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BEFORE THE ARIZONA CORPORATION COMMISSION

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**COMMISSIONERS**

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

2008 MAY 29 A 11:39

AZ CORP COMMISSION  
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF ARIZONA WATER COMPANY, AN ARIZONA CORPORATION, TO EXEND ITS EXISTING CERTIFICATE OF CONVENIENCE AND NECESSITY IN THE CITY OF CASA GRANDE AND IN PINAL COUNTY, ARIZONA

Docket No. W-01445A-06-0199

IN THE MATTER OF THE APPLICATION OF PALO VERDE UTILITIES COMPANY FOR AN EXTENSION OF ITS EXISTING CERTIFICATE OF CONVENIENCE AND NECESSITY.

Docket No. SW-03575A-05-0926

IN THE MATTER OF THE APPLICATION OF SANTA CRUZ WATER COMPANY FOR AN EXTENSION OF ITS EXISTING CERTIFICATE OF CONVENIENCE AND NECESSITY.

Docket No. W-03576A-05-0926

IN THE MATTER OF THE APPLICATION OF PALO VERDE UTILITIES COMPANY FOR AN EXTENSION FO ITS EXISTING CERTIFICATE OF CONVENIENCE AND NECESSITY.

Docket No. SW-03575A-07-0300

IN THE MATTER OF THE APPLICATION OF SANTA CRUZ WATER COMPANY FOR AN EXTENSION OF ITS EXISTING CERTIFICATE OF CONVENIENCE AND NECESSITY.

Docket No. W-03576A-07-0300

**NOTICE OF FILING**

Global Water - Santa Cruz Water Company ("Santa Cruz") and Global Water - Palo Verde Utilities Company ("Palo Verde") file the attached Response to an Insufficiency Letter in another docket. Response (2) pertains to Docket No. W-03576A-07-0300.

Arizona Corporation Commission

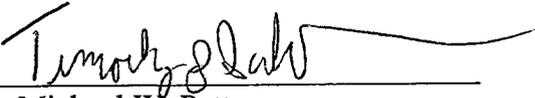
**DOCKETED**

MAY 29 2008

DOCKETED BY  
EK NR

1 RESPECTFULLY SUBMITTED this 29<sup>th</sup> day of May, 2008.

2  
3 ROSHKA DEWULF & PATTEN, PLC

4  
5 By 

6 Michael W. Patten  
7 Timothy J. Sabo  
8 One Arizona Center  
9 400 East Van Buren Street, Suite 800  
10 Phoenix, Arizona 85004

11  
12 Original + 21 copies of the foregoing  
13 filed this 29<sup>th</sup> day of May 2008 with:

14 Docket Control  
15 ARIZONA CORPORATION COMMISSION  
16 1200 West Washington  
Phoenix, Arizona 85007

17 Copies of the foregoing hand-delivered/mailed  
18 this 29<sup>th</sup> day of May, 2008 to:

19 Lyn A. Farmer, Esq.  
20 Chief Administrative Law Judge  
21 Hearing Division  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007

22 Janice Alward, Esq.  
23 Chief Counsel, Legal Division  
24 Arizona Corporation Commission  
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25 Ernest G. Johnson, Esq.  
26 Director, Utilities Division  
27 Arizona Corporation Commission  
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2008 MAR 28 P 4: 13

AZ CORP COMMISSION  
DOCKET CONTROL

March 28, 2008

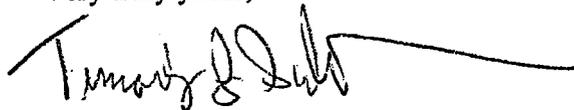
Ms. Blessing N. Chukwu  
Executive Consultant III  
Utilities Division  
Arizona Corporation Commission  
1200 West Washington Avenue  
Phoenix, Arizona 85007

RE: **Responses to 3<sup>rd</sup> Insufficiency Letter docketed  
February 29, 2008**  
Docket Nos. WS-01775A-07-0485, SW-03575A-07-0485,  
W-02442A-07-0485, and W-03576A-07-0485

Dear Ms. Chukwu:

Please find enclosed the Applicants' responses to Staff's 3<sup>rd</sup> Insufficiency Letter which was docketed on February 29, 2008.

Very truly yours,



Timothy J. Sabo

TJS:da

cc: Docket Control  
Ms. Dorothy Hains  
Mr. Graham Symmonds

CP WATER COMPANY, FRANCISCO GRANDE UTILITIES  
COMPANY, PALO VERDE UTILITIES COMPANY, L.L.C. & SANTA  
CRUZ WATER COMPANY, L.L.C. – RESPONSES TO STAFF'S  
THIRD INSUFFICIENCY LETTER DOCKETED FEBRUARY 29, 2008  
Docket Nos. WS-01775A-07-0485, SW-03575A-07-0485,  
W-02442A-07-0485, and W-03576A-07-0485

1. It is clear that the Arizona Water Company ("AWC") will sell its water to CP Water Company ("CP") through a signed service agreement signed in 1985. However, this agreement also specifies that either AWC or CP can terminate this agreement upon giving to the other party thirty days written notice of its intention. Please provide Santa Cruz's plan of how it intends to serve customers in CP's service area, if AWC decides to terminate.

**RESPONSE:**

As discussed in our January 25, 2008 response to a similar question, there currently are no plans to discontinue the bulk purchase service from AWC for the existing customers. As previously discussed, the additional development to occur within the entire CP Water certificated area will likely progress under the Legends development, and SCWC plans to provide water service as discussed fully in docket 07-0300.

CP Water remains in good standing with the provisions of the AWC contract and there have been no indications that AWC would terminate, nor would we expect that AWC would jeopardize water service to homeowners without allowing for some time to establish alternative sources.

Please note that Global has demonstrated its ability to respond to emergency water service needs, as evidenced by its success in responding to Sabrosa Water Company, Desert Hills Water Company, and more recently Hacienda Acres.

**RESPONDENT: Graham Symmonds, CTO & SVP Regulatory Affairs and Compliance**

Question to be answered under 07-0300 Legends docket

2. Staff understood that the existing residences in CP's service area are septic tank users. However, Staff is not clear whether the County will still issue septic tank permits to new CP customers or not. Please provide Palo Verde's plan of how it intends to provide sewer service in CP's area, if septic tank permits will no longer be permitted.

**RESPONSE:**

Wastewater flows from future development within the CP Water CC&N area are all programmed to ultimately be treated at PVUC Campus 7 WRF located within the Legends development, which overlays the entire CP Water CC&N service area. That is, PVUC has been requested by the Legends

CP WATER COMPANY, FRANCISCO GRANDE UTILITIES  
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W-02442A-07-0485, and W-03576A-07- 0485

developer to provide wastewater service, and Legends includes the land within the current CP Water service area. There is little likelihood that any development will occur within the CP Water CC&N service area prior to, or exclusive of, the Legends development. In the unlikely event that wastewater service is requested prior to, or exclusive of, the Legends development, for which PVUC has designed its Regional Master Plan, and septic facilities are requested by the property owners but denied by the responsible municipal agency, those connections may be required to enter into Main Extension Agreements with PVUC detailing the necessary treatment and collection works necessary to receive service.

**RESPONDENT: Graham Symmonds, CTO & SVP Regulatory Affairs and Compliance**