues.

Arsenic

The U.S. Environmental Protection Agency ("EPA") has reduced the arsenic maximum contaminant level ("MCL") in drinking water from 50 micrograms per liter ("µg/l") or parts per billion ("ppb") to 10 µg/l. The date for compliance with the new MCL is January 23, 2006.

AWC indicated its arsenic levels for its wells range from 7 ppb to 45 ppb. Based on these levels, AWC is in the process of developing a treatment plan to comply with the new arsenic standard. In Decision No. 67518, issued on January 20, 2005, the Commission approved an accounting order authorizing the deferral of certain costs and expenses related to arsenic treatment that AWC expects to incur for its Western Group. An accounting order is a rate-making mechanism whereby a regulatory commission provides specific deferral authorization to treat costs in a manner that differs from generally accepted accounting principles. Such a deferral mechanism, pursuant to an authorized accounting order, is permitted under National Association of Regulatory Commissioners ("NARUC") Uniform System of Accounts ("USOA") guidelines. AWC's Western Group consists of the Case Grande, White Tanks, Stanfield, and the Ajo systems. The requested transfer areas will be provided water service by AWC's Casa Grande system.

Curtailment Plan Tariff

A Curtailment Plan Tariff ("CPT") is an effective tool to allow a water company to manage its resources during periods of shortages due to pump breakdowns, droughts, or other unforeseeable events.

AWC has an approved curtailment tariff for "All Service Areas" that was approved by Decision No. 66235 effective July 23, 2004.

Proposed Rates

AWC has proposed to provide water utility service to the requested transfer areas under its authorized rates and charges.

Franchise

Every applicant for a CC&N and/or CC&N extension is required to submit to the Commission evidence showing that the applicant has received the required consent, franchise or permit from the proper authority, pursuant to ARS 40-282.B. If the applicant operates in an unincorporated area, the company has to obtain the franchise from the County. If the applicant operates in an incorporated area of the County, the applicant has to obtain the franchise from the City/Town.

According to the application, the requested transfer areas are located within unincorporated areas of Pinal County. A copy of the franchise agreement that AWC had entered into with Pinal County was filed with the application.

Recommendations

Staff recommends the Commission approve the joint application by AWC and FGUC to transfer a portion of FGUC's existing water CC&N to AWC and for AWC to include the same area in its Casa Grande CC&N to provide water service subject to compliance with the following conditions:

1. To require AWC to charge its authorized rates and charges in the requested transfer areas.

2. To require AWC to file with Docket Control, as a compliance item in this docket, copies of the Arizona Department of Environmental Quality's Certificate of Approval to Construct for facilities needed to serve the requested transfer areas within two years of the effective date of an order in this proceeding.

3. To require AWC to file with Docket Control, as a compliance item, a Notice of Filing indicating AWC has submitted for Staff's review and approval, a copy of the fully executed main extension agreements for water facilities for the requested transfer areas within two years of a decision in this case.

4. To require AWC to file with Docket Control, as a compliance item in this docket, a copy of the developers' Certificate of Assured Water Supply for the requested transfer areas where applicable or when required by statute, within two years of the effective date of the final decision and order issued pursuant to this application.

Staff further recommends that the Commission's Decision granting the requested CC&N transfer be considered null and void, after due process, should AWC fail to meet Conditions No. 2, 3, and 4 listed above within the time specified.

MEMORANDUM

DATE: January 13, 2006

TO: Blessing Chukwu
Executive Consultant III

FROM: Marlin Scott, Jr.
Utilities Engineer

RE: Joint Application of Francisco Grande Utility Company (Docket No. 01775A-05-0700) to transfer a portion of its existing water CC&N to Arizona Water Company – Casa Grande System (Docket No. W-01445A-05-0700)

Introduction

Francisco Grande Utility Company ("Francisco Grande") and Arizona Water Company ("AWC") have jointly filed an application to transfer a portion of Francisco Grande's existing Certificate of Convenience and Necessity ("CC&N") to AWC-Casa Grande system. The requested transfer areas, with total 1-1/2 square-miles, will reduce Francisco Grande's existing CC&N from 15-1/2 to 14 square-miles and increase AWC-Casa Grande's existing CC&N from 128 to 129-1/2 square-miles of local certificated area. These two water companies are located west of the City of Casa Grande in Pinal County.

Water Systems

Francisco Grande

According to Francisco Grande's 2004 Annual Report, the plant description shows three wells (two leased and one owned), two storage tanks (250,000 and 170,000 gallons), four booster pumps (three 65 and one 25-Horsepower), a 12,000 gallon pressure tank and 11,880 feet of 6, 8, and 10-inch water mains serving one service connection, Francisco Grande Resort. Francisco Grande notes that its wells are not used and water is being purchased from AWC.

According to AWC, the above Francisco Grande plant is located on the property of Francisco Grande Resort and the Resort is located within AWC's CC&N and is a customer of AWC.

AWC – Casa Grande System

According to water use data sheets, the AWC – Casa Grande System has 14 wells producing 15,240 gallons per minute ("GPM"), 14.192 million gallons of storage capacity, and a distribution system serving 18,314 service connections as of September 2005.

Capacity

AWC – Casa Grande System

Based on historical growth rates, it is anticipated that the existing service area could grow to approximately 26,700 connections at the end of five years. AWC has predicted an additional 25 connections for the requested transfer areas at the end of five years, resulting in a projected total customer base of approximately 26,725 at the end of five years. Based on the existing well production and storage capacities, the system can serve approximately 22,100 service connections.

Proposed Plant Facilities

AWC is proposing to extend its water system into the transfer areas, the BCY, Ltd. and Cache Investments, LLC developments, by extension of its distribution system using advances in aid of construction. AWC is projecting zero customers in the first year and 25 customers within five years in the development of the transfer areas.

BCY, Ltd. and Cache Investments, LLC are proposing to develop a 950-acre master planned community totaling approximately 2,800 residential units. According to AWC, these developments will require the developers to drill two production wells each capable of producing 1,000 GPM (each well estimated to cost $750,000). Other than the cost of the onsite distribution system (estimated at $1,500 per lot), no additional costs will be incurred by the developers for storage, offsite transmission mains or booster pumps.

Conclusion

Staff concludes that the existing AWC system will have adequate production and storage capacity to serve the existing CC&N and requested transfer areas within a conventional five year planning period and can reasonably be expected to develop additional production and storage as required in the future.

Arizona Department of Environmental Quality ("ADEQ") Compliance

Compliance Status

According to ADEQ, the Francisco Grande water system, under Public Water System ("PWS") #11-333, is an inactive water system; therefore compliance status is not applicable for this system.

ADEQ regulates AWC's Casa Grande water system under PWS #11-009. Based on compliance information submitted by AWC, the Casa Grande system has no deficiencies and ADEQ has determined that this system is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, and Chapter 4.

Certificate of Approval to Construct

The ADEQ Certificate of Approval to Construct ("ATC") for facilities needed to serve the requested transfer areas have not been submitted by AWC. Staff recommends that AWC docket as a compliance item in this case within two years of the effective date of an order in these proceeding copies of the ATC issued by ADEQ.

Arsenic

The U.S. Environmental Protection Agency has reduced the arsenic maximum contaminant level ("MCL") in drinking water from 50 parts per billion ("ppb") to 10 ppb. The date for compliance with the new MCL is January 23, 2006.

AWC indicated its arsenic levels for its wells range from 7 ppb to 45 ppb. Based on these levels, AWC is in the process of developing a treatment plan to comply with the new arsenic standard. In Decision No. 67518 (dated January 20, 2005), the Commission approved an accounting order which will allow AWC to record its arsenic treatment costs for AWC's Western Group. The Case Grande system is part of this Western Group.

Arizona Department of Water Resources ("ADWR") Compliance

Compliance Status

AWC is located within the ADWR Pinal Active Management Area ("AMA") and is in compliance with its reporting and conservation requirements.

Certificate of Assured Water Supply

Staff recommends that AWC docket as a compliance item in this case within two years of the effective date of an order in these proceeding copies of the developers' Certificate of Assured Water Supply for the requested transfer areas, where applicable or when required by statute.

Arizona Corporation Commission Compliance

A check with the Utilities Division Compliance Section showed no outstanding compliance issues for both Francisco Grande and AWC.

Curtailment Tariff

AWC has an approved curtailment tariff for "All Service Areas" that became effective on July 23, 2004 per Decision No. 66235.

Summary

Conclusions

A. Staff concludes that the existing AWC – Casa Grande System will have adequate production and storage capacity to serve the existing CC&N and requested transfer areas within a conventional five year planning period and can reasonably be expected to develop additional production and storage as required in the future.

B. According to ADEQ, the Francisco Grande water system, PWS #11-333, is an inactive water system; therefore compliance status is not applicable for this system.

C. Based on compliance information submitted by AWC, the Casa Grande system has no deficiencies and ADEQ has determined that this system is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, Chapter 4.

D. AWC indicated its arsenic levels for its wells range from 7 ppb to 45 ppb. Based on these levels, AWC is in the process of developing a treatment plan to comply with the new arsenic standard.

E. AWC is within the Pinal AMA and is in compliance with its reporting and conservation requirements.

F. A check with the Utilities Division Compliance Section showed no outstanding compliance issues for both Francisco Grande and AWC.

G. AWC has an approved curtailment tariff for all its systems.

Recommendations

1. Staff recommends that AWC docket as a compliance item in this case within two years of the effective date of an order in these proceeding copies of the ATC issued by ADEQ.

2. Staff recommends that AWC docket as a compliance item in this case within two years of the effective date of an order in these proceeding copies the developer's Certificate of Assured Water Supply for the requested transfer areas, where applicable or when required by statute.

ATTACHMENT B

MEMORANDUM

TO: Blessing Chukwu
Executive Consultant III
Utilities Division

FROM: Barb Wells
Information Technology Specialist
Utilities Division

THRU: Del Smith
Engineering Supervisor
Utilities Division

DATE: October 19, 2005

RE: **FRANCISCO GRANDE UTILITY COMPANY (DOCKET NO. WS-01775A-05-0700)**
ARIZONA WATER COMPANY (DOCKET NO. W-01445A-05-0700)

The area requested by Francisco Grande for a partial transfer to Arizona Water has been plotted with no complications using the legal description provided with the application (a copy of which is attached).

Also attached are copies of the maps for your files.

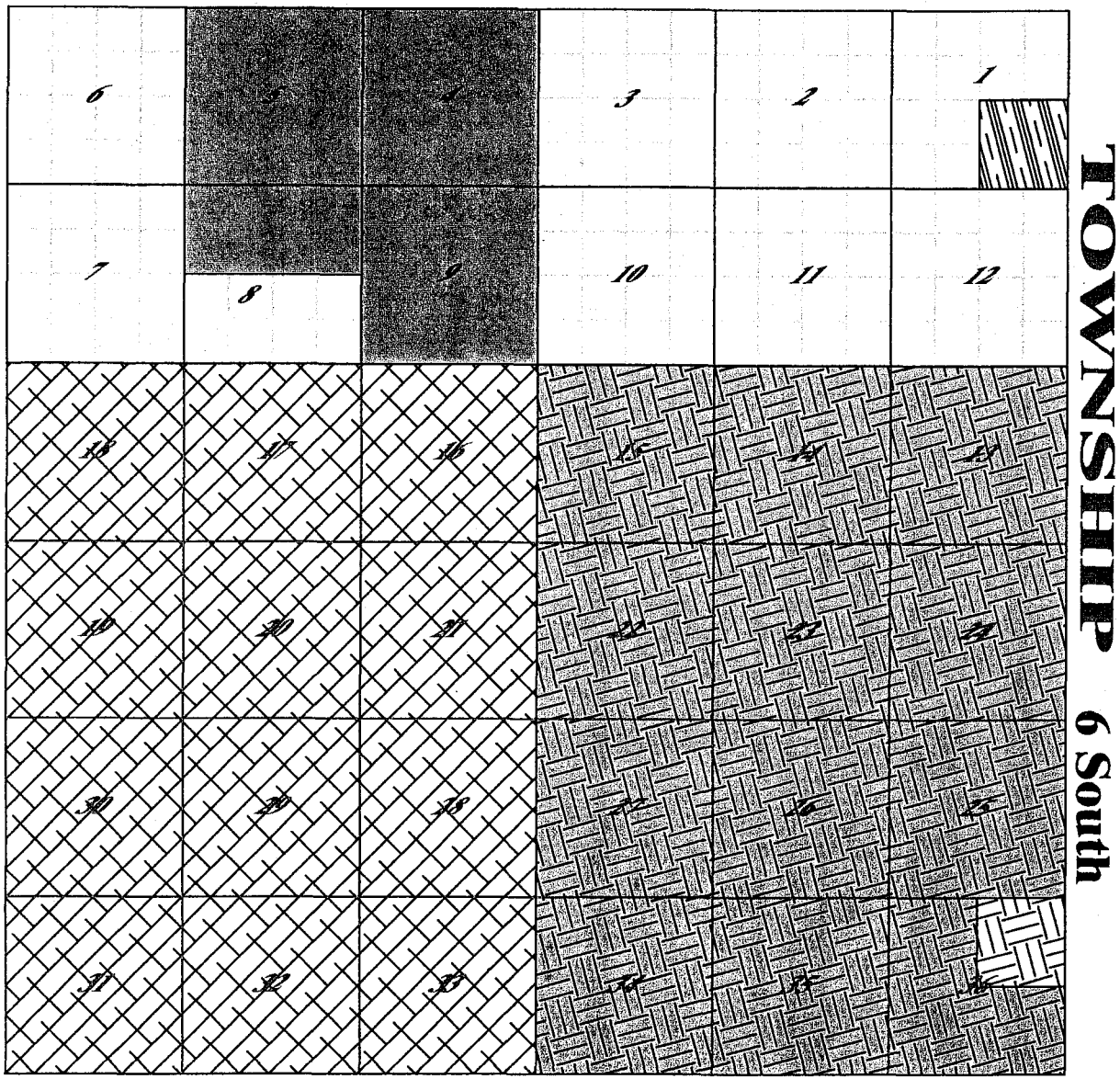
:bsw

Attachments

cc: Docket Control
Mr. Michael Saunders
Mr. Robert Geake
Ms. Deb Person (Hand Carried)
File

COUNTY: *Pinal*

RANGE 4 East



W-1445 (34)(3)
Arizona Water Company (Stanfield)

W-2442 (2)
CP Water Company

WS-1775 (2)
Francisco Grande Utility Company

Sewer

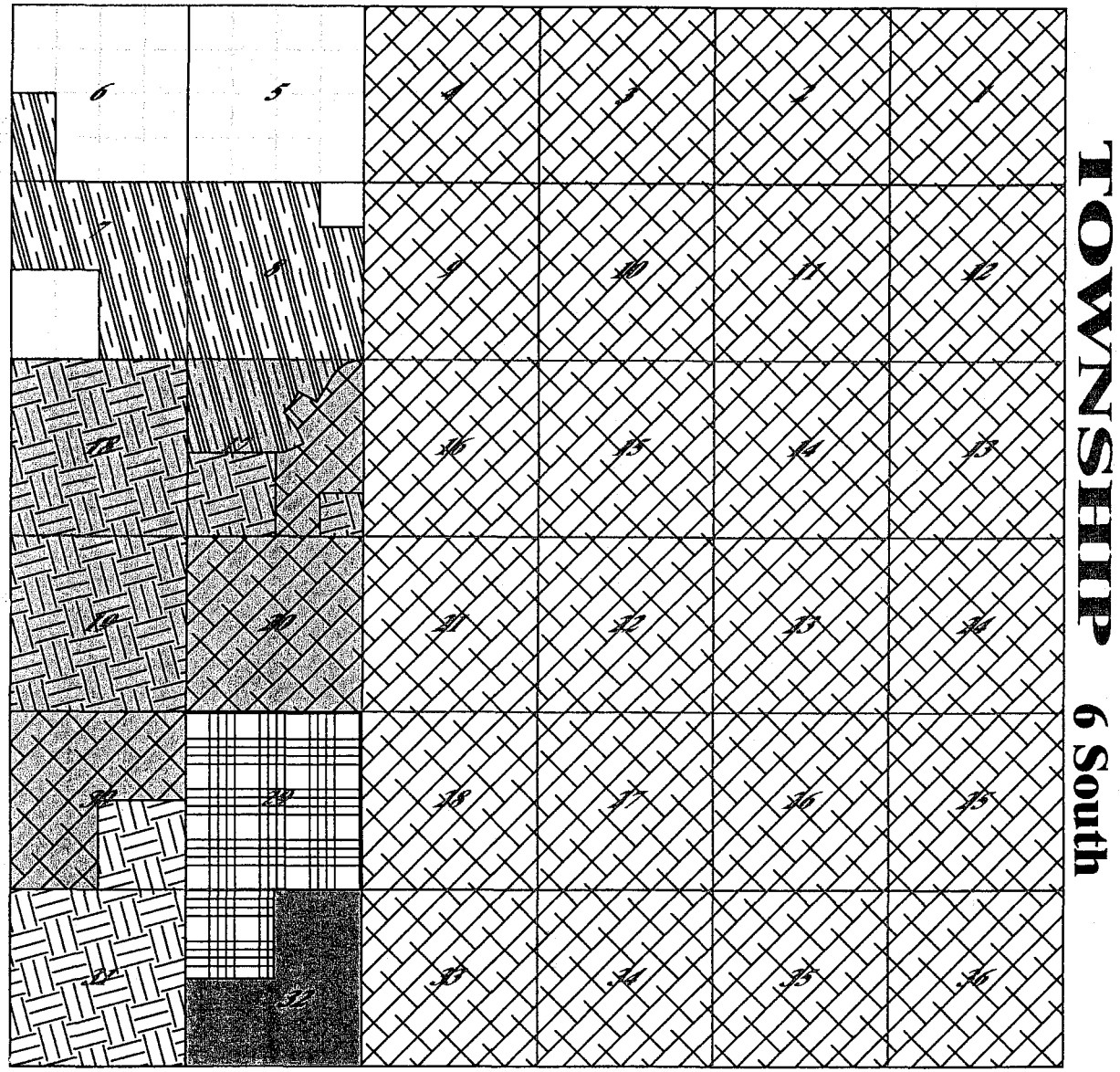
Nonjurisdictional (2)
Copper Mountain Ranch Community Facilities District

Francisco Grande Utility Company
Docket No. WS-01775A-05-0700
Application for Partial Transfer to
Arizona Water Company
Docket No. W-01445A-05-0700
(Francisco Grande will retain sewer in this area)

TR6S4E 15 JAN 2002

COUNTY: *Pinal*

RANGE 5 East



W-1445 (34)(3)
Arizona Water Company (Stanfield)

W-1990 (1)
Casa Grande West Water Company, Inc.

W-2442 (2)
CP Water Company

WS-1775 (2) Sewer
Francisco Grande Utility Company

Arizona Water Company
Docket No. W-01445A-05-0469
Application for Extension

Francisco Grande Utility Company
Docket No. WS-01775A-05-0700
Application for Partial Transfer to
Arizona Water Company
Docket No. W-01445A-05-0700
(Francisco Grande will retain sewer in this area)

TR6S5E 01 FEB 2000

EXHIBIT 2

CC&N This Application

The Northeast quarter of Section 36, Township 6 South, Range 4 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona; And:

The Southeast Quarter of Section 30 and all of Section 31, Township 6 South, Range 5 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona.