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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

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Arizona Corporation Commission

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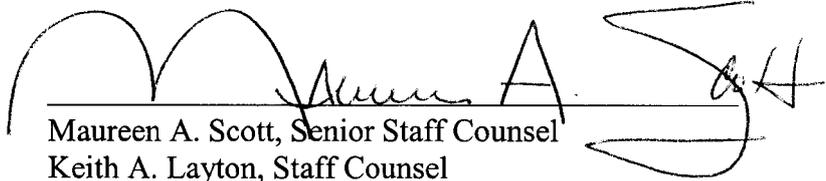
IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS SUN CITY WASTEWATER AND SUN CITY WEST WASTEWATER DISTRICT.

DOCKET NO. WS-01303A-06-0491

**STAFF'S NOTICE OF ERRATA**

On July 17, 2007, Commission Staff filed a Request for a Procedural Conference to discuss additional notice to certain customer classes in this docket. In the first paragraph, line 6 of the Customer Notice, the phrase in parenthesis read "(in some cases more than 200%)." It should read "(in some cases more than 200 times)." The corrected Customer Notice is attached.

RESPECTFULLY SUBMITTED this 18<sup>th</sup> day of July, 2007.



Maureen A. Scott, Senior Staff Counsel  
Keith A. Layton, Staff Counsel  
Legal Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Original and thirteen (13) copies of the foregoing filed this 18<sup>th</sup> day of July, 2007 with:

Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

1 Copies of the foregoing e-mailed/mailed  
2 this 18<sup>th</sup> day of July, 2007.

3 Paul Li  
4 Arizona-American Water Company  
5 19820 North 7<sup>th</sup> Street, Suite 201  
6 Phoenix, Arizona 85024

7 Craig A. Marks  
8 Craig A. Marks, P.L.C.  
9 3420 East Shea Boulevard  
10 Suite 200  
11 Phoenix, Arizona 85028

12 Scott S. Wakefield, Chief Counsel  
13 Residential Utility Consumer Office  
14 1110 West Washington Street  
15 Suite 220  
16 Phoenix, Arizona 85007

17 Philip Jansen  
18 14115 West Gunsight Drive  
19 Sun City West, Arizona 85375

20 Tracy Spoon  
21 Sun City Taxpayers Association  
22 12630 North 103<sup>rd</sup> Avenue, Suite 144  
23 Sun City, Arizona 85351

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*Tracy Spoon*

**PUBLIC NOTICE OF HEARING ON THE APPLICATION OF  
ARIZONA-AMERICAN WATER FOR INCREASES IN ITS RATES  
AND CHARGES FOR UTILITY SERVICE BY ITS SUN CITY  
WASTEWATER AND SUN CITY WEST WASTEWATER DISTRICTS  
DOCKET NO. WS-01303A-06-0491**

On July 28, 2006, Arizona-American Water Company ("Company") filed a rate increase application with the Arizona Corporation Commission ("Commission") in Docket No. WS-01303A-06-0491. On July 9, 2007, the Company revised downward its rate increase requests to \$1,279,159 or 28.54% percent for Sun City. However, under some of the rate design proposals of the parties in this case, some customers could experience increases in their bills for wastewater service (in some cases more than 200 times) which would far exceed the average increase in revenue requested by the Company. For instance, under certain proposals that utilize a new volumetric rate design that attempts to more closely match usage and its related treatment cost with wastewater rates, certain customer classes would experience larger rate increases than other customer classes, whose usage is not as great.

This letter is to inform you that you have been identified as one of the customers that may experience a wastewater bill increase significantly higher than the overall average percentage increase. Based upon your billing records, we have attempted to identify below an estimate of the average dollar and percentage impact of the rate proposal with the highest potential increase over your current rates:

<b><u>Customer Class</u></b>	<b><u>Current Rate</u></b>	<b><u>Highest Proposed Rate Increase</u></b>
Residential 1" Single Unit	\$ 10.98	\$ 34.07 or 210.29%

If you would like the Company to calculate the impact of the various rate design proposals on your account(s), please contact Todd Walker, Community Relations Manager at 623.815.3112 or [Todd.Walker@amwater.com](mailto:Todd.Walker@amwater.com).

The Commission has not adopted any of the proposals to-date. An Administrative Law Judge ("ALJ") at the Commission will hold a hearing on this matter beginning August 23, 2007, at 10:00 a.m., at the Commission's offices, 1200 West Washington, Phoenix, Arizona. Public comments will be taken on the first day of the hearing to provide customers an opportunity to express an opinion regarding the rate filing.

Alternatively, the law provides for, under appropriate circumstances, interested parties to intervene. Intervention shall be permitted to any person entitled by law to intervene and having a direct and substantial interest in the matter. If you desire to intervene, you must file a written motion to intervene with the Commission no later than **August 23, 2007**. Your motion to intervene must contain the following:

1. Your name, address, and telephone number and the name, address and telephone number of any other party upon whom service of documents is to be made if not yourself.
2. A short statement of your interest in the proceeding (e.g., a customer).
3. A statement certifying that you have mailed a copy of the motion to intervene to the Company or its counsel and to all parties of record in the case.

The granting of intervention, among other things, entitles a party to present sworn evidence at the hearing and to cross-examine other witnesses. When the hearing concludes and the record closes, the ALJ will prepare a recommended opinion and order for the Commission to consider at one of its upcoming open meetings. Even if you are not an intervenor in this case, you may come to the Commission open meeting and offer public comment as well.

If you have any questions or cannot attend the August 23, 2007, hearing but wish to file written public comments, you may contact the Commission's Consumer Services at 1200 West Washington Street, Phoenix, Arizona 85007, or call 1-800-222-7000. Copies of all documents are available via the Commission's website ([www.azcc.gov](http://www.azcc.gov)) using the e-docket function and referencing Docket No. WS-01303A-06-0491.