



0000075597

BEFORE THE ARIZONA CORPORATION COMMISSION

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

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

Arizona Corporation Commission

DOCKETED

JUL 30 2007

DOCKETED BY	ne
-------------	----

IN THE MATTER OF THE APPLICATION  
OF NACO WATER COMPANY, LLC FOR  
A RATE INCREASE

DOCKET NO. W-02860A-06-0002

IN THE MATTER OF THE APPLICATION  
OF NACO WATER COMPANY, LLC FOR  
APPROVAL OF FINANCING

DOCKET NO. W-02860A-05-0727

DECISION NO. 69738

ORDER

Open Meeting  
July 24 and 25, 2007  
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. In Decision No. 69393, dated March 22, 2007, the Arizona Corporation Commission ("Commission") authorized Naco Water Company, LLC ("Naco") to enter into a loan agreement with Water Infrastructure Finance Authority ("WIFA"). The Decision limited the term of the loan to 20 years.

2. The Utilities Division Staff ("Staff") of the Commission has recently been informed by WIFA that it would like to designate Naco as a Disadvantaged Community (based on WIFA Policy No. 1.012) as part of WIFA's loan approval to Naco. This designation would allow WIFA to extend the term of the loan from 20 to 30 years and also allow WIFA to lower the interest rate of the loan, thereby resulting in lower debt payments.

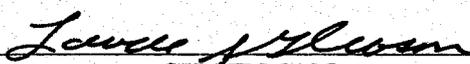
...

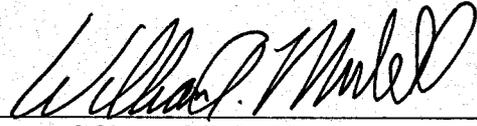


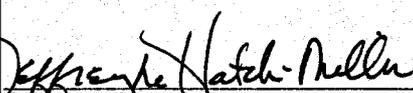
1 IT IS FURTHER ORDERED that Naco Water Company, LLC is authorized to borrow up  
2 to \$1,160,000 from the Water Infrastructure Finance Authority ("WIFA") for a term of up to 30  
3 years at the interest rate approved by WIFA.

4 IT IS FURTHER ORDERED that this Decision shall be effective immediately.

5  
6 **BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**

7   
8 CHAIRMAN

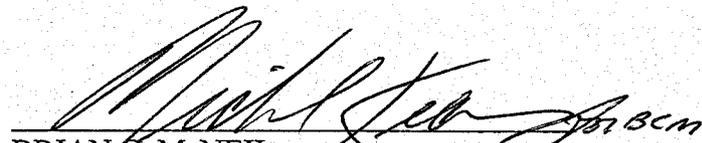
  
9 COMMISSIONER

10   
11 COMMISSIONER

  
12 COMMISSIONER

  
13 COMMISSIONER

14 IN WITNESS WHEREOF, I BRIAN C. McNEIL, Executive  
15 Director of the Arizona Corporation Commission, have  
16 hereunto, set my hand and caused the official seal of this  
17 Commission to be affixed at the Capitol, in the City of  
18 Phoenix, this 30th day of JULY, 2007.

  
19 BRIAN C. McNEIL  
20 Executive Director

21 DISSENT: \_\_\_\_\_

22 DISSENT: \_\_\_\_\_

23 EGJ:SMO:lh\RM  
24  
25  
26  
27  
28

1 SERVICE LIST FOR: Naco Water Company, LLC  
2 DOCKET NOS. W-02860A-06-0002 and W-02860A-05-0727

3 Ms. Bonnie L. O'Connor  
4 Naco Water Company, LLC  
5 Post Office Box 85160  
6 Tucson, Arizona 85754

7 Mr. Ernest G. Johnson  
8 Director, Utilities Division  
9 Arizona Corporation Commission  
10 1200 West Washington  
11 Phoenix, Arizona 85007

12 Mr. Christopher C. Kempley  
13 Chief Counsel  
14 Arizona Corporation Commission  
15 1200 West Washington  
16 Phoenix, Arizona 85007

17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28