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 Water Company, Inc.

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AZ CORP COMMISSION
DOCUMENT CONTROL

BEFORE THE ARIZONA CORPORATION COMMISSION

9 IN THE MATTER OF ARIZONA-
 10 AMERICAN WATER COMPANY – AGUA
 11 FRIA DIVISION SEWER HOOK-UP FEE
 TARIFF REVISIONS

DOCKET NO. SW-01303A-02-0628

13 IN THE MATTER OF ARIZONA-
 14 AMERICAN WATER COMPANY – AGUA
 FRIA DISTRICT – WATER FACILITIES
 15 HOOK-UP FEE TARIFF REVISIONS

DOCKET NO. W-01303A-02-0629

ARIZONA-AMERICAN WATER
COMPANY'S NOTICE OF
INCORPORATION AND NOTICE OF
FILING LATE FILED EXHIBIT

16 On Monday, January 27, 2003, Arizona-American filed its Response to Staff's Motion to
 17 Dismiss in Docket No. W-01303A-02-0629. By this notice, Arizona-American hereby
 18 incorporates that response in Docket No. SW-01303A-02-0628. In addition, the attached exhibit
 19 was inadvertently omitted from Arizona-American's January 27, 2003 Response to Staff's
 20 Motion to Dismiss. This exhibit, referenced in the motion as being at Tab A, is hereby
 21 incorporated into Arizona-American's response in both dockets. Counsel for Arizona-American
 22 apologizes for any inconvenience caused by this inadvertent omission.

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Arizona Corporation Commission

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DATED this 28th day of January, 2003.

FENNEMORE CRAIG, P.C.



By _____
Jay L. Shapiro
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Phoenix, Arizona 85012
Attorneys for Applicant

An original and 15 copies
of the foregoing was delivered this 28th
day of January, 2003, to:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

A copy of the foregoing
was delivered this 28th day of
January, 2003, to:

Lyn Farmer, Chief Administrative Law Judge
Hearing Division
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

Timothy J. Sabo, Attorney
Legal Division
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

By: Mary House

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Responses to Arizona-American's First Set of Data Requests
Dockets 02-0628 and 02-0629
Responses by Timothy J. Sabo

1.1 Staff does not maintain a master list of all hook-up fees, and gathering this information would be burdensome because it would require an examination of all existing tariff pages. However, Staff is willing to stipulate that numerous hook-up fees have been established in the past.

- 1.2 (a) All, or almost all, of the hook-up fees are treated as CIAC.
- (b) Some, but not all of the hook-up fees were issued in a rate case or similar proceeding where the Commission made a fair value finding.
- (c) N/A

1.3 Staff intends to take no action. Under A.R.S. § 40-252, the existing orders that have authorized hook-up fees remain valid and in-force. Staff filed its Motion to Dismiss in response to the decision of the Arizona Supreme Court in *US West II*. Staff is concerned not with reviewing past actions, but rather what actions are appropriate to take in the future. Staff intends to treat all future hook-up fee applications in the same manner as these cases - it will only recommend approval of a hook-up fee in the context of a rate case (or where there is a fair value finding that is so recent that it can reasonably be used in a hook-up fee order).