

ORIGINAL



0000067372

COMMISSIONERS

1 **Jeff Hatch-Miller, Chairman**
2 **William A. Mundell**
3 **Mike Gleason**
4 **Kristin K. Mayes**
5 **Gary Pierce**

RECEIVED

2007 FEB 27 A 10: 47

AZ CORP COMMISSION
DOCUMENT CONTROL

Arizona Corporation Commission

DOCKETED

FEB 27 2007

DOCKETED BY	
KK	NR

BEFORE THE ARIZONA CORPORATION COMMISSION

9 IN THE MATTER OF THE APPLICATION
10 OF ARIZONA WATER COMPANY FOR AN
11 EXTENSION OF ITS EXISTING
12 CERTIFICATE OF CONVENIENCE AND
13 NECESSITY

Docket No. W-01445A-06-0199

13 IN THE MATTER OF THE APPLICATION
14 OF PALO VERDE UTILITIES COMPANY
15 FOR AN EXTENSION OF ITS EXISTING
16 CERTIFICATE OF CONVENIENCE AND
17 NECESSITY

Docket No. SW-03575A-05-0926

17 IN THE MATTER OF THE APPLICATION
18 OF SANTA CRUZ WATER COMPANY FOR
19 AN EXTENSION OF ITS EXISTING
20 CERTIFICATE OF CONVENIENCE AND
21 NECESSITY

Docket No. W-03576A-05- 0926

**ARIZONA WATER COMPANY'S
SUPPLEMENT TO MOTION TO
STAY REGARDING DISCOVERY
RESPONSE BY CHI
CONSTRUCTION COMPANY**

23 Attached as a supplement to Arizona Water Company's February 26, 2007 Motion to
24 Stay Proceedings are discovery responses received yesterday from CHI Construction
25 Company. CHI Construction Company is one of the parties to the ICFA that underwrote
26 Global Water, Inc.'s acquisition of Francisco Grande Utility Company and CP Water
27 Company. Just as Global has refused to disclose underlying details of that acquisition,
28 Arizona Water Company's efforts to receive this information from CHI Construction

BRYAN CAVE LLP
TWO NORTH CENTRAL AVENUE, SUITE 2200
PHOENIX, ARIZONA 85004-4406
(602) 364-7000

57

1 Company have been thwarted as well, as is evidenced by CHI Construction's objections to
2 the data requests. As set forth in the Motion to Stay, the hearing in this proceeding should
3 be stayed and further discovery ordered into details of this and other Global transactions
4 before the CCN proceedings can go forward.

5 RESPECTFULLY SUBMITTED this 27th day of February, 2007.

6 BRYAN CAVE LLP

7
8
9 By 

10 Steven A. Hirsch, #006360
11 Rodney W. Ott, #016686
12 Two N. Central Avenue, Suite 2200
13 Phoenix, AZ 85004-4406
14 Attorneys for Arizona Water Company

15 **ORIGINAL** and 17 **COPIES** of the foregoing
16 filed this 27th day of February, 2007 with:

17 Docket Control Division
18 Arizona Corporation Commission
19 1200 W. Washington
20 Phoenix, AZ 85007

21 **COPY** of the foregoing hand-delivered
22 this 27th day of February, 2007 to:

23 Lyn A. Farmer, Esq.
24 Chief Administrative Law Judge
25 Hearing Division
26 Arizona Corporation Commission
27 1200 W. Washington
28 Phoenix, AZ 85007

Yvette B. Kinsey, Esq.
Administrative Law Judge
Hearing Division
Arizona Corporation Commission
1200 W. Washington
Phoenix, AZ 85007

1 Christopher Kempley, Esq.
2 Chief Counsel, Legal Division
3 Arizona Corporation Commission
4 1200 W. Washington
5 Phoenix, AZ 85007

6 Ernest G. Johnson
7 Director, Utilities Division
8 Arizona Corporation Commission
9 1200 W. Washington
10 Phoenix, AZ 85007

11 **COPY** of the foregoing mailed
12 this 27th day of February, 2007 to:

13 Michael W. Patten, Esq. [mailed and e-mailed]
14 Timothy J. Sabo, Esq.
15 Roshka DeWulf & Patten, PLC
16 One Arizona Center
17 400 E. Van Buren St., Suite 800
18 Phoenix, AZ 85004
19 Attorneys for Applicants
20 Santa Cruz Water Company, L.L.C.
21 and Palo Verde Utilities Company, L.L.C.

22 Ken Franks, Esq.
23 Rose Law Group, PC
24 6613 N. Scottsdale Road, Ste. 200
25 Scottsdale, AZ 85250
26 Attorneys for Bevnorm Olive, LLC and
27 Hampden & Chambers LLC

28 Kenneth H. Loman
29 Manager
30 KEJE Group, LLC
31 7854 W. Sahara
32 Las Vegas, NV 89117

33 Craig Emmerson, Manager
34 Anderson & Val Vista 6, LLC
35 8501 N. Scottsdale Road, Suite 260
36 Scottsdale, AZ 85253

1 Jeffrey W. Crockett, Esq. [mailed and e-mailed]
2 Marcie Montgomery, Esq.
3 Snell & Wilmer
4 One Arizona Center
5 400 E. Van Buren
6 Phoenix, AZ 85004-2202
7 Attorneys for CHI Construction Company
8 and CP Water Company

9 Brad Clough
10 Anderson & Barnes 580 LLP
11 Anderson & Miller 694, LLP
12 8501 N. Scottsdale Road, Suite 260
13 Scottsdale, AZ 85253

14 Phillip J. Polich
15 Gallup Financial, LLC
16 8501 N. Scottsdale, #125
17 Scottsdale, AZ 85253

18 
19 _____
20
21
22
23
24
25
26
27
28

Snell & Wilmer

LLP
LAW OFFICES

One Arizona Center
Phoenix, Arizona 85004-2202
(602) 382-6000
Fax: (602) 382-6070
www.swlaw.com

Jeffrey W. Crockett
602.382.6234
jcrockett@swlaw.com

PHOENIX, ARIZONA

TUCSON, ARIZONA

IRVINE, CALIFORNIA

SALT LAKE CITY, UTAH

DENVER, COLORADO

LAS VEGAS, NEVADA

February 26, 2007

VIA E-MAIL AND FIRST CLASS MAIL

Rodney W. Ott
Bryan Cave LLP
One Renaissance Square
Two North Central Avenue, Suite 2200
Phoenix, Arizona 85004-4406

Re: Arizona Water Company v. Global Water Resources, et al.
Docket No. W-01445A-06-0199

Dear Rodney:

Attached are CHI Construction Company's responses to Arizona Water Company's Data Requests dated February 20, 2007.

Respectfully yours,

SNELL & WILMER


Jeffrey W. Crockett

JWC:gdb
Enclosure

**ARIZONA WATER COMPANY'S DATA REQUESTS
TO CHI CONSTRUCTION COMPANY
DOCKET NO. W-01445A-06-0199
FEBRUARY 20, 2007**

- 3.1 Provide copies of any and all agreements between CHI Construction Company and Global Water, Inc. or any of its affiliates, including the agreements referenced in the Supplemental Testimony of Roger Pryor.

Response:

With respect to the agreements referenced in Mr. Pryor's Supplemental Testimony:

1) It is our understanding that the Infrastructure Coordination and Financing Agreement ("ICFA") was provided to Arizona Water Company by Global Water, Inc. ("Global") on or about February 20, 2007;

2) The sale and purchase agreement between CHI and Global contains highly confidential information such as the purchase price of the stock. CHI therefore objects to this request on such basis and further objects on the basis that the document is irrelevant and immaterial to the subject matter; and

3) CHI is not a party to the referenced document between Global and Francisco Grande Utilities Company. Arizona Water Company and should seek to obtain such document from one of those entities.

With respect to the remaining portion of the request, there are no other agreements between CHI and Global that relate to the Legends development. To the extent this request is intended to apply to other agreements unrelated to this matter, CHI objects to the request as irrelevant and immaterial to the subject matter.

Provided by: Roger Pryor

**ARIZONA WATER COMPANY'S DATA REQUESTS
TO CHI CONSTRUCTION COMPANY
DOCKET NO. W-01445A-06-0199
FEBRUARY 20, 2007**

- 3.2 Provide copies of all drafts and communications related to any agreements between CHI Construction Company and Global Water, Inc. or any of its affiliates, including the agreements referenced in the Supplemental Testimony of Roger Pryor.

Response: CHI objects to this request as irrelevant and immaterial to this docket matter, is overly broad and burdensome and seeks to secure confidential and competitively sensitive information.

Provided by: Jeffrey W. Crockett

**ARIZONA WATER COMPANY'S DATA REQUESTS
TO CHI CONSTRUCTION COMPANY
DOCKET NO. W-01445A-06-0199
FEBRUARY 20, 2007**

- 3.3 Provide copies of any and all agreements, drafts of agreements, and negotiations between CHI Construction Company and any entity or individual for the sale of all or any part of CP Water Company's stock or assets.

Response: See response to 3.2 above.

Provided by: Jeffrey W. Crockett

**ARIZONA WATER COMPANY'S DATA REQUESTS
TO CHI CONSTRUCTION COMPANY
DOCKET NO. W-01445A-06-0199
FEBRUARY 20, 2007**

3.4 Describe in detail any and all negotiations by CHI Construction Company involving the sale or proposed sale of CP Water Company.

Response: See response to 3.2 above.

Provided by: Jeffrey W. Crockett

**ARIZONA WATER COMPANY'S DATA REQUESTS
TO CHI CONSTRUCTION COMPANY
DOCKET NO. W-01445A-06-0199
FEBRUARY 20, 2007**

- 3.5 Identify and describe any and all changes in CHI Construction Company's plans for the development of the Legends master planned community since October 25, 2006.

Response: To the extent there are any changes in CHI's plans related to the development of the Legends master planned community with respect to water and wastewater service for the project, they are set forth in the Supplemental Testimony of Roger Pryor dated February 14, 2007, previously provided.

Provided by: Roger Pryor

**ARIZONA WATER COMPANY'S DATA REQUESTS
TO CHI CONSTRUCTION COMPANY
DOCKET NO. W-01445A-06-0199
FEBRUARY 20, 2007**

- 3.6 Identify and describe all negotiations between CHI Construction Company and any Global entity for the provision of water and/or sewer service to all or any portion of the Legends master planned community.

Response: CHI objects to this request as irrelevant and immaterial to the subject matter, is overly broad and burdensome and seeks to secure confidential and competitively sensitive information.

Provided by: Jeffrey W. Crockett

**ARIZONA WATER COMPANY'S DATA REQUESTS
TO CHI CONSTRUCTION COMPANY
DOCKET NO. W-01445A-06-0199
FEBRUARY 20, 2007**

- 3.7 Describe the relationship between (1) CHI Construction Company's decision to request water and/or sewer service from Santa Cruz Water Company and Palo Verde Utility Company and (2) CHI Construction Company's sale of CP Water Company to Global Water Inc.

Response: CHI objects to this request on the grounds that it is ambiguous and unintelligible. For additional information, see the Direct and Supplemental testimony of Roger Pryor.

Provided by: Jeffrey W. Crockett

**ARIZONA WATER COMPANY'S DATA REQUESTS
TO CHI CONSTRUCTION COMPANY
DOCKET NO. W-01445A-06-0199
FEBRUARY 20, 2007**

- 3.8 Describe the relationship between (1) CHI Construction Company's change in plans for the development of the Legends master planned community since October 25, 2006 and (2) CHI Construction Company's sale of CP Water Company to Global Water Inc.

Response: CHI objects to the request on the grounds that it is ambiguous and unintelligible.

Provided by: Jeffrey W. Crockett

**ARIZONA WATER COMPANY'S DATA REQUESTS
TO CHI CONSTRUCTION COMPANY
DOCKET NO. W-01445A-06-0199
FEBRUARY 20, 2007**

- 3.9 Provide an accounting of any and all monies paid by or to CHI Construction Company under any agreement with any Global entity, including any Infrastructure Coordination and Financing Agreement.

Response: See response to 3.2 above.

Provided by: Jeffrey W. Crockett

**ARIZONA WATER COMPANY'S DATA REQUESTS
TO CHI CONSTRUCTION COMPANY
DOCKET NO. W-01445A-06-0199
FEBRUARY 20, 2007**

3.10 Provide an accounting of any and all monies paid to CHI Construction Company which relate in any way to CHI Construction Company's decision to change or supplement its prior testimony submitted to the Arizona Corporation Commission.

Response: CHI objects to the request on the grounds that it is ambiguous and unintelligible. Also, see response to 3.2 above.

Provided by: Jeffrey W. Crockett