

**ORIGINAL**



0000084637

BEFORE THE ARIZONA CORPORATION COMM

COMMISSIONERS

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

**RECEIVED**

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2008 APR 30 P 4: 37

AZ CORP COMMISSION  
DOCKET CONTROL

DOCKET NO. W-01303A-05-0405

IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS PARADISE VALLEY WATER DISTRICT

IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, INC., AN ARIZONA CORPORATION, FOR APPROVAL OF AN AGREEMENT WITH THE PARADISE VALLEY COUNTRY CLUB

DOCKET NO. W-01303A-05-0910

**NOTICE OF FILING  
CERTIFICATION OF MAILING  
AND PUBLICATION**

**ARIZONA-AMERICAN WATER COMPANY**

Pursuant to March 14, 2008, Procedural Order ("Procedural Order"), Arizona-American Water Company hereby files in the above-referenced matter:

1. An affidavit of publication on April 7, 2008, in the Arizona Republic of the notice of hearing required by the Procedural Order; and
2. An affidavit that the required notices of hearing were sent to Arizona-American's Paradise Valley Water District Customers

**RESPECTFULLY SUBMITTED** April 30, 2008.

Paul M. Li  
Arizona-American Water Company  
18920 N. 7<sup>th</sup> Street, Suite 201  
Phoenix, AZ 85024  
(623) 445-2442  
Paul.Li@amwater.com  
Attorney for Arizona-American Water Company

Arizona Corporation Commission  
**DOCKETED**

APR 30 2008

DOCKETED BY *me*

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1 Original and 14 copies **filed**  
2 on April 30, 2008, with:  
3  
4 Docket Control  
5 Arizona Corporation Commission  
6 1200 West Washington  
7 Phoenix, Arizona 85007  
8  
9 Copies of the foregoing **mailed**  
10 on April 30, 2008, to:  
11  
12 Teena Wolfe, Administrative Law Judge  
13 Hearing Division  
14 Arizona Corporation Commission  
15 1200 West Washington  
16 Phoenix, Arizona 85007  
17  
18 Maureen Scott  
19 Legal Division  
20 Arizona Corporation Commission  
21 1200 West Washington  
22 Phoenix, Arizona 85007  
23  
24 Ernest G. Johnson, Director  
25 Utilities Division  
26 Arizona Corporation Commission  
27 1200 West Washington  
28 Phoenix, Arizona 85007  
29  
30 Daniel Pozefsky  
31 Residential Utility Consumer Office  
32 1110 West Washington Street, Suite 220  
33 Phoenix, Arizona 85007  
34  
35 Robert J. Metli, Esq.  
36 Snell & Wilmer LLP  
37 One Arizona Center  
38 400 E. Van Buren  
39 Phoenix, Arizona 85004-2202  
40 Attorneys for Paradise Valley Country Club, Sanctuary on Camelback Mountain, the Camelback  
41 Inn, and the Scottsdale Renaissance  
42  
43 Timothy J. Casey  
44 Schmitt, Schneck, Smyth, and Herrod, PC  
45 1221 E. Osborn Road, Suite 105  
46 Phoenix, AZ 85014  
47 Attorney for the Town of Paradise Valley  
48  
49  
50

By:   
\_\_\_\_\_  
Courtney Appelans

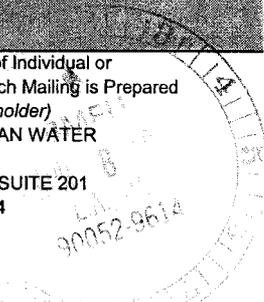
3

United States Postal Service  
**Postage Statement — First-Class Mail & Priority Mail**

Use this form for either First-Class Mail or Priority Mail.  
 They may not be combined.

Comments: \_\_\_\_\_  
 USPS: Note Mail Arrival Date & Time

<b>M A I L E R</b>	Permit Holder's Name and Address and Email Address, If Any	Telephone (323)-292-0133 Extension	Name and Address of Mailing Agent (If other than permit holder)	Telephone (323)-292-0133 Extension	Name and Address of Individual or Organization for Which Mailing is Prepared (If other than permit holder)
	SERVICE MAILERS INC. 3101 EXPOSITION PLACE LOS ANGELES CA 90018		SERVICE MAILERS, INC. 3101 EXPOSITION PLACE LOS ANGELES CA 90018		ARIZONA AMERICAN WATER (Dan Siwulec) 19820 N. 7TH ST., SUITE 201 PHOENIX AZ 85024
	CAPS Cust Ref No. _____ Customer Number _____		Customer Number _____		Customer Number _____



<b>M A I L I N G</b>	Post Office of Mailing LOS ANGELES	Processing Category <input checked="" type="checkbox"/> Letters <input type="checkbox"/> Flats <input type="checkbox"/> Automation Flats <input type="checkbox"/> Parcels	Mailing Date 4/08/2008	Fed. Agency Cost Code	Statement Seq. No. JOB # 22401
	Type of Postage <input checked="" type="checkbox"/> Permit Imprint <input type="checkbox"/> Precanceled Stamps <input type="checkbox"/> Metered		Weight of a Single Piece 0.0120 pounds	Total Pieces 4,261	No. & Type of Containers 1' MM Trays — 6 2' MM Trays — 5 2' EMM Trays — 5 Total Trays Flat Trays Sacks Pallets — 1 Other
	Permit # 1831	For Mail Enclosed Within Another Class <input type="checkbox"/> Standard Mail <input type="checkbox"/> Bound Printed Matter <input type="checkbox"/> Library Mail <input type="checkbox"/> Media Mail <input type="checkbox"/> Parcel Post <input type="checkbox"/> Periodicals	Total Weight 51.1320		

April 13 2008

<b>P O S T A G E</b>	Parts Completed (Select all that apply) <input checked="" type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> D <input type="checkbox"/> S	
	<b>Total Postage</b> (Add Parts Totals)	1,370.78
	Rate at Which Postage Affixed (Check one) <input type="checkbox"/> Correct <input type="checkbox"/> Lowest <input type="checkbox"/> Neither	pcs. x \$ = <b>Postage Affixed</b>
	<b>Net Postage Due</b> (Subtract postage affixed from total postage)	
	For USPS Use Only: Additional Postage Payment (State reason)	

**C E R T I F I C A T I O N**

The mailer's signature certifies acceptance of liability for and agreement to pay any revenue deficiencies assessed on this mailing, subject to appeal. If an agent signs this form, the agent certifies that he or she is authorized to sign on behalf of the mailer, and that the mailer is bound by the certification and agrees to pay any deficiencies. In addition, agents may be liable for any deficiencies resulting from matters within their responsibility, knowledge, or control.

The mailer hereby certifies that all information furnished on this form is accurate, truthful, and complete; that the mail and the supporting documentation comply with all postal standards and that the mailing qualifies for the rates and fees claimed; and that the mailing does not contain any matter prohibited by law or postal regulation.

I understand that anyone who furnishes false or misleading information on this form or who omits information requested on this form may be subject to criminal and/or civil penalties, including fines and imprisonment. *Privacy Notice: For information regarding our Privacy Policy visit www.usps.com.*

Signature of Mailer or Agent <i>Joe Horne</i>	Printed Name of Mailer or Agent Signing Form SERVICE MAILERS, INC.	Telephone (323)-292-0133 Extension
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<b>U S P S U S E O N L Y</b>	Weight of a Single Piece _____ pound	Are postage figures at left adjusted from mailer's entries? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes" state reason:
	Total Pieces _____ Total Weight _____	
	Total Postage _____	(Round Stamp (Required))
	Presort Verification Performed? (Check One) <input type="checkbox"/> Yes <input type="checkbox"/> No	Date Mailed Notified _____ Contact _____ By (Initials) _____
	I CERTIFY that this mailing has been inspected concerning: (1) eligibility for postage rates claimed; (2) proper preparation (and presort where required); (3) proper completion of postage statement; and (4) payment of annual fee (if required).	

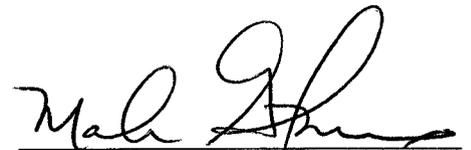
# THE ARIZONA REPUBLIC

STATE OF ARIZONA }  
COUNTY OF MARICOPA } SS.

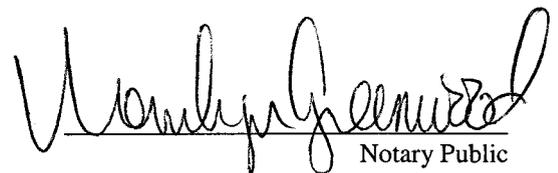
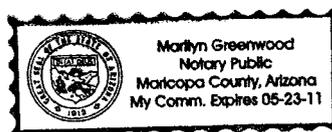
Mark Gilmore, being first duly sworn, upon oath deposes and says: That he is a legal advertising representative of the Arizona Business Gazette, a newspaper of general circulation in the county of Maricopa, State of Arizona, published at Phoenix, Arizona, by Phoenix Newspapers Inc., which also publishes The Arizona Republic, and that the copy hereto attached is a true copy of the advertisement published in the said paper on the dates as indicated.

**The Arizona Republic**

**April 7, 2008.**



Sworn to before me this  
7<sup>TH</sup> day of  
April A.D. 2008



Notary Public

## Legals

**PUBLIC NOTICE OF REOPENING ARIZONA CORPORATION COMMISSION DECISION NO. 68858 (JULY 28, 2006), CONCERNING ARIZONA AMERICAN WATER COMPANYS RATE REQUEST FOR ITS PARADISE VALLEY WATER DISTRICT PURSUANT TO A.C.S. § 46-252 FOR THE LIMITED PURPOSE OF REVIEWING THE RATE DESIGN AGREEMENT FILED ON JANUARY 16, 2006, BY THE TOWN OF PARADISE VALLEY AND NOTICE OF HEARING FOR THAT LIMITED PURPOSE (Docket No. W-01303A-05-0405 et al.)**

## Summary:

On July 28, 2006, The Arizona Corporation Commission ("Commission") issued Decision No. 68858 in these dockets, approving a rate increase requested by Arizona-American Water Company ("Company") for Paradise Valley Water District. The rate design approved in that case includes a public safety surcharge and a high block surcharge. On January 16, 2006, the Company filed with the Commission a Rate Design Agreement ("Rate Design Agreement") on behalf of the Company and its subsidiaries, including Camelback Mountain, Camelhead, and Scottsdale Renaissance collectively, and of the Town. The proposed Rate Design Agreement also to be signed by representatives of Camelback Hills Improvement Association, Camelhead Estates HOA, and Finisterra HOA. A Commission Staff Member noticed for and held on January 27, 2006, the Commission voted to reconsider Decision No. 68858 pursuant to A.C.S. § 46-252 for the limited purpose of reviewing the proposed Rate Design Agreement. The parties to Decision No. 68858 are the Company, the Paradise Valley Country Club, the Residential Utility Consumer Office, and the Commission's Utilities Division Staff. Intervention has recently been granted to the Town and the Resorts. The Town and the Resorts will be filing testimony in support of the Rate Design Agreement, and all parties to the proceeding will have an opportunity to file responsive testimony. The effect of the proposed Rate Design Agreement, if adopted, for individual customers would vary depending upon the type and quality of service provided. Customers may contact the Company at 1-800-383-8334 to inquire about the effect of the proposed Rate Design Agreement on their individual bill.

**How You Can View or Obtain a Copy of the proposed Rate Design Agreement:**

The parties to Decision No. 68858 will file their recommendations to the Commission on the proposed Rate Design Agreement on April 25, 2008, and copies of those filings will be available at the Commission's office in the Docket Control Center for public inspection after that date. The Commission will determine the appropriate relief to be granted based on the evidence of record in the proceeding. The Commission is not bound by the proposals made by any parties, and therefore, the final rate design approved may differ from the proposed Rate Design Agreement. Copies of the proposed Rate Design Agreement are available at the Commission's offices at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours and on the Internet via the Commission website ([www.azcc.gov](http://www.azcc.gov)) using the e-docket function. Arizona Corporation Commission Public Hearing Information:

The Commission will hold a hearing on this matter beginning at 10:00 a.m. on May 15, 2008, at the Commission's offices, 1200 West Washington, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. Written public comments may be submitted via email or by mailing a letter referencing Docket Number W-01303A-05-0405 et al. to: Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007 (visit <http://www.azcc.gov/divisions/utilities/forms/publiccomment.pdf> for a form and instructions). If you require assistance, you may contact the Consumer Services Section of the Commission at 602-542-4251.

## About Intervenor Status:

The law provides for an open public hearing at which an appropriate cross-section of interested parties may intervene. Any person, business, or organization having a direct substantial interest in the proceeding will be deemed to have intervened. If you desire to intervene, you must file a motion to intervene with the Commission. You must send a copy of the motion to intervene to the Commission's Counsel and to all parties of record. Your motion to intervene must contain the following:

1. Your name, address, and telephone number and the name, address, and telephone number of any party upon whom service of process is to be made if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of the Company, a shareholder of the Company, etc.);
3. A statement certifying that you have mailed a copy of the motion to intervene to the Company or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.C.S. R14-3-105, except that all motions to intervene must be filed on or before May 2, 2008, if representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme Court. Intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. For information about requesting intervention, visit the Arizona Corporation Commission's webpage at <http://www.azcc.gov/divisions/utilities/forms/intervenor>. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any customer from appearing at the hearing and making a statement on such customer's own behalf.

## ADA/Equal Access Information:

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator, Linda Hogan, at [LHogan@azcc.gov](mailto:LHogan@azcc.gov), voice phone number (602) 542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

Published: April 7, 2008

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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

IN THE MATTER OF THE APPLICATION OF  
ARIZONA-AMERICAN WATER COMPANY,  
AN ARIZONA CORPORATION, FOR A  
DETERMINATION OF THE CURRENT FAIR  
VALUE OF ITS UTILITY PLANT AND  
PROPERTY AND FOR INCREASES IN ITS  
RATES AND CHARGES BASED THEREON  
FOR UTILITY SERVICE BY ITS PARADISE  
VALLEY DISTRICT

DOCKET NO. W-01303A-05-0405

IN THE MATTER OF THE APPLICATION OF  
ARIZONA-AMERICAN WATER COMPANY,  
INC., AN ARIZONA CORPORATION, FOR  
APPROVAL OF AN AGREEMENT WITH THE  
PARADISE VALLEY COUNTRY CLUB

DOCKET NO. W-01303A-05-0910

**AFFIDAVIT OF CUSTOMER  
NOTICE**

**Affidavit of Barry Pawelek**

1  
2 1. I am employed by American Water Company (West Area) as the Customer  
3 Communications Manager.

4 2. I caused a copy of the attached notice to be mailed to customers in Arizona-  
5 American Water Company's Paradise Valley Water District.

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11 Barry Pawelek  
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**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of San Diego }

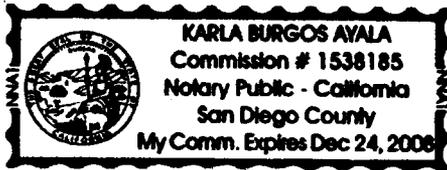
On April 28, 08 before me, Karla Burgos Ayala  
Date Here Insert Name and Title of the Officer

personally appeared Barry Pawelek  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Place Notary Seal Above

Signature Karla Burgos Ayala  
Signature of Notary Public

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: Affidavit of customer Notice

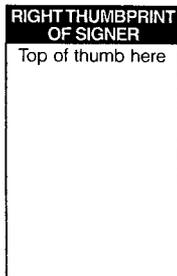
Document Date: Sept. 30, 07 Number of Pages: 1

Signer(s) Other Than Named Above: N/A

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: Barry Pawelek

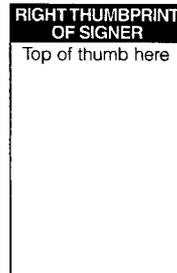
- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: American Water Company

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_



Arizona American Water  
19820 N. 7th St., Suite 201  
Phoenix, AZ 85024

**PUBLIC NOTICE OF REOPENING ARIZONA CORPORATION COMMISSION DECISION NO. 68858 (JULY 28, 2006), CONCERNING ARIZONA AMERICAN WATER COMPANY'S RATE REQUEST FOR ITS PARADISE VALLEY WATER DISTRICT, PURSUANT TO A.R.S. § 40-252, FOR THE LIMITED PURPOSE OF REVIEWING THE RATE DESIGN AGREEMENT FILED ON JANUARY 16, 2008, BY THE TOWN OF PARADISE VALLEY, AND NOTICE OF HEARING FOR THAT LIMITED PURPOSE.**  
**(Docket No. W-01303A-05-0405 et al.)**

**Summary:**

On July 28, 2006, The Arizona Corporation Commission ("Commission") issued Decision No. 68858 in these dockets, approving a rate increase requested by Arizona-American Water Company ("Company") for its Paradise Valley Water District. The rate design approved in that case includes a public safety surcharge and a high block surcharge. On January 16, 2008, the Town of Paradise Valley ("Town") filed with the Commission a letter and a proposed Rate Design Agreement dated January 4, 2008, signed by representatives of Sanctuary on Camelback Mountain, Camelback Inn, and Scottsdale Renaissance (collectively, "Resorts") and of the Town. The proposed Rate Design Agreement appears also to be signed by representatives of Clearwater Hills Improvement Association, Camelhead Estates II HOA, and Finisterre HOA. At a Commission Staff Meeting noticed for and held on February 27, 2008, the Commission voted to reconsider Decision No. 68858 pursuant to A.R.S. § 40-252 for the limited purpose of reviewing the proposed Rate Design Agreement. The parties to Decision No. 68858 are the Company, the Paradise Valley Country Club, the Residential Utility Consumer Office, and the Commission's Utilities Division Staff. Intervention has recently been granted to the Town and the Resorts. The Town and the Resorts will be filing testimony in support of the Rate Design Agreement, and all parties to the proceeding will have an opportunity to file responsive testimony. **The effect of the proposed Rate Design Agreement, if**

*(Continued on reverse)*

(Continued)

adopted, for individual customers would vary depending upon the type and quantity of service provided. Customers may contact the Company at 1-800-383-0834 to inquire about the effect of the proposed Rate Design Agreement on their individual bill.

**How You Can View or Obtain a Copy of the proposed Rate Design Agreement:**

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**About Intervenor Status:**

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you desire to intervene, you must file a written motion to intervene with the Commission. You must send a copy of the motion to intervene to the Company or its counsel and to all parties of record. Your motion to intervene must contain the following:

1. Your name, address, and telephone number and the name, address and telephone number of any party upon whom service of documents is to be made if not yourself.
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