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# OPEN MEETING ITEM

ORIGINAL

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WILLIAM A. MUNDELL  
JEFF HATCH-MILLER  
MIKE GLEASON

BRIAN C. MCNEIL  
Executive Secretary

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65534

## ARIZONA CORPORATION COMMISSION

2003 MAY 16 P 3:15

DATE: May 16, 2003  
DOCKET NOS: W-01408A-02-0595

AZ CORP COMMISSION  
DOCUMENT CONTROL

TO ALL PARTIES:

Enclosed please find the recommendation of Administrative Law Judge Jane Rodda. The recommendation has been filed in the form of an Order on:

### MT. LEMMON COOPERATIVE WATER COMPANY, INC. (RATES)

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Administrative Law Judge by filing an original and thirteen (13) copies of the exceptions with the Commission's Docket Control at the address listed below by **4:00 p.m.** on or before:

MAY 27, 2003

The enclosed is NOT an order of the Commission, but a recommendation of the Administrative Law Judge to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Working Session and Open Meeting to be held on:

June 10 + June 11, 2003  
~~May 13~~ and 14, 2003

For more information, you may contact Docket Control at (602)542-3477 or the Hearing Division at (602)542-4250.

Arizona Corporation Commission

DOCKETED

MAY 16 2003

DOCKETED BY 

BRIAN C. MCNEIL  
EXECUTIVE SECRETARY

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 COMMISSIONERS

3 MARC SPITZER, Chairman  
4 JIM IRVIN  
5 WILLIAM A. MUNDELL  
6 JEFF HATCH-MILLER  
7 MIKE GLEASON

8 IN THE MATTER OF THE APPLICATION OF  
9 MT. LEMMON COOPERATIVE WATER  
10 COMPANY, INC. FOR A PERMANENT RATE  
11 INCREASE.

DOCKET NO. W-01408A-02-0595

DECISION NO. \_\_\_\_\_

**ORDER**

12 Open Meeting  
13 June 10 and 11, 2003  
14 Phoenix, Arizona

15 **BY THE COMMISSION:**

16 Having considered the entire record herein and being fully advised in the premises, the  
17 Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

18 **FINDINGS OF FACT**

19 1. Mt. Lemmon Cooperative Water Company, Inc. ("Mt. Lemmon") is a member-owned  
20 cooperative, located approximately 30 miles northeast of Tucson on Mt. Lemmon in Pima County,  
21 Arizona, and provides water service to approximately 402 customers.

22 2. On January 23, 2003, the Commission issued Decision No. 65534, which approved a  
23 rate increase and financing request for Mt. Lemmon.

24 3. Decision No. 65534 required that before the rates could be implemented, Mt. Lemmon  
25 must certify that it is providing water that meets the quality standards of the Safe Drinking Water  
26 Act. At the time of the Decision, Mt. Lemmon lacked test results for lead, copper and nitrate.  
27 Decision No. 65534 also authorized Mt. Lemmon to borrow \$540,000 from the Water Infrastructure  
28 Finance Authority ("WIFA") for the purpose of installing two storage tanks and a filtration system.

4. Mt. Lemmon submitted the required lead, copper and nitrate sample results to the  
Arizona Department of Environmental Quality ("ADEQ") for review. The lead sample exceeded the  
maximum contaminant level ("MCL").



1 should be adopted.

2 **ORDER**

3 IT IS THEREFORE ORDERED that Decision No. 65534 is modified to allow the rates  
4 approved therein to become effective for all service provided on and after July 1, 2003.

5 IT IS FUTHER ORDERED that in the event Mt. Lemmon Cooperative Water Company, Inc.  
6 does not provide the Commission with a copy of the ADEQ Approval of Construction for the water  
7 treatment equipment by February 28, 2007, Staff shall take the appropriate steps for Mt. Lemmon  
8 Cooperative Water Company, Inc. to show cause why all monies collected from the rate increase  
9 should not be refunded and other appropriate sanctions imposed.

10 IT IS FURTHER ORDERED that all other provisions of Decision No. 65534 shall remain  
11 unchanged.

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

13 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

14  
15  
16 CHAIRMAN COMMISSIONER COMMISSIONER

17  
18 COMMISSIONER COMMISSIONER

19  
20 IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive  
21 Secretary of the Arizona Corporation Commission, have  
22 hereunto set my hand and caused the official seal of the  
23 Commission to be affixed at the Capitol, in the City of Phoenix,  
24 this \_\_\_\_ day of \_\_\_\_\_, 2003.

25 \_\_\_\_\_  
BRIAN C. McNEIL  
EXECUTIVE SECRETARY

26 DISSENT \_\_\_\_\_

27 DISSENT \_\_\_\_\_

28 JR:mlj

1 SERVICE LIST FOR: MT. LEMMON COOPERATIVE WATER COMPANY, INC.

2 DOCKET NO.: W-01408A-02-0595

3

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