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AZ CORP COMMISSION
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BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION
OF PALO VERDE UTILITIES COMPANY
FOR AN EXTENSION OF ITS EXISTING
CERTIFICATE OF CONVENIENCE AND
NECESSITY

DOCKET NO. SW-03575A-05-0926

IN THE MATTER OF THE APPLICATION
OF SANTA CRUZ WATER COMPANY FOR
AN EXTENSION OF ITS EXISTING
CERTIFICATE OF CONVENIENCE AND
NECESSITY.

DOCKET NO. W-03576A-05-0926

**ARIZONA WATER COMPANY'S
APPLICATION TO INTERVENE**

Arizona Water Company, an Arizona corporation, hereby applies for an order permitting it to intervene in the above captioned matters pursuant to A.A.C. R14-3-105. Arizona Water Company is directly and substantially affected by these proceedings. This application is based upon the following:

1. Arizona Water Company presently holds Certificates of Convenience and Necessity ("CCNs") issued by the Arizona Corporation Commission (the "Commission") for the purpose of providing water utility service in the Casa Grande and Stanfield areas of Pinal County, and has served customers within those CCNs since 1955. Arizona Water Company currently provides water service to more than 19,000 customers in its Casa

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1 Grande and Stanfield systems and has invested more than \$65 million in gross utility plant
2 in these two systems.

3 2. Santa Cruz Water Company (“SCWC”)¹ has filed an application for an
4 extension of its remote and non-contiguous CCN into Arizona Water Company’s planned
5 future service areas including areas north, west and south of Arizona Water Company’s
6 existing CCNs. SCWC’s request for a CCN covers land already located within Arizona
7 Water Company’s Casa Grande CCN and areas contiguous to the Company’s Casa Grande
8 and Stanfield CCNs, and SCWC’s application includes requests for service from
9 landowners within Arizona Water Company’s Casa Grande and Stanfield CCNs. Because
10 Arizona Water Company holds existing CCNs in the area and is ready, willing and able to
11 serve all landowners requesting service, intervention in this proceeding is appropriate.

12 3. Contemporaneously with this application to intervene, Arizona Water
13 Company has filed an application to extend its Casa Grande CCN to include areas which
14 SCWC seeks to include in its CCN. Intervention into these dockets is appropriate so that
15 the matters raised in Arizona Water Company’s separate application for those CCN areas
16 can be asserted here.

17 4. Arizona Water Company has extensive water production and distribution
18 facilities located immediately adjacent and contiguous to the areas into which SCWC seeks
19 to extend its CCN from its remote, non-contiguous operations in the town of Maricopa.
20 Arizona Water Company, as the longstanding provider of public utility water service in
21 central Pinal County, is first in the field and, under Arizona law, should be granted the first
22

23 ¹ On March 9, 2006, SCWC filed an Application (W-20446A-06-0155 and W-
24 03576A-06-0155) seeking a broad range of relief arising from its newly-stated intent
25 to shuffle CCNs and other assets among and between its web of interlocking LLCs
26 and corporate parents, affiliates and subsidiaries. Since SCWC is the applicant in
27 this docket, references in this Motion to Intervene will be to SCWC, but if the
28 Commission grants the requests in the new Application and transfers the subject
CCNs to a different entity or entities, this Motion should be considered to be revised
accordingly.

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opportunity to serve these areas. Intervention in these proceedings is appropriate to allow the Commission to consider how this important Arizona legal doctrine advances sound public policy in this state and how it applies to the circumstances presented in these proceedings.

5. Moreover, Arizona Water Company proposes to provide water service to customers in its proposed CCN area at far lower rates than SCWC proposes, and intervention in these proceedings allows the Commission to give appropriate weight to this compelling public policy factor in determining which water utility will best serve the long term interests of the future ratepayers.

6. SCWC and Palo Verde Utilities Company ("PVUC") filed their application on December 28, 2005. As of the date hereof, the Commission has deemed that application to be insufficient. No hearings have been noticed. Because the action is in its earliest stages, SCWC and PVUC will not be prejudiced in any way by permitting Arizona Water Company to intervene.

7. For the foregoing reasons, Arizona Water Company is directly and substantially affected by this proceeding and is entitled to intervene pursuant to A.A.C. R14-3-105.

WHEREFORE, Arizona Water Company respectfully requests that it be granted leave to intervene in this matter.

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1 Please provide copies of all pleadings and address communications with regard to
2 this matter to undersigned counsel for Arizona Water Company.

3 DATED this 29th day of March, 2006.

4 ARIZONA WATER COMPANY

5
6 By Robert W. Geake, Esq.
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10 and

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20 Attorneys for Arizona Water Company

21 **ORIGINAL** and 17 **COPIES** of the foregoing
22 filed this 29 day of March, 2006 with:

23 Docket Control Division
24 Arizona Corporation Commission
25 1200 West Washington Street
26 Phoenix, Arizona 85007

27 **COPY** of the foregoing hand-
28 delivered or mailed this 29 day
of March, 2006 to:

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