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BEFORE THE ARIZONA CORPORATION COMMISSION

2006 JUN 29 P 3:39

COMMISSIONERS

AZ CORP COMMISSION
DOCUMENT CONTROL

JEFF HATCH-MILLER, Chairman
MARK SPITZER
WILLIAM A. MUNDELL
MIKE GLEASON
KRISTIN K. MAYES

IN THE MATTER OF THE APPLICATION
OF GREEN ACRES WATER, L.L.C. FOR
APPROVAL OF A CERTIFICATE OF
CONVENIENCE AND NECESSITY,

DOCKET NO. W-20430A-05-0839

IN THE MATTER OF THE APPLICATION
OF GREEN ACRES SEWER, L.L.C. FOR
APPROVAL OF A CERTIFICATE OF
CONVENIENCE AND NECESSITY

DOCKET NO. SW-20431A-05-0840

RESPONSE TO STAFF REPORT

Green Acres Water, L.L.C. and Green Acres Sewer, L.L.C. (collectively "Companies") pursuant to a June 23, 2006 Procedural Order hereby submit their Response to the Staff Report for Green Acres Water, L.L.C. and Green Acres Sewer, L.L.C. Applications for Certificates of Convenience and Necessity for Wastewater and Water Services dated June 16, 2006. On November 14, 2005, the Companies filed with the Arizona Corporation Commission ("Commission") applications for Certificates of Convenience and Necessity ("CC&N") to provide water and wastewater services to a proposed development located in Maricopa County east of Buckeye ("Applications").

Based upon Staff's review of the Applications, Staff is recommending conditional approval. Although the Companies do not object to a majority of the 14 conditions imposed on the Water Company and 13 conditions imposed on the Wastewater Company, the Companies believe that Condition 2 for the Water Company and Condition 2 for the Wastewater Company are not in the public interest and should not be adopted.

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Copies were mailed this
29th day of June 2006:

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

Mr. Carroll Reynolds, Town Manager
Town of Buckeye
100 E. Apache
Buckeye, Arizona 85326

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ATTACHMENT "D"
WATER TARIFF SCHEDULE

UTILITY: Green Acres Water Company

RATES AND CHARGES
CUSTOMER / MINIMUM CHARGE
PER MONTH

<u>METER</u>	<u>CHARGE</u>		<u>GALLONS</u>	<u>METER</u>	<u>CHARGE</u>
5/8 x 3/4	\$ 34.00	FOR	ZERO	5/8 x 3/4	\$ 470.00
3/4	\$ 34.00	FOR	ZERO	3/4	\$ 750.00
1	\$ 85.00	FOR	ZERO	1	\$ 650.00
1 1/2	\$ 170.00	FOR	ZERO	1 1/2	\$ 895.00
2	\$ 272.00	FOR	ZERO	2	\$ 1,555.00
3	\$ 544.00	FOR	ZERO	3	\$ 2,060.00
4	\$ 850.00	FOR	ZERO	4	\$ 2,235.00
6	\$ 1,700.00	FOR	ZERO	6	\$ 3,070.00
8	\$ 2,720.00	FOR	ZERO	8	Cost
10	\$ 3,910.00	FOR	ZERO	10	Cost
12	\$ 7,310.00	FOR	ZERO	12	Cost

COMMODITY CHARGE (EXCESS OF MINIMUM):
COMMODITY RATES / RESIDENTIAL METERS

<u>Usage From</u>	<u>Usage To</u>	5/8 & 3/4 Inch Meters	Charge Per 1,000
-	7,000		\$ 3.50
7,001	14,000		\$ 4.50
14,001	Infinity		\$ 5.50

COMMODITY RATES / ALL OTHER METERS

<u>Usage From</u>	<u>Usage To</u>	5/8 Inch Meters	
1	8,000		\$ 4.50
8,001	Infinity		\$ 5.50
3/4 Inch Meters			
1	8,000		
8,001	Infinity		
1 Inch Meters			
1	35,000		\$ 4.50
35,001	Infinity		\$ 5.50
1 1/2 Inch Meters			
1	70,000		\$ 4.50
70,001	Infinity		\$ 5.50
2 Inch Meters			
1	112,000		\$ 4.50
112,001	Infinity		\$ 5.50
3 Inch Meters			
1	224,000		\$ 4.50
224,001	Infinity		\$ 5.50
4 Inch Meters			
1	350,000		\$ 4.50
350,001	Infinity		\$ 5.50

ATTACHMENT "D"
WATER TARIFF SCHEDULE

UTILITY: Green Acres Water Company

RATES AND CHARGES

COMMODITY CHARGE (EXCESS OF MINIMUM):

Usage <u>From</u>	Usage <u>To</u>		Charge Per 1,000
-	-	6 Inch Meters	
1	700,000		\$ 4.50
700,001	Infinity		\$ 5.50
-	-	8 Inch Meters	
1	1,120,000		\$ 4.50
1,120,001	Infinity		\$ 5.50
-	-	10 Inch Meters	
1	1,610,000		\$ 4.50
1,610,001	Infinity		\$ 5.50
		12 Inch Meters	
1	3,010,000		\$ 4.50
3,010,001	Infinity		\$ 5.50

SERVICE CHARGES:

1. ESTABLISHMENT (R14-2-403.D.1)	\$ 30.00
2. ESTABLISHMENT / AFTER HOURS (R14-2-403.D.2)	\$ 50.00
3. RECONNECTION / DELINQUENT (R14-2-403.D.1)	\$ 50.00
4. NSF CHECK (R14-2-409.F.1)	\$ 30.00
5. METER REREAD / IF CORRECT (R-14-408.C.2)	\$ 30.00
6. METER TEST / IF CORRECT (R14-2-408.F.1)	\$ 30.00
7. DEFERRED PAYMENT (R14-2-409.G.6)	1.50% Per Month
8. DEPOSIT INTEREST (R14-2-408.B.3)	
9. DEPOSIT (R14-2-403.B.7)	per rule
10. REESTABLISHMENT WITHIN 12 MONTHS (R14-2-608.F.1)	(a)
11. LATE PAYMENT PENALTY (R14-2-408.F.1)	1.50% Per Month
12. All Revenue related taxes will be charged customers. Main Extension and additional facilities agreements,	@ COST (b)

RULES AND REGULATIONS

* The Company has adopted the Rules and Regulation established by the Commission as the basis for its operating procedures. Arizona Corporation Commission Rules will be controlling of Company procedures, unless specific Commission Orders provide otherwise.

(a) Monthly minimum times months off the system

(b) Cost to include parts, labor, overhead, and all applicable taxes, including income tax.

ATTACHMENT "D"
WATER TARIFF SCHEDULE

UTILITY: Green Acres Water Company

RATES AND CHARGES

Off Site Facilities Hook-up Fee

<u>METER</u>	
5/8 x 3/4	\$ 2,500
3/4	\$ 2,500
1	\$ 6,250
1 1/2	\$ 12,500
2	\$ 20,000
3	\$ 40,000
4	\$ 62,500
6	\$ 125,000
8	\$ 200,000
10	\$ 287,500
12	\$ 537,500

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ATTACHMENT CW-4
SEWER TARIFF SCHEDULE

UTILITY: Green Acres Sewer Company

RATES AND CHARGES

FLAT RATE

RESIDENTIAL AND COMMERCIAL
BASED ON WATER METER SIZE

5/8 x 3/4 And	\$	36.00	PER MONTH
3/4	\$	36.00	PER MONTH
1	\$	90.00	PER MONTH
1 1/2	\$	180.00	PER MONTH
2	\$	288.00	PER MONTH
3	\$	576.00	PER MONTH
4	\$	900.00	PER MONTH
6	\$	1,800.00	PER MONTH

BASED ON WATER USAGE

RESIDENTIAL MINIMUM	<u>N/A</u>	FOR	<u>N/A</u>	GALLONS
EXCESS OF MINIMUM	<u>N/A</u>	FOR	<u>N/A</u>	GALLONS
COMMERCIAL MINIMUM	<u>N/A</u>	FOR	<u>N/A</u>	GALLONS
EXCESS OF MINIMUM	<u>N/A</u>	FOR	<u>N/A</u>	GALLONS

EFFLUENT SALES: (if applicable)

\$ 250.00	PER ACRE FOOT
\$ 0.77	PER 1,000 GALLONS

SERVICE LINE CONNECTION CHARGE \$ 500.00 (TO BE CONTRIBUTED BY BUILDER)

SERVICE CHARGES:

1.	ESTABLISHMENT (R14-2-603.D.1)	\$ 30.00	
2.	RECONNECTION / DELINQUENT (R14-2-603.D.1)	\$ 50.00	
3.	DEPOSIT (R14-2-603.B.3)		per rule
4.	DEPOSIT INTEREST (R14-2-608.E.1)		% per rule
5.	REESTABLISHMENT WITHIN 12 MONTHS (R14-2-608.F.1)	(a)	
6.	NSF CHECK (R14-2-608.E.1)	\$ 35.00	
7.	LATE PAYMENT PENALTY (R14-2-608.F.1)	1.50%	Per Month
	DEFERRED PAYMENT PLAN	1.50%	Per Month

All Revenue related taxes will be charged customers.

Main Extension and additional facilities agreements, @ COST (b)
RULES AND REGULATIONS

* The Company has adopted the Rules and Regulation established by the Commission as the basis for its operating procedures. Arizona Corporation Commission Rules will be controlling of Company procedures, unless specific Commission Orders provide otherwise.

(a) Monthly minimum times months off the system

(b) Cost to include parts, labor, overhead, and all applicable taxes, including income tax if applicable.

ATTACHMENT D
SEWER TARIFF SCHEDULE

UTILITY: Green Acres Sewer Company

RATES AND CHARGES

Off Site Facilities Hook-up Fee

<u>Meter Size</u>		<u>Total Fee</u>
5/8 x 3/4 And	\$	1,500
3/4	\$	1,500
1	\$	3,750
1 1/2	\$	7,500
2	\$	12,000
3	\$	24,000
4	\$	37,500
6	\$	75,000
8	\$	120,000
10	\$	172,500
12	\$	322,500

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ATTACHMENT "D"
WATER TARIFF SCHEDULE

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Revised

UTILITY: Green Acres Water Company

RATES AND CHARGES
CUSTOMER / MINIMUM CHARGE
PER MONTH

<u>METER</u>	<u>CHARGE</u>		<u>GALLONS</u>	<u>METER</u>	<u>CHARGE</u>
5/8 x 3/4	\$ 38.00	FOR	ZERO	5/8 x 3/4	\$ 470.00
3/4	\$ 38.00	FOR	ZERO	3/4	\$ 750.00
1	\$ 95.00	FOR	ZERO	1	\$ 650.00
1 1/2	\$ 190.00	FOR	ZERO	1 1/2	\$ 895.00
2	\$ 304.00	FOR	ZERO	2	\$ 1,555.00
3	\$ 608.00	FOR	ZERO	3	\$ 2,060.00
4	\$ 950.00	FOR	ZERO	4	\$ 2,235.00
6	\$ 1,900.00	FOR	ZERO	6	\$ 3,070.00
8	\$ 3,040.00	FOR	ZERO	8	Cost
10	\$ 4,370.00	FOR	ZERO	10	Cost
12	\$ 8,170.00	FOR	ZERO	12	Cost

COMMODITY CHARGE (EXCESS OF MINIMUM):
COMMODITY RATES / RESIDENTIAL METERS

<u>Usage</u>	<u>Usage</u>	5/8 & 3/4 Inch Meters	
<u>From</u>	<u>To</u>		<u>Charge Per 1,000</u>
-	7,000		\$ 6.25
7,001	14,000		\$ 7.25
14,001	Infinity		\$ 8.25

COMMODITY RATES / ALL OTHER METERS

<u>Usage</u>	<u>Usage</u>	5/8 Inch Meters	
<u>From</u>	<u>To</u>		
1	8,000		\$ 7.25
8,001	Infinity		\$ 8.25
		3/4 Inch Meters	
1	8,000		
8,001	Infinity		
		1 Inch Meters	
1	35,000		\$ 7.25
35,001	Infinity		\$ 8.25
		1 1/2 Inch Meters	
1	70,000		\$ 7.25
70,001	Infinity		\$ 8.25
		2 Inch Meters	
1	112,000		\$ 7.25
112,001	Infinity		\$ 8.25
		3 Inch Meters	
1	224,000		\$ 7.25
224,001	Infinity		\$ 8.25
		4 Inch Meters	
1	350,000		\$ 7.25
350,001	Infinity		\$ 8.25

ATTACHMENT "D"
WATER TARIFF SCHEDULE

Page 2
Revised

UTILITY: Green Acres Water Company

RATES AND CHARGES

COMMODITY CHARGE (EXCESS OF MINIMUM):

Usage From	Usage To	Charge Per 1,000
6 Inch Meters		
-	-	
1	700,000	\$ 7.25
700,001	Infinity	\$ 8.25
8 Inch Meters		
-	-	
1	1,120,000	\$ 7.25
1,120,001	Infinity	\$ 8.25
10 Inch Meters		
-	-	
1	1,610,000	\$ 7.25
1,610,001	Infinity	\$ 8.25
12 Inch Meters		
-	-	
1	3,010,000	\$ 7.25
3,010,001	Infinity	\$ 8.25

SERVICE CHARGES:

1. ESTABLISHMENT (R14-2-403.D.1)	\$ 30.00
2. ESTABLISHMENT / AFTER HOURS (R14-2-403.D.2)	\$ 50.00
3. RECONNECTION / DELINQUENT (R14-2-403.D.1)	\$ 50.00
4. NSF CHECK (R14-2-409.F.1)	\$ 30.00
5. METER REREAD / IF CORRECT (R-14-408.C.2)	\$ 30.00
6. METER TEST / IF CORRECT (R14-2-408.F.1)	\$ 30.00
7. DEFERRED PAYMENT (R14-2-409.G.6)	1.50% Per Month
8. DEPOSIT INTEREST (R14-2-408.B.3)	_____
9. DEPOSIT (R14-2-403.B.7)	_____ per rule
10. REESTABLISHMENT WITHIN 12 MONTHS (R14-2-608.F.1)	_____ (a)
11. LATE PAYMENT PENALTY (R14-2-408.F.1)	1.50% Per Month
12. All Revenue related taxes will be charged customers.	
Main Extension and additional facilities agreements,	@ COST (b)

RULES AND REGULATIONS

* The Company has adopted the Rules and Regulation established by the Commission as the basis for its operating procedures. Arizona Corporation Commission Rules will be controlling of Company procedures, unless specific Commission Orders provide otherwise.

(a) Monthly minimum times months off the system

(b) Cost to include parts, labor, overhead, and all applicable taxes, including income tax.

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ATTACHMENT CW-4
SEWER TARIFF SCHEDULE

Page 1
Revised

UTILITY: Green Acres Sewer Company

RATES AND CHARGES

FLAT RATE

RESIDENTIAL AND COMMERCIAL
BASED ON WATER METER SIZE

5/8 x 3/4 And	\$	43.00	PER MONTH
3/4	\$	43.00	PER MONTH
1	\$	107.50	PER MONTH
1 1/2	\$	215.00	PER MONTH
2	\$	344.00	PER MONTH
3	\$	688.00	PER MONTH
4	\$	1,075.00	PER MONTH
6	\$	2,150.00	PER MONTH

RESIDENTIAL MINIMUM	<u>N/A</u>	FOR	<u>N/A</u>	GALLONS
EXCESS OF MINIMUM	<u>N/A</u>	FOR	<u>N/A</u>	GALLONS
COMMERCIAL MINIMUM	<u>N/A</u>	FOR	<u>N/A</u>	GALLONS
EXCESS OF MINIMUM	<u>N/A</u>	FOR	<u>N/A</u>	GALLONS

EFFLUENT SALES: (if applicable)

\$ 350.00	PER ACRE FOOT
\$ 1.07	PER 1,000 GALLONS

SERVICE LINE CONNECTION CHARGE TO BE CONTRIBUTED BY BUILDER

SERVICE CHARGES:

1.	ESTABLISHMENT (R14-2-603.D.1)	\$ 30.00	
2.	RECONNECTION / DELINQUENT (R14-2-603.D.1)	\$ 50.00	
3.	DEPOSIT (R14-2-603.B.3)		per rule
4.	DEPOSIT INTEREST (R14-2-608.E.1)		% per rule
5.	RE-ESTABLISHMENT WITHIN 12 MONTHS (R14-2-608.F.1)	(a)	
6.	NSF CHECK (R14-2-608.E.1)	\$ 35.00	
7.	LATE PAYMENT PENALTY (R14-2-608.F.1)	1.50%	Per Month
	DEFERRED PAYMENT PLAN	1.50%	Per Month

All Revenue related taxes will be charged customers.

Main Extension and additional facilities agreements,
RULES AND REGULATIONS

@ COST (b)

* The Company has adopted the Rules and Regulation established by the Commission as the basis for its operating procedures. Arizona Corporation Commission Rules will be controlling of Company procedures, unless specific Commission Orders provide otherwise.

(a) Monthly minimum times months off the system

(b) Cost to include parts, labor, overhead, and all applicable taxes, including income tax if applicable.