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BEFORE THE ARIZONA CORPORATION C

COMMISSIONERS

Arizona Corporation Commission

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

DOCKETED BY

AZ CORP COMMISSION  
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF  
DIAMOND VALLEY WATER USERS  
CORPORATION FOR APPROVAL OF A  
REQUEST OF THE DIAMOND VALLEY WATER  
DISTRICT TO OBTAIN THE ASSETS OF THE  
DIAMOND VALLEY WATER USERS  
CORPORATION.

DOCKET NO. W-03263A-07-0244

**RESPONSE TO REQUEST FOR  
ADDITIONAL HEARINGS  
AND  
NOTICE OF FILING  
STAFF'S RESPONSES TO KEVIN  
GREIF'S SECOND DATA REQUEST**

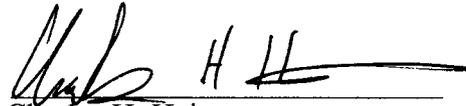
On December 24, 2007, Intervenor Kevin Greif filed a "Second Data Request" in this docket. The data request is in part directed at Utilities Division Staff ("Staff") of the Arizona Corporation Commission ("Commission"). Staff's responses are included as an attachment to this response and Staff hereby provides notice of filing of the data responses. Additionally, Mr. Greif has requested that another hearing be scheduled "after the staff report has been completed but prior to the recommended order of the Administrative Law Judge Mr. Dwight Nodes."

Staff objects to the scheduling of further days of hearings. As can be seen from the dating of the document, it was written before the December 19, 2007 date that the Staff Report and Memorandum were filed. Among the questions asked in the Second Data Request are a number that are answered by the material covered by the Staff Report and Memorandum. The remaining questions are answered by the attached data response. Therefore, there is no need for additional hearing to supplement the information available to appropriately evaluate the application.

Further, the Diamond Valley Water District ("District") has an interest in the timely transfer of the Diamond Valley Water Users Corporation ("DVWUC") assets. As has been testified to by the District's representatives, the District has an interest in the certainty provided by undertaking utility operations for themselves rather than relying on interim management of DVWUC to meet their water

1 utility needs. Additional hearings could further frustrate the District's stated desire for control over  
2 the provision of their water service by infusing greater uncertainty as to when the District will finally  
3 be able to move forward. For these reasons, scheduling further hearing will not supplement the  
4 information available to evaluate the application and will instead frustrate the stated interests of  
5 parties and therefore Staff objects.

6 RESPECTFULLY SUBMITTED this 7<sup>th</sup> day of January, 2008.

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8 

9 Charles H. Hains  
10 Attorney, Legal Division  
11 Arizona Corporation Commission  
12 1200 West Washington Street  
13 Phoenix, Arizona 85007  
14 (602) 542-3402

12 The original and thirteen (13) copies  
13 of the foregoing were filed this  
14 7<sup>th</sup> day of January, 2008 with:

14 Docket Control  
15 Arizona Corporation Commission  
16 1200 West Washington Street  
17 Phoenix, Arizona 85007

17 Copy of the foregoing mailed this  
18 7<sup>th</sup> day of January, 2008 to:

18 Diamond Valley Water District  
19 1848 Emerald Drive  
20 Prescott, Arizona 86301

21 Don Bohler  
22 Diamond Valley Water Users Corporation  
23 P.O. Box 13070  
24 Prescott, Arizona 86304-3070

23 Kevin Greif  
24 1140 N. Opal Drive  
25 Prescott, AZ 86303

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27   
28

**ARIZONA CORPORATION COMMISSION STAFF'S  
RESPONSE TO KEVIN GREIF'S SECOND DATA REQUEST  
DOCKET NO. W-03263A-07-0244  
JANUARY 4, 2008**

1. Notice of the hearing was published in the Prescott Courier on October 27<sup>th</sup>, 2007 and included in each customer's bill on October 15, 2007. Attached is a copy of the proof of publication and avowal of the Company that the notification was mailed.
2. You have provided Staff with the parcel numbers of customers being served outside Diamond Valley Water Users Corporation's ("Diamond Valley") service territory. Staff is not aware of any other parcels being served outside Diamond Valley's service territory.
3. Regarding the map referred to in the letter to you from ADWR attached to the hearing transcripts, Staff has no knowledge of the submission of such map.
4. Staff has provided all information in its possession regarding water main extensions.
5. Staff has provided all information in its possession regarding new services.
6. Staff has provided all information in its possession regarding contributions.
7. Please see the Staff Report filed July 1, 2007 in Docket No. W-03263A-05-0330 which contains the SIS audit results.

**8 and 9.**

The amount of sales tax liability and property tax liability that will be transferred to Diamond Valley Water District ("District") will not be known until immediately before the transfer, for which there is currently no estimated date.

**10, 11, 12, and 13.**

The Staff Memorandum and Staff Report filed in the docket on December 19, 2007 discuss the assets and liabilities of Diamond Valley other than those already indicated in the 2006 audited financial statements.

**14 and 15.**

Staff will request that Mr. Bohler provide the District with relevant records which are in his possession at the appropriate time.

**RESPONDENT: Linda Jaress**