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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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COMMISSIONERS

- 3 MIKE GLEASON, Chairman
- 4 WILLIAM A. MUNDELL
- 5 JEFF HATCH-MILLER
- 6 KRISTIN K. MAYES
- 7 GARY PIERCE

AZ CORP COMMISSION
DOCKET CONTROL

DOCKETED BY	<i>MM</i>
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6 IN THE MATTER OF THE APPLICATION
7 OF ARIZONA WATER COMPANY, AN
8 ARIZONA CORPORATION, TO EXTEND
9 ITS EXISTING CERTIFICATE OF
CONVENIENCE AND NECESSITY IN THE
CITY OF CASA GRANDE AND IN PINAL
COUNTY, ARIZONA

DOCKET NO. W-01445A-06-0199

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

DOCKET NO. SW-03575A-05-0926

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

DOCKET NO. W-03576A-05-0926

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

DOCKET NO. SW-03575A-07-0300

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

DOCKET NO. W-03576A-07-0300

**STAFF'S RESPONSE TO MOTION
TO CONSOLIDATE**

22

23 The Utilities Division of the Arizona Corporation Commission ("Staff") files its response to the
24 joint motion by Arizona Water Company ("Arizona Water"), Global Water Resources, LLC, Global
25 Water Resources, Inc., Global Water Management, LLC, Santa Cruz Water Company, LLC, Palo
26 Verde Utilities Company, LLC, Global Water - Santa Cruz Water Company, Global Water - Palo
27 Verde Utilities Company, as well as Francisco Grande Utility Company and CP Water Company
28 (collectively, the "Moving Parties") to consolidate Docket No. W-01445A-06-0200 ("The Complaint

1 Proceeding”) with Docket Nos. W-01445A-06-0199, SW-03575A-05-0926, W-03576A-05-0926, W-
2 03576A-070300 and SW-03575A-07-0300 (which are already consolidated in the W-01445A-06-
3 0199 docket, collectively the “CCN Proceedings”) and Docket Nos. WS-01775A-07-0485, SW-
4 03575A-07-0485, W-02442A-07-0485 and W-03576A-07-0485 (the “Francisco Grande/CP Water
5 Proceedings”). Staff does not oppose consolidation.

6 **I. BACKGROUND.**

7 Arizona Water filed a complaint against various Global Water entities on March 29, 2006. At
8 the time, Arizona Water and certain Global Water entities had applied for extensions of their
9 Certificates of Convenience and Necessity (“CC&N”) to provide utility services in various areas of
10 Pinal County. Some of the applications had overlapping areas under request. The CCN Proceedings
11 were consolidated under Docket No. W-01445A-06-0199 pursuant to a procedural order issued on
12 April 21, 2006. The CCN Proceeding was stayed on March 9, 2007, pending the outcome of the
13 disputes raised in the Complaint Proceeding.

14 Global Utilities filed with the Commission an application to transfer the CC&Ns of Francisco
15 Grande Utility Company and CP Water to Global Water - Santa Cruz and Global Water - Palo Verde
16 in the Francisco Grande/CP Water Proceedings.

17 The Moving Parties executed a settlement agreement dated May 15, 2008 (“Agreement”) and
18 filed it in the Complaint Proceeding docket on May 16, 2008. Pursuant to that Agreement, the
19 Moving Parties agreed to, among other things, assign territory among them and amend their pending
20 CC&N applications accordingly. During the June 2, 2008 Procedural Conference, the Moving
21 Parties indicated that they would file a joint motion to consolidate the CCN Proceedings and the
22 Francisco Grande/CP Water proceedings with the Complaint Proceeding. The Moving Parties cited
23 the avoidance of inconsistent rulings as well as efficiency as the reasons for consolidation. Without
24 commenting on the propriety of the Agreement, which Staff will reserve its comments and submit
25 them when requested by the Administrative Law Judge, Staff does not oppose consolidation.

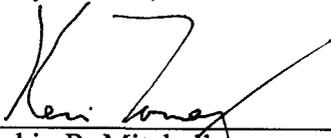
26 **II. STAFF’S POSITION ON CONSOLIDATION.**

27 During the Procedural Conference on June 2, 2008, Staff indicated that if the ALJ ordered
28 consolidation, Staff would not oppose consolidation but did not feel that consolidation was necessary.

1 TR 9:18-25; 10:1-4 Staff also indicated that the division of territory into planning areas as
2 contemplated by the Agreement caused concern and in Staff's opinion, would not be in the public
3 interest.

4 Staff does not oppose consolidation, but Staff's non-opposition should not be seen as support
5 for the Agreement.

6 RESPECTFULLY SUBMITTED this 24th day of June, 2008.

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9 _____
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12 Original and seventeen (17) copies
13 of the foregoing were filed this
14 24th day of June, 2008 with:

15 Docket Control
16 Arizona Corporation Commission
17 1200 West Washington Street
18 Phoenix, Arizona 85008

19 Copy of the foregoing mailed this
20 24th day of June, 2008 to:

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