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ARIZONA CORPORATION COMMISSION

Direct Line: 602-542-3682
Fax: 602-542-3708
E-mail: MGLEASON@AZCC.GOV

done

March 26, 2007

Ron and Cathy Tisch
6809 N. Tatum Blvd.
Paradise Valley, Arizona 85253

Re: Reconsideration of Decision No. 68858
(Docket Nos. W-01303A-05-0405 and W-01303A-05-0910)

Dear Ron and Cathy Tisch:

Thank you for your letter of March 19, 2007, in which you asked the Arizona Corporation Commission to reconsider the rates that it approved for Arizona-American Water Company's Paradise Valley Water District in Decision No. 68858.

As you mentioned, the Decision authorized to the Company to collect a "High Block" surcharge, as well as the "Public Safety" surcharge, which will fund projects needed to satisfy fire flow requirements imposed by the Town of Paradise Valley.

At the July 2006 Open Meeting in which the Commission considered the Company's requested rates, I offered an amendment which would have eliminated the Public Safety surcharge, thereby preventing the Company from collecting money from its customers to fund fire flow improvements required by the Town. Unfortunately, my amendment failed because I was the only Commissioner to vote for it.

As of this time, no Commissioner has formally proposed that we commence a proceeding under A.R.S. § 40-252 to amend Decision No. 68858. If two of fellow Commissioners were to offer such a proposal, I would be willing to consider such a proceeding.

Sincerely,

Mike Gleason

Mike Gleason
Chairman

Arizona Corporation Commission
DOCKETED

MAR 26 2007

DOCKETED BY *nr*

- c: Commissioner William A. Mundell
- Commissioner Jeff Hatch-Miller
- Commissioner Kristin K. Mayes
- Commissioner Gary Pierce

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