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BEFORE THE ARIZONA CORPORATION COMMISSION

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

Arizona Corporation Commission
DOCKETED
APR 24 2008

DOCKETED BY
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IN THE MATTER OF THE APPLICATION OF GLOBAL WATER - **SANTA CRUZ WATER COMPANY** FOR A WAIVER UNDER A.A.C. R14-2-806 RELATING TO THE ACQUISITION OF BALTERRA SEWER CORP. BY GLOBAL WATER, INC. OR IN THE ALTERNATIVE NOTICE OF INTENT BY GLOBAL WATER - SANTA CRUZ COMPANY UNDER A.A.C. R14-2-803 FOR THE ACQUISITION OF BALTERRA SEWER CORP. BY GLOBAL WATER, INC.

Docket Nos. W-20446A-07-0596
W-03576A-07-0596

IN THE MATTER OF THE APPLICATION OF GLOBAL WATER - **PALO VERDE UTILITIES COMPANY** FOR A WAIVER UNDER A.A.C. R14-2-806 RELATING TO THE ACQUISITION OF BALTERRA SEWER CORP. BY GLOBAL WATER, INC. OR IN THE ALTERNATIVE NOTICE OF INTENT BY GLOBAL WATER - SANTA CRUZ COMPANY UNDER A.A.C. R14-2-803 FOR THE ACQUISITION OF BALTERRA SEWER CORP. BY GLOBAL WATER, INC.

Docket No. SW-03575A-07-0596

IN THE MATTER OF THE APPLICATION OF GLOBAL WATER - **HASSAYAMPA UTILITY COMPANY, INC.** FOR A WAIVER UNDER A.A.C. R14-2-806 RELATING TO THE ACQUISITION OF BALTERRA SEWER CORP. BY GLOBAL WATER, INC. OR IN THE ALTERNATIVE NOTICE OF INTENT BY GLOBAL WATER - SANTA CRUZ COMPANY UNDER A.A.C. R14-2-803 FOR THE ACQUISITION OF BALTERRA SEWER CORP. BY GLOBAL WATER, INC.

Docket No. SW-20422A-07-0596

IN THE MATTER OF THE APPLICATION OF GLOBAL WATER - **PICACHO COVE WATER COMPANY, INC.** and **PICACHO COVE UTILITIES COMPANY** FOR A WAIVER UNDER A.A.C. R14-2-806 RELATING TO THE ACQUISITION OF BALTERRA SEWER CORP. BY GLOBAL

Docket Nos. W-03528A-07-0596
SW-03709A-07-0596

1 WATER, INC. OR IN THE ALTERNATIVE
2 NOTICE OF INTENT BY GLOBAL WATER
3 – SANTA CRUZ COMPANY UNDER A.A.C.
4 R14-2-803 FOR THE ACQUISITION OF
5 BALTERRA SEWER CORP. BY GLOBAL
6 WATER, INC.

Docket Nos. WS-01775A-07-0596
W-02442A-07-0596
SW-03575A-07-0596
W-03576A-07-0596

4 IN THE MATTER OF THE APPLICATION
5 OF GLOBAL WATER – **CP WATER**
6 **COMPANY, INC.** and **FRANCISCO**
7 **GRANDE WATER COMPANY** FOR A
8 WAIVER UNDER A.A.C. R14-2-806
9 RELATING TO THE ACQUISITION OF
10 BALTERRA SEWER CORP. BY GLOBAL
11 WATER, INC. OR IN THE ALTERNATIVE
12 NOTICE OF INTENT BY GLOBAL WATER
13 – SANTA CRUZ COMPANY UNDER A.A.C.
14 R14-2-803 FOR THE ACQUISITION OF
15 BALTERRA SEWER CORP. BY GLOBAL
16 WATER, INC.

Docket No. W-01732A-07-0596

11 IN THE MATTER OF THE APPLICATION
12 OF GLOBAL WATER – **WILLOW VALLEY**
13 **WATER COMPANY, INC.** FOR A WAIVER
14 UNDER A.A.C. R14-2-806 RELATING TO
15 THE ACQUISITION OF BALTERRA SEWER
16 CORP. BY GLOBAL WATER, INC. OR IN
17 THE ALTERNATIVE NOTICE OF INTENT
18 BY GLOBAL WATER – SANTA CRUZ
19 COMPANY UNDER A.A.C. R14-2-803 FOR
20 THE ACQUISITION OF BALTERRA SEWER
21 CORP. BY GLOBAL WATER, INC.

Docket No. W-03720A-07-0596

16 IN THE MATTER OF THE APPLICATION
17 OF GLOBAL WATER – **WATER UTILITY**
18 **OF NORTHERN SCOTTSDALE, INC.**
19 FOR A WAIVER UNDER A.A.C. R14-2-806
20 RELATING TO THE ACQUISITION OF
21 BALTERRA SEWER CORP. BY GLOBAL
22 WATER, INC. OR IN THE ALTERNATIVE
23 NOTICE OF INTENT BY GLOBAL WATER
24 – SANTA CRUZ COMPANY UNDER A.A.C.
25 R14-2-803 FOR THE ACQUISITION OF
26 BALTERRA SEWER CORP. BY GLOBAL
27 WATER, INC.

Docket No. W-01212A-07-0596

22 IN THE MATTER OF THE APPLICATION
23 OF GLOBAL WATER – **VALENCIA**
24 **WATER COMPANY** FOR A WAIVER
25 UNDER A.A.C. R14-2-806 RELATING TO
26 THE ACQUISITION OF BALTERRA SEWER
27 CORP. BY GLOBAL WATER, INC. OR IN
28 THE ALTERNATIVE NOTICE OF INTENT
BY GLOBAL WATER – SANTA CRUZ
COMPANY UNDER A.A.C. R14-2-803 FOR
THE ACQUISITION OF BALTERRA SEWER
CORP. BY GLOBAL WATER, INC.

1 IN THE MATTER OF THE APPLICATION
2 OF GLOBAL WATER – **WATER UTILITY**
3 **OF GREATER BUCKEYE, INC.** FOR A
4 WAIVER UNDER A.A.C. R14-2-806
5 RELATING TO THE ACQUISITION OF
6 BALTERRA SEWER CORP. BY GLOBAL
7 WATER, INC. OR IN THE ALTERNATIVE
8 NOTICE OF INTENT BY GLOBAL WATER
9 – SANTA CRUZ COMPANY UNDER A.A.C.
10 R14-2-803 FOR THE ACQUISITION OF
11 BALTERRA SEWER CORP. BY GLOBAL
12 WATER, INC.

Docket No. W-02451A-07-0596

7 IN THE MATTER OF THE APPLICATION
8 OF GLOBAL WATER – **WATER UTILITY**
9 **OF GREATER TONOPAH, INC.** FOR A
10 WAIVER UNDER A.A.C. R14-2-806
11 RELATING TO THE ACQUISITION OF
12 BALTERRA SEWER CORP. BY GLOBAL
13 WATER, INC. OR IN THE ALTERNATIVE
14 NOTICE OF INTENT BY GLOBAL WATER
15 – SANTA CRUZ COMPANY UNDER A.A.C.
16 R14-2-803 FOR THE ACQUISITION OF
17 BALTERRA SEWER CORP. BY GLOBAL
18 WATER, INC.

Docket No. W-02450A-07-0596

DECISION NO. 70310

ORDER

14 Open Meeting
15 April 8 and 9, 2008
16 Phoenix, Arizona

16 BY THE COMMISSION:

17 On October 12, 2007, Global Water – Santa Cruz Water Company, (“Santa Cruz” or
18 “Company”) filed an application, Docket No. W-20446A-07-0596, with the Arizona Corporation
19 Commission (“Commission”) seeking a waiver under Arizona Administrative Code (“A.A.C.”)
20 R14-2-806, Section 8; Public Utility Holding Companies and Affiliated Interests, relating to the
21 acquisition of Balterra Sewer Corp. (“Balterra”) by Global Water, Inc. (“Global, Inc.”), Global,
22 Inc. is a “Public Utility Holding Company” as defined in A.A.C. R14-2-801.4. In the alternative,
23 Santa Cruz seeks a waiver under A.A.C. R14-2-803 for the acquisition of Balterra by Global, Inc.
24 A Procedural Order dated December 12, 2007, declared the application to be “not sufficient” and
25 required the Company to file a “verified amended application.” On January 4, 2008, Santa Cruz
26 filed a verified amended application which also named as applicants Global Water – Palo Verde
27 Utilities Company, Hassayampa Utility Company, Inc., Global Water – Picacho Cove Water
28 Company, Global Water – Picacho Cove Utilities Company, CP Water Company, Francisco

1 Grande Utility Company, Willow Valley Water Company, Inc., Water Utility of Northern
 2 Scottsdale, Inc., Valencia Water Company, Inc., Water Utility of Greater Buckeye, Inc., Water
 3 Utility of Greater Tonopah, Inc. (collectively, the Utility Applicants) and Global Water Resources,
 4 LLC, Global Water, Inc., and West Maricopa Combine, Inc. ("Holding Company Applicants" or
 5 "Companies").

6 * * * * *

7 Having considered the entire record herein and being fully advised in the premises, the
 8 Commission finds, concludes, and orders that:

9 FINDINGS OF FACT

10 1. The Holding Company Applicants and Balterra are public service corporations
 11 within the meaning of Article XV of the Arizona Constitution and A.R.S. § 40-285.

12 2. The Commission has jurisdiction over the Companies and Balterra and the subject
 13 matter of the application.

14 3. Notice of the application was provided in accordance with the law.

15 4. Pursuant to A.R.S. § 40-285, public service corporations are required to seek
 16 Commission approval prior to changing their corporate structure. A.A.C R14-2-806 provides for
 17 the Commission to waive this requirement. Under the facts and circumstances presented in this
 18 docket, it is not reasonable for the Commission to vacate its responsibility for determining whether
 19 the acquisition of Balterra by the Companies is in the public interest, thus the Commission should
 20 not approve the request to waive A.A.C R14-2-806.

21 5. Having the same company provide both water and wastewater service in the same
 22 service area is advantageous to all parties and the Commission should approve the acquisition of
 23 Balterra by the Companies per A.A.C R14-2-803.

24 CONCLUSIONS OF LAW

25 1. The Holding Company Applicants are public water service corporations within the
 26 meaning of Article XV of the Arizona Constitution and A.R.S. §§40-250 and 40-252.

27 2. The Commission has jurisdiction over the Holding Company Applicants and of the
 28 subject matter of the application.

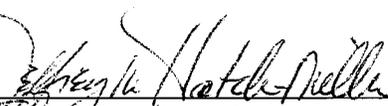
1 IT IS FURTHER ORDERED that the application by the Companies for a waiver of A.A.C.
2 R14-2-806 is denied.

3 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

4
5 **BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**

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8 CHAIRMAN

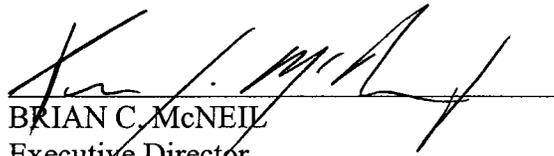
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8 COMMISSIONER

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12 IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive
13 Director of the Arizona Corporation Commission, have
14 hereunto, set my hand and caused the official seal of this
15 Commission to be affixed at the Capitol, in the City of
16 Phoenix, this 24th day of April, 2008.

17
18 
19 BRIAN C. McNEIL
20 Executive Director

21 DISSENT: _____

22 DISSENT: _____

23 EGJ:MEM:lh\RM

1 SERVICE LIST FOR: Global Water-Santa Cruz Water Company, et al.
2 DOCKET NOS. W-20446A-07-0596, et al.

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