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Beaver Dam Water Company  
P.O. Box 550  
Beaver Dam, Arizona 86432

RECEIVED

2009 JAN 20 P 12: 05

AZ CORP COMMISSION  
DOCKET CONTROL

January 16, 2009

Docket Control  
Arizona Corporation Commission  
1200 W. Washington St.  
Phoenix, Arizona 85007

**Beaver Dam Water Company**  
**Docket NO. W-03067A-08-0380 and W-03067A-08-0266**

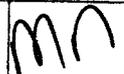
**Response Letter to Reclassification from Class D to Class C**  
**Responds to Second Letter of Deficiency**

**January 12, 2009**

Arizona Corporation Commission

**DOCKETED**

**JAN 20 2009**

DOCKETED BY	
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Beaver Dam Water Company  
P.O. Box 550  
Beaver Dam, Arizona 86432

January 16, 2009

Elijah Abinah  
Arizona Corporation Commission  
1200 W. Washington St.  
Phoenix, Arizona 85007

RE: Beaver Dam Water Company - Application for Increase Docket  
No. -03067A-08-0380 W-03067A-08-0266

**RESPONSE LETTER OF RECLASSIFICATION FROM CLASS D TO CLASS C**

Dear Mr. Abinah

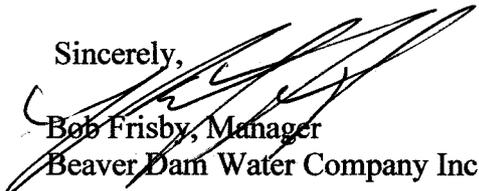
Enclosed please find response to your letter of January 12, 2009.

1. The Company requested a waiver to use a short form one time exemption for the Rate Application July 18, 2008 (Attachment 1). In your Sufficiency Letter of November 21, 2008 it was stated that "Your Company has been classified as Class D" and that the Commission would render its decision on or before May 20, 2009. (Attachment 2). Now we have received a letter (attachment 3) dated January 12, 2009 informing us that we have now been reclassified as C. The ability of the Company to perform its responsibilities will be severely compromised by waiting an additional 3 months. Nothing has changed in the Company that would require a change of classification.
2. The Company requested an emergency (debit) Authorization in support of a WIFA loan in the amount of \$104, 283.00 for a new water storage tank which was docketed May 27, 2008. As stated in the application the Company had been operating a consecutive water system with Virgin Valley Water District of Mesquite. Because of BWDC strong opposition to an application to transport water from Arizona to Nevada VVWD would no longer supply the Company with Fire Protection and Emergency Back up. At this time we have 200 Arizona residents without fire protection.
3. The Company has a current application with WFIA for the funding of the storage tank. However, if we have to wait until August of 2009 we may lose our position in the funding cycle.
4. Based on the letter of November 21, 2008 the Company sought and received bids for the water storage tank based on receiving the Commission's decision by May 20, 2009. Now with a date of August 18<sup>th</sup> we are going to have substantial increases and may have to modify the WIFA loan and the Finance Application.

Beaver Dam Water Company has responded to Staff's Insufficiency Letter within no longer than 16 days. We can't help but ask the question why has it taken Staff 54 days to inform us that they have changed our classification? Another question is does the reclassification have anything to do with the time it has taken for Staff to do their inspection? We originally had an appointment with Marlin Scott to inspect the facilities in early October 2008. It was then rescheduled by Jian Liu for the second week of November 2008, which he canceled and rescheduled for December 2008, which he again canceled. Finally Mr. Liu made the inspection January 15, 2009. We realize that we are quite a distance from Phoenix however we do not feel this should be a detriment to us and the residence of this area as we are trying to do all we can to get our application completed.

Now with the reclassification by Staff we are adding an additional 90 days to the already belated time frame for the applications.

Sincerely,



Bob Frisby, Manager  
Beaver Dam Water Company Inc.

CC: Chairman Kristin Mayes, Arizona Corporation Commission  
Judy Navarrete, Water Infrastructure Finance of Arizona

attachment "1"

## **Beaver Dam Water Company, Inc.**

**P.O. Box 550 Littlefield, AZ 86432  
1-928-347-5000 Facsimile 928-347-5003**

Docket Control Center  
Arizona Corporation Commission  
Phoenix, Arizona 85007-2996

July 18 2008

To Whom It May Concern:

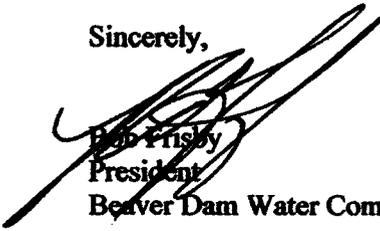
Enclosed is our Rate Application for a rate adjustment based on the year 2007. Also enclosed are 3 copies of the invoices required by the "short form" application.

Beaver Dam Water Company's revenue for the year 2007 was less than \$250,000.00 or a class D, but when we include the requested rate relief we become a class C.

BDWC hereby request a waiver to use a short form one time exception for small water companies with annual gross operating revenues less than \$250,000 per Arizona Administrative Code R14-2-103.

Please let us know if any additional information is needed. Do not hesitate to contact us; our fax, e-mail and phone numbers are included.

Sincerely,



Bob Frisby  
President

Beaver Dam Water Company, Inc.

attachment "2"

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



BRIAN C. McNEIL  
Executive Director

ARIZONA CORPORATION COMMISSION

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November 21, 2008

2008 NOV 21 P 4: 25

**CERTIFIED MAIL**

AZ CORP COMMISSION  
DOCKET CONTROL

Mr. Robert Frisby, President  
Beaver Dam Water Company  
Post Office Box 550  
Littlefield, Arizona 86432

RE: BEAVER DAM WATER COMPANY, INC. - APPLICATION FOR A RATE INCREASE, DOCKET NO. W-03067A-08-0380 (WATER) and W-03067A-08-02166

**LETTER OF SUFFICIENCY**

Dear Mr. Frisby:

This letter (per section R14-2-103.B.7 of the Arizona Administrative Code) is to inform you that your application, originally received on July 23, 2008, found insufficient on August 22, 2008, and October 8, 2008, and resubmitted with changes on September 8, 2008, and October 23, 2008, respectively has now met the sufficiency requirements as outlined in Arizona Administrative Code R14-2-103. Your utility has been classified as Class D.

The Staff Report regarding this application should be docketed on or about February 4, 2008, and a Commission decision should be rendered on or before May 20, 2008, barring any substantial amendments to the filing or extraordinary events.

The Staff person assigned to your application is Brendan C. Aladi. He can be reached at (602) 542-0785., or toll free at (800) 222-7000, if you have any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Elijah Abinah".

Elijah Abinah  
Chief, Financial & Regulatory Analysis Section  
Utilities Division

EOA:BCA:tdp

CC: Docket Control Center (sixteen copies)  
Vicki Wallace, Consumer Services  
Delbert Smith, Engineering  
Lyn Farmer, Hearing Division

attachment '3'

**COMMISSIONERS**  
KRISTIN K. MAYES - Chairman  
GARY PIERCE  
PAUL NEWMAN  
SANDRA D. KENNEDY  
BOB STUMP



**BRIAN C. McNEIL**  
Executive Director

**ARIZONA CORPORATION COMMISSION**

January 12, 2009

**CERTIFIED MAIL**

Mr. Robert Frisby, President  
Beaver Dam Water Company, Inc.  
Post Office Box 550  
Littlefield, Arizona 86432

RE: BEAVER DAM WATER COMPANY, INC. – APPLICATION FOR A RATE INCREASE, DOCKET NO. W-03067A-08-0380 (WATER) AND A FINANCING DOCKET NO. W-03067A-08-0266

**REVISED LETTER OF SUFFICIENCY**

Dear Mr. Frisby:

This letter reclassifies the size of your Utility from class D to class C and changes the due dates to docket Staff Report/Testimony, and render a Commission decision. It supersedes the letter of sufficiency issued on November 21, 2008.

Per section R14-2-103.B.7 of the Arizona Administrative Code, this is to inform you that your application, originally received on July 23, 2008, found insufficient on August 22, 2008, and October 8, 2008, and resubmitted with changes on September 8, 2008, and October 23, 2008, respectively met sufficiency requirements as outlined in Arizona Administrative Code R14-2-103 on November 21, 2008. Your utility has been reclassified as Class C.

The Staff Report/Testimony regarding this application should be docketed on or about April 5, 2009, and a Commission decision should be rendered on or about August 18, 2009, barring any substantial amendments to the filing or extraordinary events. A procedural order will be issued identifying more accurate dating.

AZ CORP COMMISSION  
DOCKET CONTROL

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Mr. Robert Frisby, President

January 12, 2009

Page 2

The Staff person assigned to your application is Brendan C. Aladi. He can be reached at (602) 542-0785., or toll free at (800) 222-7000, if you have any questions or concerns.

Sincerely,



Elijah Abinah  
Chief, Financial & Regulatory Analysis Section  
Utilities Division

EOA:BCA:tdp

CC: Docket Control Center  
Vicki Wallace, Consumer Services  
Delbert Smith, Engineering  
Lyn Farmer, Hearing Division