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ARIZONA CORPORATION COMMISSION

September 24, 2007

Arizona Corporation Commission

DOCKETED

SEP 24 2007

DOCKETED BY	me
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Mrs. Sonn S. Rowell
Authorized Representative
Empirita Water Company, LLC.
2090 N. Kolb Rd, Ste 120
Tucson, AZ 85715

RE: EMPIRITA WATER COMPANY, L.L.C. – APPLICATION FOR A RATE INCREASE, DOCKET NO. W-03948A-07-0495

LETTER OF DEFICIENCY

Dear Mrs. Rowell:

In reference to your rate application received on August 24, 2007, this letter (per section R14-2-103.B.7 of the Arizona Administrative Code) is to inform you that your application has not met the sufficiency requirements as outlined in Arizona Administrative Code R14-2-103.

Staff has found several deficiencies with your application, which are listed on a separate attachment. The 30-day sufficiency determination period will begin anew when the company corrects the deficiencies and Docket Control receives an original and fifteen copies of the corrected pages.

You have 15 calendar days, or until October 9, 2007, to correct the deficiencies or make other arrangements with Staff to remedy your rate application. If the corrections or other arrangements are not made by the above date, Staff will request your docket number be administratively closed. Docket Control will retain one copy of the original application for Commission records. You may file an original and sixteen copies of an updated application at a later date.

The Staff person assigned to your application is Darak R. Eaddy. He can be reached at (602) 542-0855, or toll free at (800) 222-7000, if you have any questions or concerns.

Sincerely,

Elijah Abinah
Assistant Director / Acting Chief Accountant
Financial & Regulatory Analysis Section
Utilities Division

CC: Docket Control Center (fifteen copies)
Lyn Farmer, Hearing Division
Delbert Smith, Engineering
Consumer Services
Legal Division

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AZ CORP COMMISSION
DOCKET CONTROL

Empirita Water Company, L.L.C.
Rate Application
Docket No. W-03948A-07-0495
Test Year Ended December 31, 2006
List of Deficiencies

The specific items that have caused a finding of deficiency are as follows:

1. Please provide the Arizona Department of Environmental Quality (“ADEQ”) compliance status report. There was a note in the rate application submitted by the Company that it was faxed August 22, 2007, however if the Company has received this report it has not be added to the docket as of this date.
2. Please provide the Arizona Department of Revenue (“ADOR”) certificate of compliance letter of good standing. There was a note in the rate application submitted by the Company that it was mailed August 23, 2007, however if the Company has received this letter it has not be added to the docket as of this date.
3. The submitted invoices for Water Testing (Acct.635) are for Coliform tests only. Since the Empirita water system did not participate in the Monitoring Assistance Program during the test year, please use the Table below to provide a breakdown for the required water testing including number of tests (per year) and costs (per each test).

Monitoring	Cost per test	No. of tests	Annual Cost
Total coliform – monthly	\$20	12	\$240
Inorganics – Priority Pollutants			
Radiochemical			
Gross Alpha			
Radium 226 (if required)			
Radium 228 (if required)			
Phase II and V:			
Nitrate			
Nitrite			
Asbestos			
Inorganics – Ba, CN, F			
VOC’s			
Pesticides/PCB’s/Unreg./SOC’s:			
Lead & Copper			
Total			

4. Provide matching invoices related to water tests referenced above.

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5. With reference to the submitted invoices for wells (Acct. 307), it seems that some of these invoices are not related to two wells listed in the Plant Description on page 16 of Application. Please indicate correct well's ADWR Number on each invoice.