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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

MIKE GLEASON, CHAIRMAN
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
KRISTIN K. MAYES
GARY PIERCE

IN THE MATTER OF THE JOINT APPLICATION OF WATER UTILITY OF GREATER BUCKEYE, INC. AND VALENCIA WATER COMPANY, INC. TO TRANSFER THE ASSETS, INCLUDING THE CERTIFICATES OF CONVENIENCE AND NECESSITY, OF WATER UTILITY OF GREATER BUCKEYE, INC. TO VALENCIA WATER COMPANY.

Docket No. W-01212A-06-0666
Docket No. W-02451A-06-0666

NOTICE OF FILING RESPONSES

Valencia Water Company, Inc. ("Valencia") and Water Utility of Greater Buckeye, Inc. ("Buckeye")(collectively, the "Applicants") hereby file responses to Staff's phone inquiry of April 20, 2007.

RESPECTFULLY SUBMITTED this 26th day of April 2007.

ROSHKA DEWULF & PATTEN, PLC

Arizona Corporation Commission
DOCKETED
APR 26 2007

DOCKETED BY *nr*

By *Timothy J. Sabo*
Michael W. Patten
Timothy J. Sabo
One Arizona Center
400 East Van Buren Street, Suite 800
Phoenix, Arizona 85004

Original + 15 copies of the foregoing filed this 26th day of April 2007, with:

Docket Control
ARIZONA CORPORATION COMMISSION
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Phoenix, Arizona 85007

AZ CORP COMMISSION
DOCUMENT CONTROL

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Copies of the foregoing hand-delivered/mailed
this 26th day of April 2007, to:

Lyn A. Farmer, Esq.
Chief Administrative Law Judge
Hearing Division
Arizona Corporation Commission
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Phoenix, Arizona 85007

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Director, Utilities Division
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007





April 25, 2007

Katrin Stukov
Arizona Corporation Commission
Utilities Division
200 West Washington Street
Phoenix, AZ 85007

Re: Valencia Water Company, Inc. and Water Utility of Greater Buckeye, Inc.'s Responses to Staff's Phone Inquiry of April 20, 2007, Dockets No. W-01212A-06-0666 and W-02451A-06-0666

Dear Ms. Stukov:

Thank you for identifying your concerns with our WUGB application in our recent phone conversation. We have conducted additional field research on the system and are incorporating the recently filed 2006 Water Use Data Sheets that are now available. The responses to your questions are presented below:

- 1) The field testing of the Sonoran Ridge Well confirms the data provided in previous submittals to the ACC. The field test showed the well is producing slightly over 150 gpm.
- 2) We have discussed the fire flow requirement with Scott Benbow ([623] 386-5906) of the Buckeye Valley Fire District and Bob Costello of the Town of Buckeye Fire Department. The Valencia Water Company does provide fire flow within its service area. Adequate storage exists within the system and Valencia Water Company is working with the Town of Buckeye to improve the location and number of fire hydrants in the service area.

The public water systems of the WUGB do not provide fire flow. The hydrants that exist within the WUGB are used only for flushing lines and maintenance purposes. The WUGB is within the Buckeye Valley Fire District – the District is aware of these facts and does not require the WUGB to provide fire flow.

- 3) We believe the storage at Sweetwater II is adequate based on the emergency interconnect and blending plan with the City of Goodyear. The blending plan ATC was issued on April 20, 2007 (copy attached) and the project is now being awarded for construction.

- 4) Based on the previous calculations, the Sun Valley System is at or nearing capacity. As a result, the WUGB has entered into contract negotiations with McBride Engineering Solutions to design a capacity upgrade for the system, to likely include additional storage and booster pump station upgrades. We would expect to receive an ATC by December 2007 and complete construction prior to July 2008. Growth demand up until the improvements are made in July 2008 for this system will be met by the existing system.
- 5) The Bulfer/Primrose system has adequate storage, as fire flow storage is not required. It is also in compliance with the arsenic standard.
- 6) Sonoran Ridge PWS water use data have been increased beyond normal usage due to a Maricopa County Flood Control District Dam project for which the Sonoran Ridge PWS has been supplying construction water. In discussions with operators, the dam project was pouring concrete in October of 2006 and consequently, using a large amount of water. The project is scheduled for completion within three months. At this time, water usage within the Sonoran Ridge PWS should return to normal, for which adequate storage is being provided. Excluding the construction water usage, which is only temporary, and using the peak month demand of July, the average daily usage in the peak month is 52,774 gpd. Therefore, the existing 150,000 gallon storage tank is more than adequate to provide the 52,774 gallons of storage required. The Sonoran Ridge PWS will be equipped with an arsenic treatment system currently under design by McBride Engineering Solutions; we expect construction to be complete by December 2007. The cost of the system is calculated at \$1.00 per gallon per day of capacity. In the case of the Sonoran Ridge PWS, this is 150 gpm x 24 hours x 60 minutes = \$216,000.
- 7) Valencia is bringing three new sources of supply on line in June 2007: the Blue Hills, Bales, and Sonoran Vista SW Well and Arsenic Treatment systems.

Blue Hills System – The Blue Hills System consists of two wells, an arsenic treatment system, and a blending tank. The Blue Hills North well provides 110 gpm of production with elevated nitrate levels. This water is blended with 350 gpm of water from the Blue Hills South well to achieve nitrate levels below the MCL. The Blue Hills South well requires arsenic treatment, which is being provided by a media system designed by Layne Christensen. This site is capable of producing 460 gpm of drinking water. The Blue Hills System is constructed and undergoing the validation testing required by the Approval to Construct. It is expected the system will be granted an interim Approval to Operate next week, with an Approval of Construction to follow approximately five weeks later.

Bales System – The Bales System consists of one 400 gpm well with elevated nitrates and arsenic. The nitrates are blended with distribution system water to meet water quality standards. The arsenic is being treated by a media system designed by Layne Christensen. This system is expected to begin validation testing at the end of May 2007.

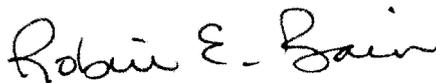
Katrin Stukov
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April 25, 2007
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Sonoran Vista SW and Arsenic Treatment System – This site includes an arsenic treatment system for approximately 5 mgd. This site is scheduled to begin validation testing the first week of June 2007. In this first phase, only the 500 gpm Sonoran Vista SW well is being treated by the arsenic treatment system; as additional wells are equipped they will be treated. Therefore, this first phase will provide an additional 500 gpm of capacity.

Please let me know if you require additional information.

Sincerely,

GLOBAL WATER RESOURCES
WATER UTILITY OF GREATER BUCKEYE
VALENCIA WATER COMPANY



Robin E. Bain, P.E., DEE
Permitting Manager

Water and Waste Management Division

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Date: April 20, 2007
Owner: Water Utility of Greater Buckeye, Sweetwater II

MCESD Project #: 2011488
System ID #: 04-07-129

**CERTIFICATE OF APPROVAL TO CONSTRUCT
WITH STIPULATIONS**

PROJECT DESCRIPTION: Sweetwater II Nitrate Blending Infrastructure. The project includes an emergency connection to an existing City of Goodyear waterline with a flow meter and reduced-pressure-principle backflow preventer. The project also includes construction of a flow control valve and meter at the site of the Sweetwater II reservoirs.

The project will allow the Owner to implement a blending plan that was approved by the Department on July 28, 2000 (Ref. MCESD #2000960). The plan involves blending 15 gpm of water from the City of Goodyear (PWS # 07-094) with the 45 gpm produced by the Sweetwater II well. The well has a nitrate level of 9.5 mg/l and the Goodyear supply is expected to have a maximum nitrate level of 7.8 mg/l.

The project has a construction value of less than \$12,500.

LOCATION: Goodyear, Maricopa County
175th Ave. south of Yuma Rd.
T1N, R2W, SEC 14

PROJECT OWNER: Water Utility of Greater Buckeye
Attn: Graham Symmonds
20410 N. 19th Ave., Suite 201
Phoenix, AZ 85027

Pursuant to Arizona Administrative Code (AAC) Title 18, Chapter 4, or Chapter 9, and Maricopa County Environmental Health Code (MCEHC) Chapters II and V, approval to construct the above-described facilities as represented in the approved plan documents on file with the Maricopa County Environmental Services Department (MCESD) is hereby given subject to the following provisions:

1. This plan is approved based on submission of an Application for Approval to Construct prepared by the Owner on 3/9/07 and a drawing of the proposed infrastructure dated 3/07.
2. All provisions of the blending plan that was approved by the Department on July 28, 2000 as Project #2000960 shall remain valid. That is:
 - a) A flow switch shall be provided to shut down the Sweetwater II system if the valve supplying water from the City of Goodyear fails to open,
 - b) Blending shall be initiated whenever the nitrate level in water from the Sweetwater II well reaches 9.5 mg/l,
 - c) When blending is being performed, the Owner shall monitor the operation of the system on a weekly basis and test to ensure that the nitrate level in the blended water remains below 9.5 mg/l.
3. Any change in the approved design that may affect capacity, quality, flow, location, or operational performance of the system shall be submitted to this Department for review, and Department approval shall be obtained prior to undertaking the work affected by the change.
4. This approval is void if major modifications occur to this system without the knowledge and consent of the Department.
5. Sewer/Water Lines separation shall meet all separation requirements set forth in AAC R18-4-502 and MCESD Chapter II, Section 2, Regulation 5.
6. An Application for Certificate of Approval of Construction shall be submitted to this Department at least 30 days prior to the date upon which Department approval is desired. The application shall contain the following:

Water Utility of greater Buckeye
Sweetwater II Nitrate Blending Infrastructure
Approval To Construct – April 20, 2007
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- a) A Certificate of Completion signed by the person responsible for assuring that installation of the system conforms to the design approved under this Certificate of Approval to Construct.
 - b) As-built drawings of the infrastructure project facilities.
7. A final construction inspection of the project may be scheduled with this Department prior to granting Approval of Construction.
 8. The blending infrastructure shall be subject to initial testing to insure that no contaminated water enters the distribution system. All start-up activities shall be performed under the control of an Arizona Department of Environmental Quality (ADEQ) certified water treatment plant operator. At no time shall water with a constituent exceeding a Maximum Contaminant Level be released to the distribution system. Testing of the facility shall proceed as follows:

The Owner shall operate the blending system for a minimum of three consecutive hours. During this time, the Owner shall take one sample per hour of: raw water from the Sweetwater II well; blending water supplied by the City of Goodyear; and blended water. These samples shall be field- and laboratory-tested for nitrate concentration. Record the flow rate from the City of Goodyear connection and from the Sweetwater II well meter.
 9. The operator shall submit the test results to the Department under a signed cover letter stating that the results are accurate to the best of his/her knowledge. Operation of this project shall not begin until a Certificate of Approval of Construction is issued by the Department.
 10. The Owner shall send the Department monthly reports whenever the blending system is used. Submit the reports to MCESD on approved forms within 10 days of the end of the month. Include in the report:
 - a) A copy of the weekly laboratory tests that have been performed during the month to monitor the blending process,
 - b) Weekly production from the well and the amount of water received from the City of Goodyear system,
 - c) Any abnormal operating condition.
 11. No connection may exist between potable water and non-potable water unless an approved backflow prevention device is installed in accordance with AAC R18-4-15.
 12. Representative(s) of MCESD shall be allowed access to the site to conduct inspections of this project during reasonable hours.

If construction has not commenced within one year of the plan approval date, or if there is a halt in construction of more than one year, or if construction is not completed within three years of the plan approval date this certificate will expire.

WATER AND WASTE MANAGEMENT DIVISION

By _____
Dale G. Bodiya, PE
Manager Water / Wastewater Treatment Program

Plan Approval Date: April 20, 2007

cc: ADEQ Drinking Water Section, 1110 West Washington Street, Phoenix, AZ 85007
Kevin Chadwick, PE, Manager, MCESD, Water and Waste Management Division
John Kolman, RS, MCESD, Manager, MCESD Drinking Water Program
Jason Bethke, PE, 4120 E. Earll Drive, Phoenix, AZ 85018-7146
MCESD File