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BEFORE THE ARIZONA CORPORATION COMMISSION

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JEFF HATCH-MILLER, Chairman
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GJM NR

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

DOCKET NO. W-01445A-06-0199

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 CERTIFICATE OF ITS EXISTING CERTIFICATE OF CONVENIENCE AND NECESSITY.

DOCKET NO. W-03576A-05-0926

STAFF RESPONSE TO GLOBAL'S MOTION TO DISMISS AND MOTION TO VACATE CONSOLIDATION

On December 28, 2005, Palo Verde Utilities Company ("Palo Verde") and Santa Cruz Water Company ("Santa Cruz") (collectively, "Global") filed an application with the Arizona Corporation Commission ("Commission") for an extension of their Certificates of Convenience and Necessity ("Certificate") in Docket Nos. SW-03575A-05-0926 and W-03576A-05-0926. On March 29, 2006, Arizona Water Company ("AWC") filed an application with the Commission to extend its Certificate in Docket No. W-01445A-06-0199. On April 24, 2006, by Procedural Order, the above-captioned matters were consolidated for purposes of hearing.

On June 23, 2006, Staff filed a Sufficiency Letter in the above-captioned docket indicating that Global's application had met the sufficiency requirements as outlined in the Arizona Administrative Code. On July 28, 2006, Staff filed a Sufficiency letter in the above-captioned docket indicating that AWC's application had met the sufficiency requirements as outlined in the Arizona Administrative Code. On July 31, 2006, by Procedural Order, Staff was ordered to file a Response to Global's Motion to Dismiss AWC's Application and Global's Motion to Vacate Consolidation by

3056

1 August 9, 2006. Staff has reviewed the above motions by Global and respectfully requests that those
2 same motions be denied.

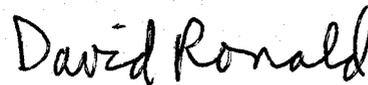
3 **I. GLOBAL'S MOTION TO DISMISS AWC'S APPLICATION**

4 AWC's application was found sufficient by Staff on July 28, 2006 pursuant to A.A.C. R14-2-
5 402. A hearing will be set in this matter to receive evidence and sworn testimony. The proper way to
6 evaluate Global's and AWC's arguments is at a hearing. A hearing will afford due process to both
7 applicants and allow the Commission to reach a decision that favors the public interest. Staff has
8 determined that AWC's application has satisfied the information requirements pursuant to A.A.C.
9 R14-2-402. Thus, Global's Motion to Dismiss should be denied.

10 **II. GLOBAL'S MOTION TO VACATE CONSOLIDATION AND ALTERNATIVE**
11 **MOTION TO SEVER**

12 Under A.A.C. R14-3-109(H), cases are consolidated when "it appears that the issues are
13 substantially the same and that the rights of the parties will not be prejudiced by such procedure."
14 First, the issues are substantially the same. In this case, Global and AWC are both requesting that
15 their certificated areas be extended pursuant to A.R.S. § 40-281. Both companies are seeking to
16 serve water. A large part of the extension areas requested by Global and AWC overlap. Second, the
17 rights of the parties will not be prejudiced by consolidation. Both applications are sufficient. In
18 addition, consolidation will avoid the need for Global and AWC to appear in two hearings regarding
19 similar extensions areas and focusing on similar issues. Thus, the Motion to Vacate Consolidation
20 should be denied. The alternative Motion to Sever should also be denied for the same reasons
21 specified above.

22 RESPECTFULLY SUBMITTED this 8th day of August 2006.

23 

24

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1 Original and nineteen (19) copies
2 of the foregoing were filed this
3 8th day of August 2006 with:

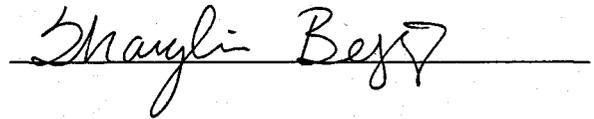
3 Docket Control
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6 Copy of the foregoing mailed this
7 8th day of August 2006 to:

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