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Transcript Exhibit(s)

2007 JUL -6 P 4: 50

AZ CORP COMMISSION
DOCKET CONTROL

Docket#(s): W-20461A-07-0158

Exhibit #: 51, 52, 53, 54, 55

Arizona Corporation Commission
DOCKETED

JUL -6 2007

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ORIGINAL

ALL-STATE LEGAL®
EXHIBIT
S-1
admitted

80

MEMORANDUM

TO: Docket Control

FROM: Ernest G. Johnson
Director
for Utilities Division

DATE: May 25, 2007

RE: STAFF REPORT FOR GOLDEN CORRIDOR WATER COMPANY'S
APPLICATION FOR AN EMERGENCY RATE INCREASE (DOCKET NO.
W-20461A-07-0158)

Attached is the Staff Report for Golden Corridor Water Company's application for an emergency rate increase. Staff recommends approval of the request for an emergency rate increase. Staff has also included additional recommendations in the attached Staff Report.

Any party to this proceeding who wishes may file comments to the Staff Report with the Commission's Docket Control by 4:00 p.m. on or before June 5, 2007.

EGJ:CRM:tdp

Originator: Charles R. Myhlhousen

Attachment: Original and thirteen
4

Arizona Corporation Commission
DOCKETED
MAY 25 2007

DOCKETED BY
nr

AZ CORP COMMISSION
DOCKET CONTROL
2007 MAY 25 A 10:38

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Service List for: GOLDEN CORRIDOR WATER COMPANY
Docket No. W-20461A-07-0158

Arizona Water Company
Post Office Box 29006
Phoenix, Arizona 85038-9006

Mr. Carl Harvey
Golden Corridor Water Company
2880 East Mopar Drive
Casa Grande, Arizona 85222

Mr. Carl Harvey
Golden Corridor Water Company
Post Office Box 486
Rushville, Indiana 46173-0486

Mr. Christopher C. Kempley
Chief Counsel, 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

**STAFF REPORT
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION**

GOLDEN CORRIDOR WATER COMPANY

DOCKET NO. W-20461A-07-0158

**APPLICATION FOR AN
EMERGENCY RATE INCREASE**

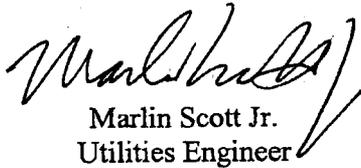
MAY 25, 2007

STAFF ACKNOWLEDGMENT

The Staff Report for Golden Corridor Water Company ("Company"), Docket No. W-20461A-07-0158, was the responsibility of the Staff members listed below. Charles R. Myhlhousen was responsible for the review and analysis of the Company's application and the recommended emergency surcharge. Marlin Scott Jr. was responsible for the engineering and technical analysis. Alfonso Amezcua was responsible for reviewing the Commission's records on the Company and reviewing customer complaints filed with the Commission.



Charles R. Myhlhousen
Public Utility Analyst III



Marlin Scott Jr.
Utilities Engineer



Alfonso Amezcua
Public Utilities Consumer Analyst II

**EXECUTIVE SUMMARY
GOLDEN CORRIDOR WATER COMPANY
DOCKET NO. W-20461A-07-0158**

Golden Corridor Water Company ("Golden" or "Company") filed an application for an emergency rate increase on March 19, 2007.

Due to excessive nitrates in its water, the Company has set up an account at Desert Water and Ice Company to provide bottled drinking water for its customers. The Company serves approximately 53 customers. The Company is allowing one gallon of bottled drinking water a day for each person, which is in compliance with the recommendation of the Arizona Department of Environmental Quality.

The Company has determined that the required emergency surcharge should be \$3.00 per 1,000 gallons of water used through the Company's distribution system to pay for the bottled drinking water. The current commodity charge is \$3.00 per 1,000 gallons. This will, in effect, double the current commodity rate. Arizona Water Company has recently been appointed the interim manager. Arizona Water Company has reviewed the proposed emergency surcharge and finds it sufficient for the purpose.

Under prior management it was unknown how long the emergency surcharge would have to continue. However, Arizona Water Company states that it is planning an interconnection with its own system within one to three months. Once the interconnection is completed, there will no longer be any need to supply bottled water or to continue the emergency surcharge.

Staff recommends approval.

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Introduction

On March 19, 2007, Golden Corridor Water Company ("Golden" or "Company") filed an application with the Arizona Corporation Commission ("Commission") for an emergency rate increase to fund the expense for bottled water for its customers.

The Company's application stated that the drinking water exceeds the allowable level of nitrates. The Company is presently providing bottled drinking water to its customers through a retail store that provides water and ice to the general public.

The Company anticipates the possibility of having to purchase bottled drinking water for its customers until money is available to connect with another water company or money is available to purchase or lease equipment to reduce the nitrate contaminant level in the drinking water.

Background

Golden is a class E utility and serves approximately 53 customers in a portion of Pinal County near Casa Grande, Arizona. The Company was granted its Certificate of Convenience and Necessity on, August 17, 1988, in Decision No. 56088.

The Company is located in an active management area as designated by the Arizona Department of Water Resources.

Rates

The current rates have been in effect since March 1, 1992. The monthly minimum rate for a ¾ inch meter customer is \$23.00 including 1,000 gallons in the monthly minimum charge. The commodity rate is \$3.00 per 1,000 gallons. This emergency rate increase would be for an additional \$3.00 per 1,000 gallons for a total of \$6.00 per 1,000 gallons during the time the surcharge is in effect. Arizona Water Company ("AWC") has become the interim manager. The surcharge would be collected and paid to AWC and not the present owners of Golden.

Based on the Company's prior test year of 1990, the typical ¾ inch meter residential customer with a median usage of 16,800 gallons per month would experience a temporary 71.6 percent or \$50.40 increase under this emergency surcharge. The typical bill would increase temporarily from \$70.40 to \$120.80.

Interim Management

AWC has recently been appointed the interim manager for the Golden system. AWC is currently waiting for the necessary permits so it can interconnect its water system to the Golden system. AWC is projecting that the interconnection will occur within one to three months. The

emergency surcharge will be necessary for AWC to collect until it interconnects with the Golden system.

Compliance

The Company is in good standing with the Corporations Division of the Commission. Staff had filed an Order to Show Cause with the Commission. A hearing has been held and Staff awaits the issuance of a Recommended Opinion and Order. The Company's water is not in compliance with ADEQ standards because of an excessive nitrate problem.

Consumer Services

There have been five opinions filed by customers of the Company against the proposed emergency rate increase charge.

Financial Viability and Ability to Maintain Service

In order to meet the water needs of its customers, the Company started purchasing bottled water in March 2007, and made it available to its customers. The proposed emergency rate doubles the current authorized commodity rate of \$3.00 per 1,000 gallons and it should only be in place for one to three months, until the interim manager interconnects with the Company's system. When the interconnection is completed the emergency surcharge increase would automatically expire.

It will allow the Company to meet its increased financial obligations of buying bottled water. This situation meets the criteria for an emergency. Therefore, Staff recommends that Golden's request for emergency relief be approved.

Staff Recommendations

Staff recommends approval of the emergency rate increase sought by the Company.

Staff further recommends that the emergency rate increase be interim.

Staff recommends that when the interconnection is completed, the emergency surcharge increase would automatically expire.

Staff further recommends that the Company be directed to file within 30 days of the Order, a revised rate schedule reflecting the emergency rate increase with Docket Control, as a compliance item in this docket number.

Staff further recommends that the Company notify its customers of the revised rates, and its effective date, in a form acceptable to Staff, by means of an insertion in the Company's next regularly-scheduled billing after the Decision in this matter is issued.

Staff further recommends that the Company file a full rate case no later than May 15, 2009, using a test year of calendar year 2008, or earlier if necessary.

Charles S-2

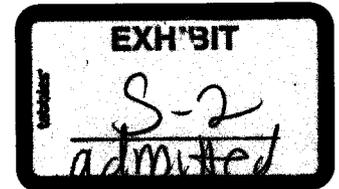
COMMISSIONERS
MIKE GLEASON - Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
KRISTIN K. MAYES
GARY PIERCE



BRIAN C. MCNEIL
Executive Director

ARIZONA CORPORATION COMMISSION

April 5, 2007



Carol Harvey
Golden Corridor Water Co.
2880 East Mopar Drive
Casa Grande, Arizona 85222

Sent via E-mail &
US Mail: carolhilltop@yahoo.com

Re: Staff's **First Set of Data Requests to Golden Corridor Water, LLC**
Docket No. W-20461A-07-0158

Dear Mr. Geake:

Please treat this as Staff's **First Set of Data Requests to Golden Corridor Water, LLC**, in the above-reference matter.

For purposes of this data request set, the words "Golden Corridor Water" or "Company," "you," and "your" refer to Golden Corridor Water, LLC, and any representative, including every person and/or entity acting with, under the control of, or on behalf of Golden Corridor Water, LLC. For each answer, please identify by name, title, and address each person providing information that forms the basis for the response provided.

These data requests are continuing, and your answers or any documents supplied in response to these data requests should be supplemented with any additional information or documents that come to your attention after you have provided your initial responses.

Please respond within **five** calendar days of your receipt of the copy of this letter. However, if you require additional time, please let us know.

Please provide one hard copy as well as searchable PDF, DOC, or EXCEL files (via email or electronic media) of the requested data directly to each of the following addressees via overnight delivery services to:

- (1) Charles Myhlhousen, Utilities Division, Arizona Corporation Commission, 1200 W. Washington Street, Phoenix, Arizona 85007.
- (2) Charles H. Hains, Attorney, Arizona Corporation Commission, 1200 W. Washington Street, Phoenix, Arizona 85007.

Sincerely,

Charles H. Hains
Attorney, Legal Division
(602) 542-3402

CHH:sab
Enclosure
cc: Charles Myhlhousen

FILE COPY

ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS TO
GOLDEN CORRIDOR WATER, LLC
DOCKET NO. W-20461A-07-0158
APRIL 5, 2007

Subject: All information responses should ONLY be provided in searchable PDF, DOC or EXCEL files via email or electronic media.

- CM 1.1 Please provide the gallons sold for the year 2006 distributed through the water company distribution lines and system by month.
- CM 1.2 Please provide the monthly gallons sold for the first three months of the year 2007 distributed through the water company distribution lines and system by month.
- CM 1.3 Please provide the number of persons that bottled water is being furnished to and the number of gallons per person per day.
- CM 1.4 Please provide the number of gallons of bottled water purchased each day for your customers for each day starting when the Company first set up an account with Desert Water and Ice to the present time. Please show each day separately.
- CM 1.5 Please provide the cost of this bottled water. This would include the cost per person per gallon. Please furnish copies of the water invoices to verify the cost of the bottled water.
- CM 1.6 Is the bottled water being delivered to the customers or are the customers picking up the water from Desert Water and Ice themselves?
- CM 1.7 Please explain the type and sizes of the bottle water containers.
- CM 1.8 Please furnish the expected date when the bottle water purchases will cease and will no longer be needed. Does this coincide with the resolution of the nitrate problem is resolved?
- CM 1.9 Please furnish the most current Arizona Department of Environmental Quality compliance report.
- CM 1.10 Please provide the number of current water company customers.
- CM 1.11 Please furnish this information to Charles R. Myhlhousen, public utility analyst at the Arizona Corporation Commission at 1200 West Washington Street, Phoenix, Arizona 85007, within 5 days from the date of this data request.

S-3

GOLDEN CORRIDOR WATER CO.

07-0158

POST OFFICE BOX 486
RUSHVILLE, INDIANA 46173-0486
PHONE 520 840-0489

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APR 12 2006

LEGAL DIV.
ARIZ. CORPORATION COMMISSION

GOLDEN CORRIDOR WATER, LLC'S RESPONSE TO
THE ARIZONA CORPORATION COMMISSION STAFF'S
FIRST SET OF DATA REQUESTS DATED 04/05/2007
DOCKET CONTROL NUMBER W-20461A-07-0158

CM1.1	JANUARY	529,791	JULY	737,289
	FEBRUARY	549,045	AUGUST	632,531
	MARCH	457,459	SEPTEMBER	507,183
	APRIL	583,386	OCTOBER	620,311
	MAY	743,664	NOVEMBER	487,533
	JUNE	732,278	DECEMBER	378,578



CM1.2	JANUARY	470,484
	FEBRUARY	446,495
	MARCH	508,876

CM1.3 AS OF APRIL, 6TH THE NUMBER OF CUSTOMERS RECEIVING THE BOTTLED WATER IS 20. THE NUMBER OF GALLONS PER DAY IS 03/17=16, 03/18=6, 03/19=25, 03/20=10, 03/21=48, 03/22=3, 03/23=23, 03/24=10, 03/25=10, 03/26=4, 03/27=46, 03/28=0, 03/29=3, 03/30=7, 04/01=37, 04/02=5, 04/03=15, 04/05=5, 04/06=8. GCWC EXPECTS MORE AND MORE CUSTOMERS TO PARTICIPATE AND TO TAKE MORE AND MORE WATER AS THE ARIZONA TEMPERATURES INCREASE.

CM1.4 SAME AS CM1.3

CM1.5 THE COSTS OF THE WATER IS ONE GALLON PRE FILLED IS \$.97 PER GALLON, AND THE COST OF A BOTTLE REFILL IS \$.25 PER GALLON. THERE ARE NO INVOICES FOR THE UTILITY AS GCWC HAD TO PREPAY IN ORDER FOR DESERT WATER & ICE TO AGREE TO SET UP THE ACCOUNT. THEY HAVE HAD A LOT OF PROBLEMS COLLECTING ON THEIR ACCOUNTS. GCWC HAS A CANCELLED CHECK IN THE AMOUNT OF \$100.00 FOR THE INITIAL PAYMENT AND THE SECOND PAYMENT OF \$100.00 WAS IN CASH AND DESERT WATER & ICE ISSUED A RECEIPT.

CM1.6 THE CUSTOMERS ARE PICKING UP THE BOTTLED WATER.

ACC 1ST DATA REQUEST

CM1.7 THE CONTAINERS ARE BEING FURNISHED BY THE CUSTOMERS, SO GCWC HAS NO DIRECT KNOWLEDGE OF THE SIZE AND TYPE OF THESE CONTAINERS. SOME CUSTOMERS ARE TAKING THE PRE-FILLED GALLON BOTTLES.

CM1.8 THE EXPECTED DATE WHEN THE BOTTLED WATER PURCHASES WILL CEASE IS UNKNOWN AS IT WILL CONTINUE UNTIL THE MONEY IS AVAILABLE TO CONNECT WITH ANOTHER WATER COMPANY OR THE MONEY IS AVAILABLE TO PURCHASE OR LEASE EQUIPMENT TO REDUCE THE NITRATE CONTAMINANT LEVEL.

CM1.9 ATTACHED IS THE MOST RECENT COMPLIANCE REPORT FROM ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY.

CM1.10 AS OF THE MONTH OF MARCH, THE CURRENT NUMBER OF CUSTOMERS IS 55.

S-4 Charles

GOLDEN CORRIDOR WATER CO.

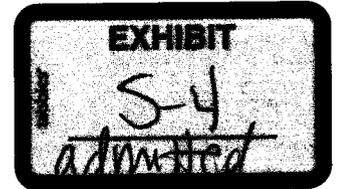
POST OFFICE BOX 486
RUSHVILLE, INDIANA 46173-0486
PHONE 520 840-0489

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APR 23 2007

LEGAL DIV.
ARIZ. CORPORATION COMMISSION

GOLDEN CORRIDOR WATER, LLC'S RESPONSE TO
THE ARIZONA CORPORATION COMMISSION STAFF'S
SECOND SET OF DATA REQUESTS DATED 04/18/2007
DOCKET CONTROL NUMBER W-20461A-07-0158



CM2.1 GCWC ACTUALLY HAS NO EXPLANATION OR INFORMATION AS TO WHAT THE OTHER 35 CUSTOMERS ARE DOING TO OBTAIN POTABLE WATER. GCWC HAS SEVERED MOST OF IT'S COMMUNICATION WITH THE CUSTOMERS DUE TO THEIR POOR ATTITUDES, LYING AND EXAGGERATION OF THE FACTS. GCWC WILL GLADLY FURNISH YOUR OFFICE WITH TELEPHONE NUMBERS OF THE 35 CUSTOMERS AND YOU MAY CONTACT THEM TO HEAR WHY THEY ARE NOT TAKING THE FREE POTABLE WATER THAT IS AVAILABLE TO THEM.

CM2.2 THE TIME TABLE TO PROVIDE POTABLE WATER TO THESE OTHER 35 WATER CUSTOMERS IS THE SAME AS THE 20 CUSTOMERS THAT ARE ALREADY TAKING THE FREE WATER. GCWC CANNOT FORCE THE CUSTOMERS TO TAKE THE FREE WATER, BUT CAN ONLY MAKE IT AVAILABLE.

CM2.3 TODAY, IN AN EFFORT TO ANSWER THIS QUESTION, I WAS ABLE TO MAKE TELEPHONE CONTACT WITH A COUPLE OF OUR BETTER CUSTOMERS THAT HAVE NOT BEEN TAKING THE FREE WATER. ONE CUSTOMER ADVISED THAT WHEN SHE GOT HER NOTICE OF THE FREE WATER, SHE ALREADY HAD A PURCHASED SUPPLY, AND WHEN SHE DEPLETES THAT SUPPLY SHE WILL BEGIN TAKING THE FREE WATER. THE OTHER CUSTOMER ADVISED THAT THEY HAD JUST BEEN TOO BUSY AND ARE BUYING THEIR SUPPLY FROM WAL MART, BUT THEY ARE PLANNING TO START TAKING THE FREE WATER.

CM2.4 GCWC CALCULATES THAT OF THE 53 FAMILIES THAT ARE BEING SERVICED, THERE IS AN AVERAGE OF 4 PERSONS PER FAMILY. ACCORDING TO JOHN CAULKINS AT ADEQ, ONE PERSON IS ALLOWED ONE GALLON PER DAY. BY THAT THEORY, THAT CALCULATES TO 212 GALLONS PER DAY, OR 6,360 GALLONS PER MONTH. THAT CALCULATES TO \$1,590.00 PER MONTH IF ALL CUSTOMERS TAKE ONLY 1 GALLON PER DAY OF THE REFILL BOTTLES. IF THEY TAKE THE PRE-FILLED BOTTLES, THAT CALCULATES TO \$6,169.20, AS THE PRE-FILLED BOTTLES ARE \$.97 EACH, INCLUDING SALES TAX. SOME OF OUR CUSTOMERS ARE TAKING MORE THAN ONE GALLON PER DAY. (CONTINUED)

FILE COPY

THE AVERAGE USAGE FOR ALL 53 CUSTOMERS IS 12,000 GALLONS PER MONTH. IF YOU TAKE THIS AVERAGE X THE REQUESTED EMERGENCY SURCHARGE IT EQUALS (12,000X.003=\$36.00 PER MONTH) THE SURCHARGE ON A MONTHLY BASIS PER CUSTOMER. THE \$36.00 X 53 CUSTOMERS EQUALS \$1,908.00. THE TOTAL COST PER MONTH FOR ONLY ONE GALLON PER CUSTOMER IS \$1,590.00. IF IN THE SUMMER MONTHS CUSTOMERS TAKE TWO GALLONS PER DAY IT EQUALS \$3,180.00. WE MUST PREPARE FOR A HIGH PERCENTAGE OF OUR CUSTOMERS TAKING AT LEAST TWO GALLONS PER DAY IN THE HOT SUMMER MONTHS. GCWC FEELS THAT THIS RATE (\$3.00 PER 1,000) MAY NOT COVER THE ENTIRE COST OF THE BOTTLED WATER, BUT WILL DEFINITELY COVER THE MAJOR PORTION OF IT AND STILL BE REASONABLE FOR THE CUSTOMERS.

AS AN ALTERNATE SOURCE, TO HAVE 7,000 GALLONS PER DAY OF HAULED WATER FOR BLENDING, TO REDUCE THE NITRATE LEVEL BELOW THE MCL OF 10, IS CALCULATED AS FOLLOWS. THE CLOSEST CERTIFIED HAULER THAT GCWC WAS ABLE TO LOCATE WAS IN APACHE JUNCTION. TIM QUOTED GCWC \$.15 PER GALLON WHICH CALCULATES TO \$1,050.00 PER DAY, PLUS \$75.00 PER DAY FOR TRUCK AND DRIVER. THIS CALCULATES TO A TOTAL COST OF \$2,250.00 PER MONTH FOR THE TRUCK AND DRIVER, AND \$31,500.00 FOR THE WATER. THIS EQUALS A TOTAL MONTHLY COST OF \$33,750.00.

CM2.5 THIS INFORMATION IS DIFFICULT TO OBTAIN AS DESERT WATER & ICE IS MERELY SUBTRACTING THE COST OF EACH CUSTOMER'S PURCHASE FROM THE PREPAID BALANCE. IT LOOKS AS IF THERE WERE ONLY 5 CUSTOMERS TO TAKE THE PREFILLED BOTTLES OUT OF THE ORIGINAL 20 CUSTOMERS REPORTED AS OF APRIL 6TH. GCWC HAS NOW PUT A LIMITATION OF CUSTOMERS BEING ABLE TO PURCHASE REFILLS ONLY. HOWEVER, DESERT WATER & ICE STAFF CLAIM THEY DO NOT HAVE THE TIME TO DEAL WITH ANY CUSTOMERS THAT WANT TO PURCHASE THE PRE-FILLED BOTTLES.

CM2.6 SINCE THIS IS A REASONABLY NEW PROGRAM, BASED ON PAST PURCHASES, GCWC BELIEVES THAT AT LEAST 80-90% OF IT'S CUSTOMER BASE WILL TAKE ADVANTAGE OF THE FREE WATER. AT 90%, THIS MEANS THAT APPROXIMATELY 48 CUSTOMERS (WITH AN AVERAGE OF 4 MEMBERS) WILL TAKE ADVANTAGE OF THE FREE WATER. IF THEY TAKE NO MORE THAN TWO REFILL GALLONS PER DAY, IT MEANS THAT THE ESTIMATED MONTHLY COSTS OF THE BOTTLED WATER WILL BE \$2,880.00. (48 FAMILIES X 4 MEMBERS IN THE FAMILY=192 PERSONS X 2 GALLONS PER DAY = 384 GALLONS PER DAY X 30 DAYS A MONTH = 11,520 GALLONS @ \$.25 = \$2,880.00). GCWC BELIEVES THAT THE ESTIMATED MONTHLY COSTS OF THE BOTTLED WATER WILL RANGE BETWEEN \$2,800.00 AND \$3,000.00.

COMMISSIONERS
MIKE GLEASON - Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
KRISTIN K. MAYES
GARY PIERCE



BRIAN C. MCNEIL
Executive Director

ARIZONA CORPORATION COMMISSION

April 18, 2007

Carol Harvey
Golden Corridor Water Co.
2880 East Mopar Drive
Casa Grande, Arizona 85222

*Sent via E-mail &
US Mail: carolhilltop@yahoo.com*

Re: Staff's **Second** Set of Data Requests to Golden Corridor Water, LLC
Docket No. W-20461A-07-0158

Dear Ms. Harvey:

Please treat this as Staff's **Second** Set of Data Requests to Golden Corridor Water, LLC, in the above-reference matter.

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These data requests are continuing, and your answers or any documents supplied in response to these data requests should be supplemented with any additional information or documents that come to your attention after you have provided your initial responses.

Please respond within **five** calendar days of your receipt of the copy of this letter. However, if you require additional time, please let us know.

Please provide one hard copy as well as searchable PDF, DOC, or EXCEL files (via email or electronic media) of the requested data directly to each of the following addressees via overnight delivery services to:

- (1) Charles Myhlhousen, Utilities Division, Arizona Corporation Commission, 1200 W. Washington Street, Phoenix, Arizona 85007.
- (2) Charles H. Hains, Attorney, Arizona Corporation Commission, 1200 W. Washington Street, Phoenix, Arizona 85007.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles H. Hains".

Charles H. Hains
Attorney, Legal Division
(602) 542-3402

CHH:sab
Enclosure
cc: Charles Myhlhousen

FILE COPY

ARIZONA CORPORATION COMMISSION STAFF'S
SECOND SET OF DATA REQUESTS TO
GOLDEN CORRIDOR WATER, LLC
DOCKET NO. W-20461A-07-0158
APRIL 18, 2007

Subject: All information responses should ONLY be provided in searchable PDF, DOC or EXCEL files via email or electronic media.

- CM 2.1 Please explain and give information as to what are the water company other 35 customers doing to get or be provided safe potable drinking water.
- CM 2.2 What is the time table to provide potable water to these other 35 water company customers.
- CM 2.3 Please explain why these customers are not presently getting safe potable drinking water.
- CM 2.4 Please provide information as to how the requested emergency rate surcharge amount was arrived at and determined. Please furnish the necessary calculations.
- CM 2.5 Please give a breakdown as to the number of customers that are buying pre-filled gallons of water and the number of customers that are buying water in refill containers.
- CM 2.6 Based on past, current and future water purchases what is the estimated bottled water cost per month? How was this cost determined?

S-5

Arizona Department of Environmental Quality
Drinking Water Monitoring and Protection Unit
1110 W. Washington Street, 5415B-1
Phoenix, AZ 85007

Drinking Water Compliance Status Report

Public Water System Name: Golden Corridor WC, Inc.

Public Water System ID #: 11-107

Public Water System Type: Community Non-transient Non-community Transient Non-community

Overall Compliance Status: No Major Deficiencies Major Deficiencies

Monitoring and Reporting Status: No Major Deficiencies Major Deficiencies

Comments:

The ADEQ data base shows that this system is exceeding the MCL for nitrate at EPDS #002; this system has not installed the best available technology in accordance with R18-4-220 to achieve compliance with the MCL. The ADEQ data base shows that this water system was issued a notice of violation for the nitrate MCL and inadequate storage on 5-15-06.

The ADEQ data base does not show that public notice has been done for the nitrate MCL, while this does not constitute a major deficiency according to ADEQ policy and procedures; this is a violation of the Arizona Administrative Code, Title 18, Chapter 4.

Operation and Maintenance Status: No Major Deficiencies Major Deficiencies

Comments:

Major unresolved/ongoing operation and maintenance deficiencies:

- unable to maintain 20psi
- inadequate storage
- cross connection/backflow problems
- surface water treatment rule
- treatment deficiencies
- approval of construction
- certified operator
- other

Date of last inspection / sanitary survey: 5-15-06

Administrative Orders:

Is an ADEQ administrative order in effect? Yes No

Comments:



System information:

Number of Entry Points to the Distribution System 1 Number of Sources 1

Population Served 137 Service Connections 66 Initial Monitoring Year 1994

Evaluation completed by: Jim Puckett

Phone: 602-771-4649 Date: 1-23-07

Based upon data submitted by the water system, ADEQ has determined that this system is currently delivering water that does not meet water quality standards required by Arizona Administrative Code, Title 18, Chapter 4. This compliance status report does not guarantee the water quality for this system in the future. This compliance status report does not reflect the status of any other water system owned by this utility company.