

ORIGINAL

THIS AMENDMENT:

____ Passed _____ Passed as amended by _____

____ Failed _____ Not Offered



60H

HEARING DIVISION IMPOSED AMENDMENT # 2

TIME/DATE PREPARED September 17, 2007

COMPANY: Arizona-American Water Company

AGENDA ITEM NO. U-8

DOCKET NO.: W-01303A-05-0718

OPEN MEETING:DATE: September 18 and 19, 2007

Page 6, Line 15 1/2: INSERT:

“The Company also requests that, in order to avoid depressing the Company’s earnings and increasing its revenue requirement, the Company be allowed to defer post in-service depreciation expense in excess of the associated amortization of contributions. Additionally, the Company requests that it be allowed to propose, in its next rate case filing for the Agua Fria Water District, specific accounting entries to meet this objective.”

Page 24, Line 16, INSERT:

“The Company also requests that, in order to avoid depressing the Company’s earnings and increasing its revenue requirement, the Company be allowed to defer post in-service depreciation expense in excess of the associated amortization of contributions. Additionally, the Company requests that it be allowed to propose, in its next rate case filing for the Agua Fria Water District, specific accounting entries to meet this objective.”

Page 28, Line 21, INSERT:

“IT IS FURTHER ORDERED that Arizona-American Water Company’s request for authority to defer post-in-service depreciation expense in excess of the associated amortization of contributions approved in the previous Ordering Paragraph, and to propose, as part of its 2008 Agua Fria Water District rate case filing, specific accounting entries to meet this objective, shall be, and is hereby, approved.”

Arizona Corporation Commission

DOCKETED

SEP 17 2007

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2007 SEP 17 P 4: 42
AZ CORP COMMISSION
DOCKET CONTROL