



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

BEFORE THE ARIZONA CORPORATION
EXCEPTION

RECEIVED

COMMISSIONERS

2008 APR -2 P 4:39

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

AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF
BACA FLOAT WATER COMPANY FOR AN
EXTENSION OF ITS EXISTING CERTIFICATE
OF CONVENIENCE AND NECESSITY FOR
SEWER SERVICE

DOCKET NO. WS-01678A-07-0459

**EXCEPTIONS TO RECOMMENDED
OPINION AND ORDER**

On March 24, 2008, Administrative Law Judge Belinda Martin issued a Recommended Opinion and Order ("ROO") recommending approval of Baca Float Water Company's ("Company") application to extend its certificate of convenience and necessity for sewer service.

The Company requests the following Exceptions to the ROO:

- Page 2, lines 21 and 22, the reference "BFWC currently provides wastewater utility service to approximately 350 customers and water service to approximately 271 customers" should be changed to "BFWC currently provides water and wastewater service to approximately 300 customers." See Hearing Transcript at 8:18-22, attached as Exhibit A.

- Page 2, line 24, the references to "BWFC" should be changed to "BFWC."

RESPECTFULLY SUBMITTED this 2nd day of April, 2008.

SNELL & WILMER L.L.P.

Arizona Corporation Commission

DOCKETED

APR 02 2008

DOCKETED BY NR

By Marcie Shuman
Jeffrey W. Crockett
Marcie A. Shuman
One Arizona Center
400 E. Van Buren
Phoenix, AZ 85004-2202
Attorneys for Baca Float Water Company

Snell & Wilmer

L.L.P.
LAW OFFICES
One Arizona Center, 400 E. Van Buren
Phoenix, Arizona 85004-2202
(602) 382-6000

Snell & Wilmer

LLP
LAW OFFICES
One Arizona Center, 400 E. Van Buren
Phoenix, Arizona 85004-2202
(602) 382-6000

- 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

ORIGINAL and thirteen (13) copies filed
this 2nd day of April 2008, with

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

Gina Ball

EXHIBIT A

ORIGINAL



| | |
|---|--------------------------------------|
| THIS AMENDMENT: | |
| <input type="checkbox"/> Passed | Passed as amended by <u>RECEIVED</u> |
| <input type="checkbox"/> Failed | Not Offered |
| 2008 APR -1 P 4:40 Withdrawn | |

6008

AZ CORP COMMISSION
DOCKET CONTROL

GLEASON PROPOSED AMENDMENT #1

DATE PREPARED: April 1, 2008

COMPANIES: Valley Telephone Cooperative Inc.
 Copper Valley Telephone, Inc.
 Valley Connections, LLC
 Valley Telecommunications Company, Inc.

DOCKET Nos. T-01847A-07-0392
 T-02727A-07-0392
 T-04169A-07-0392
 T-02739A-07-0392

OPEN MEETING DATES: April 8 and 9, 2008

AGENDA ITEM: U-16

Page 7, at line 28, INSERT:

"Discussion

23. If the Commission were to approve the proposed reorganization as described in Staff's Memorandum dated October 4, 2007, it appears that VTG Holdings would acquire all shares of the Affiliated Companies, while Cooperative would acquire all shares of VTG Holdings. However, the record in this matter does not address the value of the shares after they have been transferred among the regulated and non-regulated entities.

24. Staff's Memorandum also indicates that, if the Commission were to approve the proposed reorganization, the companies would allocate income tax liabilities or credits based on their respective contributions of net income or net loss to the consolidated net income or net loss shown on the holding company's consolidated income tax return. However, the record in this matter is silent on the possibility that the allocation of tax liabilities or credits among separate affiliates would require Commission approval.

25. Given these uncertainties about the effect of the proposed reorganization on the value of ownership interests subject to transfer and the allocation of income tax liability and credits among regulated and non-regulated entities, we find that the record in this matter insufficient to support Staff's recommendation that the Commission approve the joint application. Accordingly, we will direct the Hearing Division to conduct a hearing on this matter to address these questions and any related question which may arise in the course of the hearing."

Page 8, line 9

STRIKE: "it is in the public interest to grant"

Page 8, line 11, after "A.A.C. R14-2-803 INSERT:

"should be the subject of a hearing conducted by the Hearing Division to address the issues identified in Findings of Fact Nos. 23 and 24"

Page 9, line 2 after "that" INSERT"

"the Commission's Hearing Division shall conduct a hearing on"

Page 9, line 4

STRIKE: "be and hereby is approved"

INSERT: "to address the issues identified in Findings of Fact Nos. 23 and 24"

Make all conforming changes



0000082454

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

BEFORE THE ARIZONA CORPORATION

IN THE MATTER OF THE APPLICATION) DOCKET NO.
OF BACA FLOAT WATER COMPANY FOR AN) WS-01678A-07-0459
EXTENSION OF ITS CERTIFICATE OF)
CONVENIENCE AND NECESSITY.)

At: Tucson, Arizona
Date: February 20, 2008
Filed: **MAR 07 2008**

RECEIVED
2008 MAR -7 P 3:18
AZ CORP COMMISSION
DOCKET CONTROL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

Arizona Corporation Commission
DOCKETED

MAR -7 2008

| | |
|-------------|----|
| DOCKETED BY | |
| hh | ne |

ARIZONA REPORTING SERVICE, INC.
Court Reporting
Suite 502
2200 North Central Avenue
Phoenix, Arizona 85004-1481

Prepared for:
ACC

By: **MARIA A. VAZQUEZ**
Certified Reporter
Certificate No. 50779

ORIGINAL

1 facility.

2 Q Is it true that Baca Float received its CC&N
3 certificate in a docket where Rio Rico Utilities
4 transferred part of its certificate to the company?

5 A That's correct. We were in Rio Rico Utility's
6 CC&N, and as part of the docket you described, they
7 transferred a portion of it to Baca Float Water Company.

8 Q Do you have any prior work experience?

9 A Prior work experience? Yes, I do.

10 Q Why don't you just describe that for me.

11 A In a utility perspective or just in general?

12 Q In general.

13 A Okay. Yeah. I worked for the FBI for six
14 years, got into real estate back in the '80s. I'm also
15 involved in some water utilities in the Phoenix and
16 Maricopa County area, and I've been involved in the
17 Barrio de Tubac development now for 22 years.

18 Q How many customers does the company currently
19 service?

20 A We have a little over 300 customers currently.

21 Q Is that both water and sewer?

22 A Correct.

23 Q Would you turn and look at the exhibit marked
24 in front of you as Exhibit A. Can you describe what
25 that exhibit is?