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LAWRENCE V. ROBERTSON, JR.  
ATTORNEY AT LAW

RECEIVED

P. O. BOX 1448  
TUBAC, ARIZONA 85646

2008 APR 23 A 9:49

(520) 398-0411  
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ADMITTED TO PRACTICE IN:  
ARIZONA, COLORADO, MONTANA,  
NEVADA, TEXAS, WYOMING,  
DISTRICT OF COLUMBIA

OF COUNSEL TO  
MUNGER CHADWICK, P.L.C.

AZ CORP COMMISSION  
DOCKET CONTROL

April 18, 2008

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

Re: Ridgeline Water Company, L.L.C. Application for  
Certificate of Convenience and Necessity (CC&N)  
Docket No. W-20589A-08-0173

To Whom It May Concern:

Enclosed for filing in the above-referenced docket are fourteen (14) copies of Ridgeline Water Company, L.L.C.'s Response to the ACC Staff's April 16, 2008 Insufficiency Letter ("Response"). The original is being mailed to Kiana Maria Sears.

Also enclosed are two (2) additional copies of the aforesaid Response. I would appreciate it if you would "filed" stamp the same and return them to me in the enclosed stamped and addressed envelope.

Thank you for your assistance. Please advise me if you have any questions.

Sincerely,

Angela R. Trujillo  
Secretary  
Lawrence V. Robertson, Jr.

Arizona Corporation Commission  
DOCKETED

APR 23 2008

DOCKETED BY  
nr

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OF COUNSEL TO  
MUNGER CHADWICK, P.L.C.

April 18, 2008

Kiana Maria Sears  
Executive Consultant  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007

Re: Ridgeline Water Company, L.L.C. Application for  
Certificate of Convenience and Necessity (CC&N)  
Docket No. W-20589A-08-0173

Dear Ms. Sears:

This letter and the enclosed materials are intended to be responsive to your April 16, 2008 Insufficiency Letter relating to the above-referenced docket. In that regard, I will reference the items listed in your letter in the sequence in which they appear.

With reference to Item 1, please be advised that Ridgeline Water Company, L.L.C. ("Ridgeline") does not intent to offer standpipe or bulk water service. The only reason that line item appears on page 1 of Appendix "J" is because it is included in a software program that Thomas J. Bourassa uses in providing services to a number of his water utility clients.

With reference to Item 2, enclosed are two (2) large scale maps which clearly identify the proposed location of the water system facilities, including wells. These maps indicate the proposed water system on both an interim and full build out basis. The Commission's Docket Control will not accept documents larger in size than 8 ½ x 11 for filing. Accordingly, that is why we originally filed the 8 ½ x 11 version of Figures 2 and 3 of the Water Plan (Appendix "H"). Because Docket Control will not accept documents of the size of the enclosed large scale maps, I will not be submitting thirteen (13) copies of those two (2) documents to Docket Control.

With reference to Item 3, enclosed is an engineering estimate of the estimated construction costs for each major component of the water utility system proposed for Ridgeline. As you will note, these estimates were prepared by Greg Carlson Engineering, L.L.C. on or about February 20, 2007. This information was then transmitted to Mr. Bourassa together with other cost information provided to him by Ridgeline, and the results of Mr. Bourassa's use of

Ms. Kiana Maria Sears  
April 18, 2008  
Page 2 of 2

that information appears in Appendix "H" to the Application. A copy of the "other cost information" provided to Mr. Bourassa by Ridgeline is also enclosed.

With reference to Item 4, and as indicated on the Year 1 page of Appendix "H," it is anticipated that the entire water utility plant for Ridgeline will be installed within the first year of its operations. At present, and depending upon when the Commission grants a CC&N to Ridgeline, it is anticipated that construction of the water utility system will begin sometime in 2010 and be concluded within the following twelve (12) month period.

I trust that you will find the foregoing and the enclosed information to be responsive to your request.

Sincerely,



Lawrence V. Robertson, Jr.

cc: Robin Mitchell – ACC Legal Division  
Ridgeline Water Company  
Thomas J. Bourassa  
Docket Control

RidgeLine Estates Water Distribution System  
Cost Breakdown

2/20/07

Component	Unit	Amount	Unit Cost	Subtotal	Notes
4" PVC	Feet	3,174	25.00	79,350.00	
6" PVC	Feet	2,293	35.00	80,255.00	
8" PVC	Feet	37,868	47.00	1,779,796.00	15,161 ft of transmission main plus 21707 ft distribution main plus 1,000 feet from Well #1
12" PVC	Feet	3,241	67.00	217,147.00	
4" DIP	Feet	438	32.00	14,016.00	
6" DIP	Feet	920	46.00	35,652.00	10' per hydrant lateral
12" DIP	Feet	0	0	0	
8" Steel Facility Piping	Feet	0	0	0	
Isolation Valves	Each	300	135.00	40,500.00	Assume 100 ft per facility
6" Pressure Reducing Valve	Each	188	800.00	150,400.00	Max 800' separation, 2 at tees, 3 at crosses, 1 per hydrant
6" Pressure Reducing Valve	Each	6	300.00	1,800.00	6" valves on 8" mains with reducers
4X 8 Reduction	Each Location	0	0	0	
6 X 8 Reducer	Each	6	300.00	1,800.00	
8 X 12 Reducer	Each	14	300.00	4,200.00	
6X 12 Reduction	Each	2	400.00	800.00	
4" Tees	Each Location	2	400.00	800.00	Reduce to 8 inch PRV on the 12 inch main (Zone A) on each side of valve
4" Elbows	Each	0	0	0	Include 80's 45's and 22.5's
6" Tees	Each	2	200.00	400.00	
6" Elbows	Each	3	200.00	600.00	Include 90's 45's and 22.5's
8" Tees	Each	1	200.00	200.00	
8" Elbows	Each	19	250.00	4,750.00	Include 90's 45's and 22.5's
12" Tees	Each	30	250.00	7,500.00	
12" Elbows	Each	0	0	0	Include 80's 45's and 22.5's
4 X 4 cross	Each	2	350.00	700.00	
6 X 6 cross	Each	0	0	0	
8 X 8 Cross	Each	0	0	0	
12 X 12 Cross	Each	0	0	0	
Upper Tank	Each	0	0	0	
Lower Tank	Gallons	181,200	250.50	45,390.00	Shows volume required. Nominal Tank Volume = 213,991 (From BH Tanks website)
Well-site Tank	Gallons	3,400	15,000.00	51,000.00	Shows volume required. Nominal Tank Volume = 6,008 (From BH Tanks website)
4" Check Valve	Each	12,240	32,100.00	392,724.00	Shows volume required. Nominal Tank Volume = 16,688 (From BH Tanks website)
6" Check Valve	Each	0	0	0	
8" Check Valve	Each	0	0	0	
12" Check Valve	Each	3	32,000.00	96,000.00	
Well-site Booster Pump	Each	0	0	0	
Lower Booster Pump	Each	2	10,200.00	20,400.00	See pump worksheet for model. Include motors, brackets, mounts, hardware.
Upper Duty Pump	Each	2	5,000.00	10,000.00	See pump worksheet for model. Include motors, brackets, mounts, hardware.
Upper Fire Pump	Each	2	4,500.00	9,000.00	See pump worksheet for model. Include motors, brackets, mounts, hardware.
5000 gal Hydro-pneumatic Tank	Each	1	7,500.00	7,500.00	See pump worksheet for model. Include motors, brackets, mounts, hardware.
Air Compressor	Each	1	15,000.00	15,000.00	See pump worksheet for model. Include motors, brackets, mounts, hardware.
In-line pressure gauges	Each	1	4,500.00	4,500.00	
In-line flow meters/totalizers	Each	6	2,500.00	15,000.00	2 should be installed at booster/pumping stations
Electrical	Each	3	8,500.00	25,500.00	1 should be installed at booster/pumping stations
Lump Sum			45,000.00	45,000.00	Must include operational on/off signals from 3 tank sites. Wells will not alternate but will run together. Pumps/boosters will alternate.

**Ridgeline Estates Water Distribution System  
Cost Breakdown**

Item Description	Quantity	Unit	Price	Total	Notes
Structures		Lump Sum			
2" air valves	5	Each	20,000 -	100,000	Canopies or enclosures for pumps and valves? Fences, gates, foundations.
Mechanical Restraints	20	Each	300 -	6,000	
Vertical Bends 45/22.5 degrees	9	Each	3,100 -	27,900	Includes 2 for future system expansion and 7 for dead end mains.
Drain Valve Assemblies	87	Each	2,000 -	174,000	Total length of hydrant-sized distribution piping divided by 500 ft
Hydrants	136	Each	225 -	30,600	Total number of lots. No irrigation meters.
Meters		Additional	10%	31,791	Add percentage of market inflation and percentage for contingency/misc.
Contingency/miscellaneous		Additional		0	
<b>Total</b>				<b>3,447,705</b>	

<u>Date</u>	<u>Number</u>	<u>Payee</u>
10/04/06	1172	Kobalt Investments Inc.
09/06/07	1370	Kobalt Investments Inc.
11/27/07	1406	LSS Development, Inc
01/10/08	1431	LSS Development, Inc
02/06/08	1440	LSS Development, Inc
03/02/07	1254	Patrick Nikitenko
05/17/07	1300	Patrick Nikitenko Patrick Nikitenko
02/02/07	1239	Patrick Nikitenko
05/01/07	1293	Title Security Title Security Title Security
05/03/06	1065	Arrow Land Survey, Inc.
06/12/06	1089	Arrow Land Survey, Inc.
11/14/06	1195	Arrow Land Survey, Inc.
03/13/06	1028	Carothers Environmental, LLC
03/13/06	1029	Carothers Environmental, LLC
03/30/06	1039	Carothers Environmental, LLC
03/30/06	1040	Carothers Environmental, LLC
06/06/06	1086	Carothers Environmental, LLC
08/16/06	1133	Carothers Environmental, LLC
03/02/07	1257	Carothers Environmental, LLC
07/27/07	1344	Carothers Environmental, LLC
10/08/07	1388	Carothers Environmental, LLC
03/22/06	1030	PAST Archaeological Services
07/31/06	1128	PAST Archaeological Services
12/14/06	1212	PAST Archaeological Services
07/27/07	1342	PAST Archaeological Services
04/20/06	1046	Pattison & Evanoff Engineering, LLC
04/20/06	1047	Pattison & Evanoff Engineering, LLC
05/23/07	1303	AZ Corp. Commission
10/31/06	1192	AZ Dept. of Water Resources
12/08/06	1211	AZ Dept. of Water Resources
03/13/07	1262	AZ Dept. of Water Resources
03/13/07	1265	AZ Dept. of Water Resources
03/15/07	1266	AZ Dept. of Water Resources
03/15/07	1267	AZ Dept. of Water Resources
07/23/07	1339	AZ Dept. of Water Resources
12/06/06	1210	Chuck M. Dickens Consulting Hydrogeoloist
03/15/07	1268	Chuck M. Dickens Consulting Hydrogeoloist
04/26/07	1282	Chuck M. Dickens Consulting Hydrogeoloist
05/14/07	1297	Chuck M. Dickens Consulting Hydrogeoloist
07/06/07	1330	Chuck M. Dickens Consulting Hydrogeoloist
07/20/07	1338	Chuck M. Dickens Consulting Hydrogeoloist

08/06/07	1353	Chuck M. Dickens Consulting Hydrogeoloist
09/12/07	1375	Chuck M. Dickens Consulting Hydrogeoloist
03/13/07	1264	Far West Well Drilling
03/28/07	1278	Far West Well Drilling
04/10/07	1280	Far West Well Drilling
04/10/07	1281	Far West Well Drilling
04/30/07	1292	Far West Well Drilling
06/28/07	1326	Far West Well Drilling
04/06/06	1042	GeoSystems Analysis, Inc.
05/30/06	1082	GeoSystems Analysis, Inc.
11/01/06	1194	Greg Carson Engineering, LLC
11/29/06	1209	Greg Carson Engineering, LLC
01/03/07	1226	Greg Carson Engineering, LLC
03/06/07	1259	Greg Carson Engineering, LLC
09/05/07	1369	Greg Carson Engineering, LLC
09/12/07	1374	Greg Carson Engineering, LLC
10/08/07	1389	Greg Carson Engineering, LLC
11/08/07	1402	Greg Carson Engineering, LLC
11/14/06	1196	Innova Environmental Engineering, LLC
10/26/07	1390	Innova Environmental Engineering, LLC
10/31/06	1191	Krass Drilling & Pump Service, Inc.
07/06/07	1328	Lawrence V. Robertson, Jr.
07/27/07	1343	Lawrence V. Robertson, Jr.
08/28/07	1359	Lawrence V. Robertson, Jr.
11/27/07	1413	Lawrence V. Robertson, Jr.
10/31/06	1193	Pima County Treasurer
08/08/07	1355	Trico Electric

**TOTAL**

**Account**

-split-

-split-

Elephant Head - Cost Basis:Consulting:LSS Development, Inc.

Elephant Head - Cost Basis:Consulting:LSS Development, Inc.

Elephant Head - Cost Basis:Consulting:LSS Development, Inc.

Elephant Head - Cost Basis:Miscellaneous Costs

-split-

Elephant Head - Cost Basis:Acquisition Costs:304-33-108B (Hawk Way 5-Acres)

Elephant Head - Cost Basis:Acquisition Costs:304-33-108B (Hawk Way 5-Acres)

Elephant Head - Cost Basis:Assessment/Survey/Archeology

-split-

-split-

Elephant Head - Cost Basis:Assessment/Survey/Archeology

-split-

Elephant Head - Cost Basis:Assessment/Survey/Archeology

Elephant Head - Cost Basis:Planning / Studies

Elephant Head - Cost Basis:Planning / Studies

Elephant Head - Cost Basis:Planning / Studies

Elephant Head - Cost Basis:Assessment/Survey/Archeology

-split-

Elephant Head - Cost Basis:Planning / Studies

-split-

Elephant Head - Cost Basis:Miscellaneous Costs

Elephant Head - Cost Basis:Miscellaneous Costs

Elephant Head - Cost Basis:Miscellaneous Costs

Elephant Head - Cost Basis:Planning / Studies:Well Drilling

Elephant Head - Cost Basis:Planning / Studies

Elephant Head - Cost Basis:Planning / Studies:Well Drilling

Elephant Head - Cost Basis:Legal

Elephant Head - Cost Basis:Legal  
Elephant Head - Cost Basis:Legal  
Elephant Head - Cost Basis:Planning / Studies:Well Drilling  
Elephant Head - Cost Basis:Planning / Studies  
Elephant Head - Cost Basis:Planning / Studies  
Elephant Head - Cost Basis:Planning / Studies  
-split-  
Elephant Head - Cost Basis:Planning / Studies  
Elephant Head - Cost Basis:Planning / Studies:Well Drilling  
Elephant Head - Cost Basis:Road Work  
Elephant Head - Cost Basis:Planning / Studies:Well Drilling  
Elephant Head - Cost Basis:Legal  
Elephant Head - Cost Basis:Planning / Studies:Well Drilling  
Deposits:Trico

**Memo**

consulting on 4 parcels to get closed

Consulting

Oct 2007 consulting (5.0 hrs @ \$50 / hour)

December Consulting

January Consulting

Miscellaneous Costs

reimb.

Refund Pat fronted Escrow deposit 304-33108B 5 acre parcel/135 W. Hawk Way Purchase price \$128k

Escrow #06135377-410 / 135 W. Hawk Way

Wells X 2 X 1/2 acre each

Tanks X 2 X 1/2 acres each

Survey 4 lots 304-48-0040,0050,0120,001A

Invoice #11985 & 11986

Inv. #12467/ 10/25 layout Wells 1-4 mark rd 11/1 & 11/2 Survey section 19

20% retainer fee / pygmy owl survey

Phase 1 environmental site assessment

20% pymt for bioal res survey 160ac state purch. appl

20% pymt for bio res survey state right of way appl

Invoices 06-600 & 06-601

Invoice #06-658 Bal due on CFPO Survey

stumpage assessment for row

Studies

Inv. #07-1015

Archaeology Survey (50% of cost for 510 acres)

ASLD 160 & ASLD ROW projects

Job # 061809 ASLD ROW project

Elephant Head 450 Acre project

soil study 160 acres req. by state land dept

soil study on our 410 acres

Set up Ridgeline Water Company LLC (100% owned by Pollux Prop.)

Well drilling permits

Well permit #3

permit to change name of well driller

Permit to Deepen well (#55213787)

Right/Permit #59-213834.000 (DWR Well Reg. #55-213788)

Right/Permit #59-213835.000 (DWR Well Reg. #55-213787)

Analysis of assured water supply

Groundwater supply dev. & ADWR permitting

Period of Work: February 2007

Inv. dated 4/9/07/work done on wells

Well Drilling test for H2O

Work done on EH wells to pump and test water

work on water for Ridgeline

inv. for Ridgeline Est. Project-Groundwater supply dev. & permitting  
N/R-Ridgeline -- setting up water company  
50% retainer for well drilling balance on completeion  
Well #55-213788 (1/2) payment pump for Well #1 and 1/2 is downpmt for Well #2)  
Invoice #14124 - FINAL payment for Well #1  
Invoice #14125 - FINAL payment for pump for Well #1  
Invoice #14160 Bal due on\$ 51,877.85  
Invoice #14190  
Phase 1 Hydro studies  
Phase 2 Water Study  
Site visit wJim Lumbard-Point wirk for wells / Inv. #04-065.11  
Invoice #04-065.12  
Invoice #04-065.13  
Invoice #04-065.4  
Invoice #07-036.1 -- N/R -- Ridgeline  
Invoice 07-036.2 water systems design  
Inv. #07-035.1 & #07-036.3  
Inv. #07-036.4  
Invoice #EL-H-001  
Invocie #EL-H-002 / road work  
water well drilling  
Invoice #11815 (Legal to set up Ridgeline Water Co.)  
Inv. #11826  
invoice #11839  
Inv. #11881 ref. billing 10/16-11/15 work on water co.  
Well drilling permits  
Power Line Extension down payment

**Payment**

\$500.00 Consulting  
\$500.00 Consulting  
\$250.00 Consulting  
\$300.00 Consulting  
\$1,250.00 Consulting  
\$141.99 Consulting  
\$846.45 Consulting  
\$40,000.00 Consulting

**\$43,788.44**

\$5,000.00 Land  
\$123,004.18 Land  
\$12,000.00 Land  
\$12,000.00 Land

**\$152,004.18**

\$1,750.00 Studies  
\$1,750.00 Studies  
\$1,250.00 Studies  
\$2.74 Studies  
\$1.23 Studies  
\$1.63 Studies  
\$0.62 Studies  
\$15.14 Studies  
\$10.95 Studies  
\$1.66 Studies  
\$6.86 Studies  
\$27.43 Studies  
\$15.03 Studies  
\$10.94 Studies  
\$1.83 Studies  
\$23.34 Studies  
\$12.31 Studies  
\$7.69 Studies

\$4,889.40

\$85.00 Water  
\$300.00 Water  
\$150.00 Water  
\$30.00 Water  
\$150.00 Water  
\$51.20 Water  
\$51.20 Water  
\$7,500.00 Water  
\$2,500.00 Water  
\$380.00 Water  
\$1,456.25 Water  
\$2,332.50 Water  
\$12,071.50 Water  
\$330.00 Water

\$2,809.10 Water  
\$1,483.48 Water  
\$11,000.00 Water  
\$25,000.00 Water  
\$16,899.74 Water  
\$11,229.42 Water  
\$39,377.85 Water  
\$10,272.87 Water  
\$5,500.00 Water  
\$3,500.00 Water  
\$950.00 Water  
\$400.00 Water  
\$400.00 Water  
\$312.00 Water  
\$3,440.00 Water  
\$14,894.00 Water  
\$5,376.00 Water  
\$4,412.00 Water  
\$6,055.04 Water  
\$5,519.84 Water  
\$15,948.50 Water  
\$3,138.81 Water  
\$82.50 Water  
\$82.50 Water  
\$110.00 Water  
\$25.00 Water  
\$20,250.00 Water

\$235,856.30

**\$240,745.70**

