



0000093729

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

FEB 12 2009

KRISTIN K. MAYES, Chairman  
GARY PIERCE  
PAUL NEWMAN  
SANDRA D. KENNEDY  
BOB STUMP

DOCKETED BY  
KCL MA

IN THE MATTER OF THE APPLICATION OF  
WICKENBURG RANCH WATER, LLC  
(FORMERLY CDC WICKENBURG WATER,  
LLC) FOR APPROVAL OF A RATE  
ADJUSTMENT.

DOCKET NO. W-03994A-07-0657

DECISION NO. 70741

OPINION AND ORDER

DATE OF HEARING: October 8, 2008  
PLACE OF HEARING: Phoenix, Arizona  
ADMINISTRATIVE LAW JUDGE: Sarah N. Harpring  
APPEARANCES: Mr. Steve Wene, Moyes, Sellers & Sims, on behalf of  
Wickenburg Ranch Water, LLC; and  
Mr. Kevin Torrey, Staff Attorney, Legal Division, on  
behalf of the Utilities Division of the Arizona  
Corporation Commission.

BY THE COMMISSION:

On November 20, 2007, Wickenburg Ranch Water, LLC ("Wickenburg Ranch") filed with the Arizona Corporation Commission ("Commission") an Application to Adjust Rates.

On December 14, 2007, the Commission's Utilities Division Staff ("Staff") filed a Letter of Insufficiency stating that the application did not meet the sufficiency requirements outlined in Arizona Administrative Code ("A.A.C.") R14-2-103.

On January 3, 2008, Wickenburg Ranch filed an Affidavit of Publication of Customer Notice showing that notice of its application had been published in *The Wickenburg Sun* on December 12, 19, and 26, 2007.

On January 18, 2008, Wickenburg Ranch filed a response to Staff's Letter of Insufficiency.

1 On February 21, 2008, Staff issued a Letter of Sufficiency, stating that Wickenburg Ranch's  
2 application had met the sufficiency requirements outlined in A.A.C. R14-2-103 and that Wickenburg  
3 Ranch had been classified as a Class C utility.

4 On February 28, 2008, a Procedural Order was issued scheduling a telephonic procedural  
5 conference for March 17, 2008.

6 On March 4, 2008, Wickenburg Ranch filed a Response to Second Set of Data Requests.

7 On March 17, 2008, a telephonic procedural conference was held before a duly authorized  
8 Administrative Law Judge ("ALJ") of the Commission. Wickenburg Ranch and Staff appeared  
9 through counsel. During the procedural conference, it was determined that Staff would file its Staff  
10 Report by July 7, 2008, and that Wickenburg Ranch would file any response to the Staff Report by  
11 July 28, 2008. There was also a discussion regarding whether a hearing would be needed.

12 On July 8, 2008, Staff filed a Motion to Extend Time to File Staff Report ("Motion to Extend  
13 Time"), requesting an additional two weeks for Staff to prepare the Staff Report because Staff had  
14 just received new information from the Arizona Department of Water Resources ("ADWR") stating  
15 that there is insufficient water in the area for the purposes outlined in the application. Staff avowed  
16 that Wickenburg Ranch did not object to the requested extension of time.

17 On July 10, 2008, a Procedural Order was issued extending Staff's deadline to file the Staff  
18 Report and/or direct testimony and exhibits; scheduling a hearing in this matter for October 8, 2008;  
19 establishing associated requirements and deadlines; scheduling a pre-hearing conference for October  
20 1, 2008; requiring prefiled testimony and exhibits; and extending by 60 days the time period for the  
21 Commission's final order in this matter.

22 On July 16, 2008, Wickenburg Ranch filed a Response to Staff's Motion to Extend Time,  
23 stating that Staff's assertion that there is insufficient water in the area for the purposes outlined in the  
24 application was erroneous and taking issue with Staff's making such an assertion in a Motion to  
25 Extend Time.

26 On August 6, 2008, Wickenburg Ranch filed the Direct Testimony of William Brownlee,  
27 Sonn Rowell, John Matta, Peter Chan, and Steve Corell. Wickenburg Ranch also filed six exhibits.  
28

1 On August 15, 2008, Wickenburg Ranch filed a Certification of Publication and Mailing of  
2 Notice of Application stating that notice had been published in *The Wickenburg Sun* on July 30,  
3 2008; that Wickenburg Ranch currently has no licensees or water customers; and that notice was  
4 provided to the owners of the Wickenburg Ranch Estates development on July 23, 2008.

5 On September 3, 2008, Staff filed a Staff Report recommending approval of Staff's  
6 recommended rates and charges.

7 On September 15, 2008, Wickenburg Ranch filed a Motion for Extension of Time to File  
8 Comments to Staff Report and Motion to Reschedule Prehearing Conference. Wickenburg Ranch  
9 stated that Staff had no objection to the extension.

10 On September 19, 2008, a Procedural Order was issued extending to September 29, 2008,  
11 Wickenburg Ranch's deadline to respond to the Staff Report and rescheduling the pre-hearing  
12 conference to October 6, 2008.

13 On September 26, 2008, in response to the Staff Report, Wickenburg Ranch filed the Rebuttal  
14 Testimony of William Brownlee.

15 On October 6, 2008, the pre-hearing conference proceeded as scheduled. Wickenburg Ranch  
16 and Staff appeared through counsel. At the pre-hearing conference, the parties were informed of  
17 specific subject areas to address at the hearing.

18 On October 8, 2008, the hearing proceeded as scheduled before a duly authorized ALJ of the  
19 Commission at the Commission's offices in Phoenix, Arizona. Wickenburg Ranch and Staff  
20 appeared through counsel and presented evidence and testimony. Staff was directed to file, by  
21 October 15, 2008, one late-filed exhibit related to Wickenburg Ranch's proposed cash working  
22 capital allowance. Wickenburg Ranch was directed to file any response it may have by October 22,  
23 2008.

24 On November 25, 2008, Staff filed a late-filed exhibit stating that Staff does not recommend a  
25 cash working capital allowance. Wickenburg Ranch did not file a response.

26 \* \* \* \* \*

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

1 FINDINGS OF FACT

2 1. Wickenburg Ranch is an Arizona limited liability company authorized to provide  
3 water utility service to customers in Yavapai County, Arizona, pursuant to a Certificate of  
4 Convenience and Necessity ("CC&N") originally granted in Decision No. 42961 (November 22,  
5 1972).<sup>1</sup> Decision No. 42961 established Wickenburg Ranch's current rates of \$6.00 for the first  
6 2,000 gallons or less for each consumer per month and \$1.00 per thousand gallons for all water used  
7 in excess of 2,000 gallons per month.

8 2. Wickenburg Ranch and its predecessors have never served a single water customer.  
9 The development the CC&N was granted to serve was never built, with the exception of a small  
10 resort that was originally commonly owned with the water utility and later, when ownership  
11 diverged, was granted a license to use and maintain the water system by one of Wickenburg Ranch's  
12 predecessors and thus was never classified as a customer or required to pay rates.<sup>2</sup> The resort has  
13 been out of operation since 2005 and is currently undergoing a major demolition and remodel  
14 process.

15 3. The water system plant built to serve the CC&N service area includes a 500,000  
16 gallon storage tank, two 70,000 gallon booster tanks, and 16,000 linear feet of 4-inch distribution  
17 line. The plant dates back to the early 1970s, has been fully depreciated, and is no longer in use due  
18 to its poor condition. Wickenburg Ranch does not intend to place the existing plant into service.  
19 Wickenburg Ranch also has five wells that were drilled more than 30 years ago and that it does not  
20 intend to use as potable water production wells. Wickenburg Ranch states that only one of the wells  
21 was ever equipped and used to supply potable water to the resort.

22 4. On November 20, 2007, Wickenburg Ranch filed with the Commission an Application  
23 to Adjust Rates, stating that it desires to establish new rates and charges to provide water service to a  
24 2,162-acre master-planned community known as Wickenburg Ranch Estates, which is planned to

25 <sup>1</sup> Decision No. 42961 granted a CC&N to Yavapai Hills Water Company, an Arizona limited liability partnership. In  
26 1996, in Decision No. 59646 (May 15, 1996), Yavapai Hills Water Company was authorized to transfer its CC&N and to  
27 sell its assets to Wick Water, LLC, a Kansas limited liability company. In 2001, in Decision No. 64252 (December 4,  
2001), Wick Water, LLC, was authorized to transfer its CC&N and assets to CDC Wickenburg Water, LLC. In  
28 September 2007, CDC Wickenburg Water filed Amended Articles of Organization with the Commission to change its  
name to Wickenburg Ranch Water, LLC.

<sup>2</sup> The Commission recognized this treatment of the resort in Decision No. 59646 (May 15, 1996).

1 consist of commercial units and 2,324 housing units.

2 5. Because Wickenburg Ranch has no historical test year data from water utility  
3 operations, Staff and Wickenburg Ranch agreed that Wickenburg Ranch's rate application would be  
4 treated similarly to an initial CC&N application.

5 6. Notice of the application was published in *The Wickenburg Sun* on December 12, 19,  
6 and 26, 2007.

7 7. On February 21, 2008, Staff issued a Letter of Sufficiency, stating that Wickenburg  
8 Ranch's application had met the sufficiency requirements outlined in A.A.C. R14-2-103 and that it  
9 had been classified as a Class C utility.

10 8. Notice of the application and hearing was published in *The Wickenburg Sun* on July  
11 30, 2008, and was provided to the owners of the Wickenburg Ranch Estates development on July 23,  
12 2008. No comments have been received regarding the application.

13 9. On September 3, 2008, Staff filed its Staff Report, recommending approval of Staff's  
14 recommended rates and charges.

15 10. On September 26, 2008, Wickenburg Ranch filed the Rebuttal Testimony of William  
16 Brownlee in response to the Staff Report.

17 11. On October 8, 2008, a hearing on Wickenburg Ranch's application was held before a  
18 duly authorized ALJ of the Commission at the Commission's offices in Phoenix, Arizona.  
19 Wickenburg Ranch and Staff appeared through counsel and presented evidence and testimony.  
20 Wickenburg Ranch presented testimony from William Brownlee, Sonn Rowell, John Matta, Marvin  
21 Glotfelty, and Peter Chan. Staff presented testimony from Jian Liu and Gary McMurry. Staff was  
22 directed to file, by October 15, 2008, one late-filed exhibit related to Wickenburg Ranch's proposed  
23 cash working capital allowance. Wickenburg Ranch was directed to file any response it may have by  
24 October 22, 2008.

25 12. On November 25, 2008, Staff filed its late-filed exhibit, stating that it does not  
26 recommend a cash working capital allowance because Wickenburg Ranch has not justified the need  
27 for one. Staff stated that a cash working capital allowance is generally only granted to larger  
28 companies when there is a demonstrated need to cover the time lag between cash payments to

1 vendors and cash receipts from customers and that Class C and larger utilities typically have a  
2 negative cash working capital component and do not need additional funding through this  
3 mechanism. In the absence of actual data from Wickenburg Ranch demonstrating that there will be a  
4 time lag between receipt and disbursement of funds, Staff does not believe that a cash working capital  
5 allowance is appropriate. Wickenburg Ranch did not file a response.

6 13. Wickenburg Ranch and the developer for Wickenburg Ranch Estates, JVT Investors,  
7 LLC ("JVT"), are both funded through organizations ultimately owned and controlled by Larry Van  
8 Tuyl.<sup>3</sup> (Tr. at 11, 21-22.) Mr. Van Tuyl has also established another company, Wickenburg Ranch  
9 Wastewater, LLC, that will soon be seeking a CC&N to provide wastewater service to Wickenburg  
10 Ranch's CC&N service area. (Tr. at 13, 26-27.) Wickenburg Ranch and JVT Investors are both in  
11 good standing with the Commission's Corporations Division.

12 14. Wickenburg Ranch obtained a Designation of Adequate Water Supply ("DAWS")  
13 from ADWR in February 2008, based on a projected demand of 1,224 acre-feet per year in 2013.  
14 (Ex. A-7 at ex. 6.) In May 2006, Wickenburg Ranch had obtained from ADWR an Analysis of  
15 Adequate Water Supply ("Analysis") establishing that 1,224 acre-feet per year of groundwater is  
16 physically, legally, and continuously available, but also stating that Wickenburg Ranch's projected  
17 buildout demand is 1,400.84 acre-feet per year. (Ex. A-7 at ex. 12 to ex. 1.) The Analysis states that  
18 an additional 247 acre-feet per year of effluent will be generated at buildout, but that the effluent had  
19 not been proven to be physically, legally, or continuously available at that time. (*Id.*) Wickenburg  
20 Ranch witness Marvin Glotfelty testified that the development will phase up to the 1,400.84 acre-feet  
21 per year water demand and that the existing groundwater can meet the existing need in the meantime.  
22 (Tr. at 55.)

23 15. The commercial units planned for Wickenburg Ranch Estates include a resort, a golf  
24 course, and potentially a time share resort, depending on market demand. (Tr. at 28.) The planned  
25 residential units include 383 custom home lots and 1,941 production housing lots. (Tr. at 18.) Phase  
26

27 <sup>3</sup> Mr. Van Tuyl owns JVT Investors jointly with the Van Tuyl Family Irrevocable Trust, and JVT Investors owns  
28 Wickenburg Ranch Estates. (Tr. at 24.) Mr. Van Tuyl owns VT Wick, Inc. along with his father, Cecil Van Tuyl. (Tr. at  
24-25.) VT Wick owns Vanwick, LLC, which owns Wickenburg Ranch. (Tr. at 25.) Larry Van Tuyl controls the entire  
enterprise and is the source of the funding for the enterprise. (Tr. at 25.)

1 I of the development is planned to include 100 custom home lots, the golf course, and the initial  
 2 phase of the resort. (Tr. at 28-29.) Phase I may also include up to 200 lots for production housing,  
 3 depending on market demand.<sup>4</sup> (Tr. at 29.) As of January 2010, the main lines and arterial roads  
 4 should be present for the production home parcels; the custom home lots that have been improved  
 5 should have main lines fronting them; and the main well, the water storage facility, and any necessary  
 6 treatment facilities should be completed. (Tr. at 22.)

7 16. Initially, JVT will be using private wells owned by JVT and located on the golf course  
 8 land to irrigate the golf course and landscaping and to provide water for ornamental lakes. (Tr. at 14,  
 9 26, 68.) The private wells are not owned by Wickenburg Ranch and will not be part of Wickenburg  
 10 Ranch's water system,<sup>5</sup> but will be drawing water from the same aquifer as will the water system.  
 11 (Tr. at 26, 69, 76.) Mr. Brownlee testified that JVT has an agreement with Yavapai County to be able  
 12 to use groundwater as supplemental irrigation through irrigation wells on the golf course property.  
 13 (Tr. at 14.) The decision to use the private wells to irrigate the golf course was based on knowledge  
 14 of the Commission's preference not to have water companies irrigate golf courses. (Tr. at 80.) Mr.  
 15 Glotfelty testified that the private wells were considered by ADWR in its approval process for the  
 16 DAWS. (Tr. at 76-77.) Once effluent is produced through the development, JVT will use effluent  
 17 for irrigation. (Tr. at 14-15, 26.) Wickenburg Ranch witness Peter Chan testified that it would take  
 18 approximately 1,000 to 1,200 houses to produce sufficient effluent to irrigate the golf course, which  
 19 will require 284 acre-feet of water for irrigation per year.<sup>6</sup> (Tr. at 67-68, 72.) Mr. Chan testified that,  
 20 at full buildout, Wickenburg Ranch Estates will produce approximately 526 acre-feet of effluent per  
 21 year. (Tr. at 70.)

22 17. Wickenburg Ranch's CC&N service area is not located in an Active Management  
 23 Area ("AMA") and will not be subject to ADWR reporting and conservation requirements. (Ex. S-1

24 <sup>4</sup> Development of the production housing lots will be driven by demand from homebuilders, as there are currently no  
 25 contracts in place to sell those production housing lots in bulk to builders for development. (Tr. at 18-19, 29.) The  
 26 production housing land will be developed to "superpad" condition, meaning that it will be graded, that arterial streets  
 will be in, and that the utilities will be stubbed to the entrance to the pad. (Tr. at 29.) The purchasing homebuilder would  
 buy the pad and then build the individual lots within the parcel. (Tr. at 30.)

27 <sup>5</sup> These apparently are not the same wells as referenced in Findings of Fact No. 3.

28 <sup>6</sup> It appears that 1,268 homes may be a more accurate figure, based on Mr. Chan's estimate of 200 gallons of sewage per  
 day produced per home. (See Tr. at 69.) One acre-foot is equivalent to approximately 325,851 gallons. The golf course  
 will thus require 92,541,684 gallons per year, or 253,539 gallons per day. Divided by 200, that results in 1,268.

1 at 35.)

2 18. Although Wickenburg Ranch is located outside an Active Management Area, it should  
3 nonetheless be required to comply with some of the conservation goals and management practices of  
4 the Arizona Department of Water Resources ("ADWR"). We will require Wickenburg Ranch to  
5 implement, within 90 days of the effective date of this Decision, at least 10 Best Management  
6 Practices ("BMP") (as outlined in ADWR's Modified Non-Per Capita Conservation Program). Only  
7 one of these BMP's shall come from the "Public awareness/PR or Education and Training categories  
8 of the BMPs.

9 19. Because the developer in this case has insisted on building a golf course prior to the  
10 availability of effluent for the irrigation of that golf course, and because the Commission has  
11 becoming increasingly concerned with the prolonged drought in Central Arizona, we believe it is in  
12 the public interest to require, as a compliance item in this case, the Company to file appropriate tariffs  
13 for Commission consideration that would condition the provision of water service to any customer on  
14 the implementation of full xeriscape landscaping in front yards, as well as the installation of  
15 rainwater catchment systems. These tariffs shall contain, at a minimum, the requirements for  
16 implementing such a condition of service, details of the estimated costs to the Company, if any,  
17 associated with implementation of the condition of service, proposed customer fees and charges, and  
18 any other information that Wickenburg Ranch believes would assist the Commission in evaluating  
19 these tariffs. These tariffs shall also demonstrate compliance with all applicable requirements of  
20 ADEQ and any applicable local codes.

21 20. Wickenburg Ranch initially will be managed through a contract with CSA  
22 Engineering. (Tr. at 30.) Wickenburg Ranch witness Peter Chan is the President of CSA  
23 Engineering and a Professional Engineer specializing in water and wastewater treatment systems.  
24 (Ex. A-6 at 2.) Mr. Chan will serve as the Certified Operator for the water system. (*Id.*) In the  
25 future, Wickenburg Ranch intends to do a request for proposals to determine whether another  
26 management firm would be more beneficial. (Tr. at 30.) Wickenburg Ranch intends always to obtain  
27 its management services through contract. (Tr. at 30.)

28 ...

21. The water rates and charges for Wickenburg Ranch at present, proposed by Wickenburg Ranch,<sup>7</sup> and recommended by Staff are as follows:

<u>MONTHLY USAGE CHARGE:</u>	<u>Present Rates</u>	<u>Company Proposed</u>	<u>Staff Recommended</u>
5/8" x 3/4" Meter	\$ 6.00	\$ 11.50	\$ 17.25
3/4" Meter	6.00	17.25	17.25
1" Meter	6.00	28.75	28.75
1 1/2" Meter	6.00	57.50	57.50
2" Meter	6.00	92.00	92.00
3" Meter	6.00	184.00	184.00
4" Meter	6.00	287.50	287.50
5" Meter	6.00	431.25	N/A
6" Meter	6.00	575.00	575.00

Gallons included in Minimum	2,000	0	0
-----------------------------	-------	---	---

#### Commodity Rates (Per 1,000 Gallons)

##### 5/8" x 3/4" & 3/4" Meter

Over 2,000 Gallons	\$1.00	N/A	N/A
All Usage	N/A	\$2.50	N/A
1 to 3,000 Gallons	N/A	N/A	\$3.30
3,001 to 10,000 Gallons	N/A	N/A	5.00
Over 10,000 Gallons	N/A	N/A	6.00

##### 1" Meter

Over 2,000 Gallons	\$1.00	N/A	N/A
All Usage	N/A	\$2.50	N/A
1 to 20,000 Gallons	N/A	N/A	\$5.00
Over 20,000 Gallons	N/A	N/A	6.00

##### 1 1/2" Meter

Over 2,000 Gallons	\$1.00	N/A	N/A
All Usage	N/A	\$2.50	N/A
1 to 45,000 Gallons	N/A	N/A	\$5.00
Over 45,000 Gallons	N/A	N/A	6.00

##### 2" Meter

Over 2,000 Gallons	\$1.00	N/A	N/A
All Usage	N/A	\$2.50	N/A
1 to 75,000 Gallons	N/A	N/A	\$5.00
Over 75,000 Gallons	N/A	N/A	6.00

##### 3" Meter

Over 2,000 Gallons	\$1.00	N/A	N/A
All Usage	N/A	\$2.50	N/A

<sup>7</sup> Wickenburg Ranch's proposed rates and charges, as revised, were included in Ex. A-3 at att. 4.

1	1 to 150,000 Gallons	N/A	N/A	\$5.00
2	Over 150,000 Gallons	N/A	N/A	6.00
3	<u>4" Meter</u>			
4	Over 2,000 Gallons	\$1.00	N/A	N/A
5	All Usage	N/A	\$2.50	N/A
6	1 to 250,000 Gallons	N/A	N/A	\$5.00
7	Over 250,000 Gallons	N/A	N/A	6.00
8	<u>6" Meter</u>			
9	Over 2,000 Gallons	\$1.00	N/A	N/A
10	All Usage	N/A	\$2.50	N/A
11	1 to 500,000 Gallons	N/A	N/A	\$5.00
12	Over 500,000 Gallons	N/A	N/A	6.00

**SERVICE LINE AND METER INSTALLATION CHARGES:**

(Refundable pursuant to A.A.C. R14-2-405)

	<u>Present Rates</u>	<u>Company &amp; Staff Service Line Charge</u>	<u>Company &amp; Staff Meter Installation</u>	<u>Company &amp; Staff Total Recommended</u>
13	N/A	\$ 365.00	\$ 115.00	\$ 480.00
14	N/A	375.00	185.00	560.00
15	N/A	425.00	225.00	650.00
16	N/A	460.00	435.00	895.00
17	N/A	615.00	940.00	1,555.00
18	N/A	615.00	1,665.00	2,280.00
19	N/A	790.00	1,445.00	2,235.00
20	N/A	830.00	2,240.00	3,070.00
21	N/A	1,130.00	2,310.00	3,440.00
22	N/A	1,195.00	3,200.00	4,395.00
23	N/A	1,695.00	4,500.00	6,195.00
24	N/A	1,740.00	6,230.00	7,970.00

**SERVICE CHARGES:**

	<u>Present Rates</u>	<u>Company</u>	<u>Staff</u>
25	N/A	\$25.00	\$25.00
26	N/A	35.00	35.00
27	N/A	40.00	40.00
28	N/A	25.00	25.00
29	N/A	25.00	25.00
30	N/A	25.00	25.00
31	N/A	1.50%	1.50%
32	N/A	75.00	*
33	N/A	0.00%	*
34	N/A	**	**
35	N/A	N/A	***

\* Per Commission rule (R-14-2-403(B)).

1       \*\* Months off system times the monthly minimum (R14-2-403(D)).  
2       \*\*\* 1.0 percent of monthly minimum for a comparably sized meter connection, but no less  
3       than \$5.00 per month. The service charge for fire sprinklers is only applicable for  
4       service lines separate and distinct from the primary water service line.

5       22. Staff's recommended rates and charges are based on projected rate base and operating  
6       results for the fifth year of operations. Likewise, Wickenburg Ranch's proposed rates and charges,  
7       which were revised subsequent to its initial application, are based on its projections of revenue and  
8       expenses for the first five years of serving customers.

9       23. Staff determined Wickenburg Ranch's original cost rate base ("OCRB") to be  
10       \$2,951,001. This is a \$3,638,281 increase from Wickenburg Ranch's proposed OCRB of (\$687,280),  
11       resulting from Staff's disallowance of \$3,773,279 in advances in aid of construction ("AIAC") and  
12       \$134,998 in cash working capital.

13       24. Staff recommends eliminating the AIAC because it believes that Wickenburg Ranch  
14       should use a capital structure of 70 percent equity and 30 percent AIAC rather than its proposed  
15       capital structure of 100 percent AIAC. Staff witness Gary McMurry testified that start-up companies  
16       are risky, as they have no customer base, and thus need a stronger equity cushion to protect them  
17       against unforeseen events, such as the failure of a pump, a well running dry, or the discovery of  
18       arsenic contamination. (Tr. at 93-94.) Mr. McMurry testified that if a company does not have a cash  
19       account to pay for such unforeseen events, the company generally either has to look to the developer  
20       or one of the lenders of last resort (the Arizona Water Infrastructure and Finance Authority or the  
21       U.S. Department of Agriculture Rural Utilities Service) to obtain funds. (Tr. at 94.) Mr. McMurry  
22       also testified that lenders are not very likely to provide a company a loan when the company does not  
23       have any equity funds at risk. (*Id.*) Mr. McMurry cited to a recent Decision involving Double  
24       Diamond Utilities, Inc., in which the Commission required a capital structure of 70 percent equity  
25       and 30 percent AIAC and also imposed a \$500,000 performance bond.<sup>8</sup> (Tr. at 95.) Mr. McMurry  
26       stated that he believed his recommendations were beneficial to Wickenburg Ranch because he did not  
27       recommend either a performance bond or 100 percent equity, as is often done for start-up companies.  
28       (*Id.*) Mr. McMurry also testified that one cannot assume that money can be collected from the

<sup>8</sup> This was Decision No. 70352 (May 16, 2008), which granted an initial CC&N. The performance bond was required primarily because the applicant had no experience in successfully operating a public utility.

1 developer, because that money would be based on sales, which are not certain. (Tr. at 98.) Staff's  
2 position was not altered by the testimony that Larry Van Tuyl is actually the source for all of the  
3 funding and has the funds available to provide equity as needed. (Tr. at 99-100.)

4 25. Staff recommends eliminating Wickenburg Ranch's proposed cash working capital  
5 allowance because a lead/lag study is generally required for Class C utilities. (Tr. at 101.) However,  
6 Staff acknowledged at hearing that it would not have been possible for Wickenburg Ranch to  
7 complete a lead/lag study, as it has not had any customers. (*Id.*) Staff also stated that it usually  
8 allows cash working capital based on the formula method for an initial CC&N application, but  
9 pointed out that this is a ratemaking case rather than an initial CC&N case. (Tr. at 102.) Staff agreed  
10 to analyze whether it desired to change its recommendation on cash working capital and to make a  
11 late-filed exhibit with its recommendation. (Tr. at 103.) In its late-filed exhibit, Staff again  
12 recommended that the cash working capital allowance be disallowed, as Staff believes that  
13 Wickenburg Ranch has not provided, and does not have the data to provide, sufficient justification for  
14 a cash working capital allowance. (Staff late-filed ex. at 8.) Staff stated that there is no reason to  
15 assume that there is a positive cash working capital requirement and added that Staff consistently  
16 recommends no cash working capital allowance in rate base for Class A, B, and C utilities, in the  
17 absence of a lead/lag study. (*Id.*)

18 26. Staff determined that Wickenburg Ranch's fair value rate base ("FVRB") is equal to  
19 its OCRB of \$2,951,001.

20 27. Staff increased Wickenburg Ranch's proposed water sales revenue by \$261,120, to  
21 \$1,011,707, to provide an 8 percent rate of return on FVRB.

22 28. Staff reduced Wickenburg Ranch's proposed operating expenses by \$4,953 to reflect a  
23 normalized testing expense for the projected customer base of 1,791 customers in year five. Staff  
24 explained that water testing expenses are \$2.07 per connection plus a fixed \$250 per year, resulting in  
25 a total of \$3,957. Staff also increased Wickenburg Ranch's operating expenses by adding \$112,287  
26 in income taxes, to reflect application of the statutory state and federal income tax rates to Staff's  
27 recommended taxable income. These changes bring total operating expenses to \$785,976.

28 29. In year five, Wickenburg Ranch's proposed rates and charges would produce total

1 operating revenue of \$760,937 and total operating expenses of \$678,641, resulting in operating  
2 income of \$82,295 or a 10.81 percent operating margin. It is not possible to determine a rate of  
3 return from Wickenburg Ranch's proposed rates and charges using Wickenburg Ranch's proposed  
4 negative OCRB. However, using Staff's proposed FVRB of \$2,951,001, and making Staff's \$4,953  
5 adjustment to testing expenses, Wickenburg Ranch's proposed rates and charges would result in a  
6 2.96 percent rate of return.<sup>9</sup>

7 30. The water rates and charges Staff recommended would produce total operating  
8 revenue of \$1,022,057 and total operating expenses of \$785,976, resulting in operating income of  
9 \$236,081 or an 8 percent rate of return.

10 31. The Staff Report stated that Wickenburg Ranch's proposed rates would result in an  
11 average monthly customer water bill of \$31.82 for a customer with a 5/8" x 3/4" meter and a projected  
12 median usage of 5,827 gallons per month. Based on Wickenburg Ranch's revised rate design, this  
13 figure would actually be lower. (See Ex. A-3 at att. 4.)

14 32. The Staff Report stated that Staff's proposed rates would result in an average monthly  
15 customer water bill of \$41.29 for a customer with a 5/8" x 3/4" meter and a projected median usage of  
16 5,827 gallons per month.

17 33. Mr. McMurry testified that Staff's recommended rates would result in overearning if  
18 Wickenburg Ranch were permitted to use a capital structure of 100 percent AIAC. (Tr. at 95.) Staff  
19 did not analyze the reasonableness of Wickenburg Ranch's proposed rates and charges, which are  
20 premised on the assumption of a capital structure of 100 percent AIAC, because Staff believes that a  
21 capital structure of 100 percent AIAC is just too risky and could not be recommended. (Tr. at 99-  
22 100.)

23 34. Staff recommended approval of Staff's proposed rates and charges and also  
24 recommended the following:

25 a. That Wickenburg Ranch collect from its customers a proportionate share of  
26 any privilege, sales, or use tax per A.A.C. R14-2-409(D)(5);

27 <sup>9</sup> Wickenburg Ranch proposed rates and charges result in total operating revenues of \$760,937 and total operating  
28 expenses of \$678,641, resulting in operating income of \$82,295. If expenses are reduced by \$4,953, operating income is  
increased to \$87,248.

- 1           b.     That Wickenburg Ranch be required to maintain a capital structure that  
2                   includes no more than 30 percent combined AIAC and contributions in aid of  
3                   construction (“CIAC”), with the remainder as equity;
- 4           c.     That Wickenburg Ranch be required to file with Docket Control, as a  
5                   compliance item in this docket, a copy of the Approval to Construct (“ATC”)  
6                   for the first subdivision of the Wickenburg Ranch Estates development within  
7                   two years after the effective date of the order granting this application;
- 8           d.     That Wickenburg Ranch use the depreciation rates by plant account presented  
9                   in Table A of the Staff Engineering Report;
- 10          e.     That Wickenburg Ranch be required to file a rate case application within three  
11                   months after the five-year anniversary of the date that Wickenburg Ranch  
12                   begins providing service to its first customer;
- 13          f.     That Wickenburg Ranch be required to file with Docket Control, as a  
14                   compliance item in this docket, within 15 days of providing service to its first  
15                   water customer, a notice that it has begun providing service to its first water  
16                   customer;
- 17          g.     That Wickenburg Ranch be required to file with Docket Control, as a  
18                   compliance item, within 30 days after the effective date of the Decision in this  
19                   proceeding, a tariff schedule of its new rates and charges; and
- 20          h.     That Wickenburg Ranch be required to file with Docket Control, as a  
21                   compliance item, within 30 days after the effective date of the Decision in this  
22                   proceeding, a Curtailment tariff and a Cross-Connection/Backflow tariff.

23          35.    Apart from Staff’s recommendations as to capital structure and as to the Curtailment  
24    tariff and Cross-Connection/Backflow tariff, Wickenburg Ranch did not object to Staff’s  
25    recommendations. (Tr. at 83-85.) Wickenburg Ranch’s objection to the Curtailment tariff and Cross-  
26    Connection/Backflow tariff filing requirements is that Wickenburg Ranch believes that it has already  
27    complied with those filing requirements. (Tr. at 83.) Wickenburg Ranch submitted its Curtailment  
28    tariff as part of its Response to Letter of Insufficiency filed January 18, 2008. (Ex. A-7 at ex. 2<sub>2</sub>)

1 ex.4.) Staff acknowledged at hearing that the Curtailment tariff had been filed and would be  
2 reviewed and approved. (Tr. at 89.) We also take notice that Wickenburg Ranch filed its Cross-  
3 Connection/Backflow tariff in September 2008 and that the tariff went into effect on October 5,  
4 2008.<sup>10</sup>

5 36. In his rebuttal testimony, Mr. Brownlee objected to Staff's recommendation for a  
6 capital structure of at least 70 percent equity and no more than 30 percent AIAC/CIAC. Mr.  
7 Brownlee stated that it is inappropriate for the Commission to require a set capital structure that  
8 would not allow Wickenburg Ranch to take advantage of opportunities for low-cost water system  
9 improvements, such as an offer from a developer to give Wickenburg Ranch land and infrastructure  
10 that would result in a capital structure of 60 percent equity and 40 percent AIAC or CIAC.  
11 Wickenburg Ranch states that such an opportunity would allow it to gain significant assets at no cost  
12 to itself or its customers through rate base. Wickenburg Ranch believes that it should be able to take  
13 advantage of this type of situation, rather than being forced to spend its own money and recover its  
14 investment through its rates, thereby costing customers in the end. Wickenburg Ranch believes that  
15 Staff's proposed recommendation for capital structure should be a suggestion rather than a  
16 requirement. Mr. Brownlee testified at hearing that the funds are available to achieve Staff's  
17 recommended capital structure and that Wickenburg Ranch only objects to Staff's recommended  
18 capital structure to the extent that it may limit Wickenburg Ranch's ability to accept contributions of  
19 infrastructure and cause Wickenburg Ranch to incur more costs or more capital expenditures to  
20 provide water to its customers. (Tr. at 81-82.)

21 37. In his rebuttal testimony, Mr. Brownlee also stated that full build-out may take 10 to  
22 20 years or longer, depending on market conditions. Mr. Brownlee added that while construction of  
23 the main water supply infrastructure may be substantially completed in three to five years,  
24 construction of the distribution system to serve individual parcels will take place as the individual lots  
25 are developed. Mr. McMurry testified that Staff has no information to verify how soon homebuilders  
26 can be expected to begin purchasing lots in Wickenburg Ranch Estates. (Tr. at 96.)

27  
28 <sup>10</sup> The tariff was originally filed in Docket No. W-03994A-08-0466 on September 5, 2008. A revised tariff was filed on  
September 16, 2008.

1           38.     Wickenburg Ranch witness John Matta testified that Wickenburg Ranch would be able  
2 to file the ATC for the first subdivision of Wickenburg Ranch Estates within two years of an order  
3 approving the application. (Tr. at 47.) Mr. Matta further testified that an ATC for the pipeline has  
4 already been obtained; that an ATC for wells is currently in process; and that an ATC for the water  
5 campus site, which will include the reservoir, booster pump station, and another well, would be  
6 applied for within a few weeks after the hearing. (Tr. at 49.)

7           39.     Mr. McMurry testified that he has no reason to doubt that Wickenburg Ranch would  
8 be a fit and proper entity to provide service within its CC&N service area. (Tr. at 96.)

9           40.     Staff believes that it would be in the public interest for the Commission to grant  
10 Wickenburg Ranch's application, with Staff's recommended capital structure and rate design. (See  
11 Tr. at 96.)

12           41.     We agree with Staff that Staff's recommended capital structure is more appropriate  
13 than is the 100-percent AIAC/CIAC capital structure proposed by Wickenburg Ranch. Although  
14 Wickenburg Ranch has provided testimony that Mr. VanTuyl has sufficient funds available and will  
15 provide equity to the operation when needed, we believe that it is in the public interest to establish  
16 with certainty that Wickenburg Ranch will be provided such equity and to what extent. This should  
17 ensure that when Wickenburg Ranch is operational and has customers, it will have funds readily  
18 available to make any needed repairs to the system without obtaining a loan or seeking additional  
19 funding from a third-party developer. In addition, it should help to ensure that Wickenburg Ranch's  
20 customers are required to pay just and reasonable rates and charges from the beginning, as opposed to  
21 rates and charges that are substantially lower than is necessary to sustain the water system and that  
22 could require substantial increase in the future when facilities need to be repaired or replaced.

23           42.     We also adopt Staff's recommended FVRB, Staff's adjustments to Wickenburg  
24 Ranch's proposed revenues and operating expenses, and Staff's recommended rates and charges.

25           43.     Because an allowance for property tax expense is included in Wickenburg Ranch's  
26 rates and will be collected from its customers, the Commission seeks assurances from Wickenburg  
27 Ranch that any taxes collected from ratepayers have been remitted to the appropriate taxing authority.  
28 It has come to the Commission's attention that a number of water companies have been unwilling or

1 unable to fulfill their obligation to pay the taxes that were collected from ratepayers, some for as  
2 many as 20 years. It is reasonable, therefore, that as a preventive measure Wickenburg Ranch shall  
3 annually file, as part of its annual report, an affidavit with the Utilities Division attesting that  
4 Wickenburg Ranch is current in paying its property taxes in Arizona.

5 44. The Commission has become increasingly concerned about the prolonged drought in  
6 Central Arizona. Therefore, we believe that Wickenburg Ranch should be required to conserve  
7 groundwater and that Wickenburg Ranch should be prohibited from selling groundwater for the  
8 purpose of irrigating any golf courses within the certificated area or any ornamental lakes or water  
9 features located in the common areas of the proposed new developments within the certificated area.  
10 We also believe that Wickenburg Ranch should be required to work with the wastewater provider for  
11 its certificated area, once that wastewater provider is approved, to ensure that effluent is used to  
12 irrigate any golf courses within the certificated area or any ornamental lakes or water features located  
13 in the common areas of the proposed new developments within the certificated area, once effluent is  
14 being produced.

15 45. Staff's recommendations set forth in Findings of Fact No. 34(a) through (g) are  
16 reasonable and should be adopted. We do not adopt Staff's recommendation set forth in Findings of  
17 Fact No. 34(h) because we find that Wickenburg Ranch has already satisfied the requirements in that  
18 recommendation.

#### 19 CONCLUSIONS OF LAW

20 1. Wickenburg Ranch is a public service corporation within the meaning of Article XV  
21 of the Arizona Constitution and A.R.S. §§ 40-250, 40-251, and 40-256.

22 2. The Commission has jurisdiction over Wickenburg Ranch and the subject matter of  
23 the application.

24 3. Notice of the application was given in accordance with the law.

25 4. The rates and charges authorized herein are just and reasonable.

26 5. Staff's recommendations set forth in Findings of Fact No. 34(a) through (g) are  
27 reasonable and should be adopted.

28 ...

**ORDER**

IT IS THEREFORE ORDERED that Wickenburg Ranch Water, LLC, is hereby directed to file with Docket Control, as a compliance item in this docket, on or before February 1, 2009, revised rate schedules setting forth the following rates and charges:

**MONTHLY USAGE CHARGE:**

5/8" x 3/4" Meter	\$ 17.25
3/4" Meter	17.25
1" Meter	28.75
1 1/2" Meter	57.50
2" Meter	92.00
3" Meter	184.00
4" Meter	287.50
6" Meter	575.00

**Commodity Rates (Per 1,000 Gallons)****5/8" x 3/4" & 3/4" Meter**

1 to 3,000 Gallons	\$3.30
3,001 to 10,000 Gallons	5.00
Over 10,000 Gallons	6.00

**1" Meter**

1 to 20,000 Gallons	\$5.00
Over 20,000 Gallons	6.00

**1 1/2" Meter**

1 to 45,000 Gallons	\$5.00
Over 45,000 Gallons	6.00

**2" Meter**

1 to 75,000 Gallons	\$5.00
Over 75,000 Gallons	6.00

**3" Meter**

1 to 150,000 Gallons	\$5.00
Over 150,000 Gallons	6.00

**4" Meter**

1 to 250,000 Gallons	\$5.00
Over 250,000 Gallons	6.00

**6" Meter**

1 to 500,000 Gallons	\$5.00
Over 500,000 Gallons	6.00

**SERVICE LINE AND METER INSTALLATION****CHARGES:**

(Refundable pursuant to A.A.C. R14-2-405)

	<u>Service</u> <u>Line Charge</u>	<u>Meter</u> <u>Installation</u>	<u>Total</u>
5/8" x 3/4" Meter	\$ 365.00	\$ 115.00	\$ 480.00
3/4" Meter	375.00	185.00	560.00
1" Meter	425.00	225.00	650.00
1 1/2" Meter	460.00	435.00	895.00
2" Turbine Meter	615.00	940.00	1,555.00
2" Compound Meter	615.00	1,665.00	2,280.00
3" Turbine Meter	790.00	1,445.00	2,235.00
3" Compound Meter	830.00	2,240.00	3,070.00
4" Turbine Meter	1,130.00	2,310.00	3,440.00
4" Compound Meter	1,195.00	3,200.00	4,395.00
6" Turbine Meter	1,695.00	4,500.00	6,195.00
6" Compound Meter	1,740.00	6,230.00	7,970.00

**SERVICE CHARGES:**

Establishment	\$25.00
Establishment (After Hours)	35.00
Reconnection (Delinquent)	40.00
NSF Check	25.00
Meter Re-Read (If Correct)	25.00
Meter Test (If Correct)	25.00
Deferred Payment (Per Month)	1.50%
Deposit	*
Deposit Interest	*
Reestablishment (Within 12 Months)	**
Monthly Service Charge for Fire Sprinkler (All Sizes)	***

\* Per Commission rule (R-14-2-403(B)).

\*\* Months off system times the monthly minimum (R14-2-403(D)).

\*\*\* 1.0 percent of monthly minimum for a comparably sized meter connection, but no less than \$5.00 per month. The service charge for fire sprinklers is only applicable for service lines separate and distinct from the primary water service line.

IT IS FURTHER ORDERED that the above rates and charges shall be effective for all service provided on and after February 1, 2009.

IT IS FURTHER ORDERED that, in addition to collecting its regular rates and charges, Wickenburg Ranch Water, LLC, shall collect from its customers a proportionate share of any privilege, sales, or use tax per A.A.C. R14-2-409(D)(5).

IT IS FURTHER ORDERED that Wickenburg Ranch Water, LLC, shall establish and

1 maintain a capital structure that includes no more than 30 percent combined advances in aid of  
2 construction and contributions in aid of construction, with the remainder as equity.

3 IT IS FURTHER ORDERED that Wickenburg Ranch Water, LLC, shall, within two years  
4 after the effective date of this Decision, file with the Commission's Docket Control, as a compliance  
5 item in this docket, a copy of the Approval to Construct for the first subdivision of the Wickenburg  
6 Ranch Estates development.

7 IT IS FURTHER ORDERED that Wickenburg Ranch Water, LLC, shall use the depreciation  
8 rates by individual National Association of Regulatory Utility Commissioners plant account set forth  
9 in Table A of the Commission's Utilities Division Staff's Engineering Report.

10 IT IS FURTHER ORDERED that Wickenburg Ranch Water, LLC, shall, within three months  
11 after the five-year anniversary of the date that it begins providing water utility service to its first  
12 customer, file with the Commission a rate case application.

13 IT IS FURTHER ORDERED that Wickenburg Ranch Water, LLC, shall, within 15 days after  
14 it begins providing water utility service to its first customer, file with the Commission's Docket  
15 Control, as a compliance item in this docket, a notice that it has begun providing service to its first  
16 customer.

17 IT IS FURTHER ORDERED that, in light of the ongoing drought conditions in Central  
18 Arizona and the need to conserve groundwater, Wickenburg Ranch Water, LLC, is prohibited from  
19 selling groundwater for the purpose of irrigating any golf courses within its certificated area or any  
20 ornamental lakes or water features located in the common areas of the proposed new developments  
21 within its certificated area.

22 IT IS FURTHER ORDERED that Wickenburg Ranch Water, LLC, shall implement, within  
23 90 days of the effective date of this Decision, at least 10 Best Management Practices (as outlined in  
24 ADWR's Modified Non-Per Capita Conservation Program) and submit those Best Management  
25 Practices to Docket Control within 90 days of the effective date of this Order. Only one of these  
26 BMPs shall come from the "Public awareness/PR or Education and Training categories of the BMPs.

27 IT IS FURTHER ORDERED that the Company shall file appropriate tariffs for Commission  
28 consideration that would condition the provision of water service to any customer on the

1 implementation of full xeriscape landscaping in front yards, as well as the installation of rainwater  
2 catchment systems, by July 31, 2009. These tariffs shall contain, at a minimum, the requirements for  
3 implementing such a condition of service, details of the estimated costs to the Company associated  
4 with implementation of the condition of service, proposed customer fees and charges, and any other  
5 information that Wickenburg Ranch Water, LLC believes would assist the Commission in evaluating  
6 these tariffs. These tariffs shall also demonstrate compliance with all applicable requirements of  
7 ADEQ and any applicable local codes.

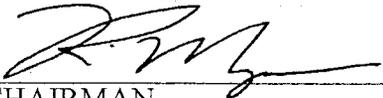
8       IT IS FURTHER ORDERED that Wickenburg Ranch Water, LLC, shall work with the  
9 wastewater provider for its certificated area, once that wastewater provider is approved, to ensure that  
10 effluent is used to irrigate any golf courses within its certificated area or any ornamental lakes or  
11 water features located in the common areas of the proposed new developments within its certificated  
12 area, once effluent is being produced.

13 ...  
14 ...  
15 ...  
16 ...  
17 ...  
18 ...  
19 ...  
20 ...  
21 ...  
22 ...  
23 ...  
24 ...  
25 ...  
26 ...  
27 ...  
28 ...

1 IT IS FURTHER ORDERED that Wickenburg Ranch Water, LLC, shall annually file, as part  
2 of its annual report, an affidavit with the Commission's Utilities Division attesting that it is current on  
3 paying its property taxes in Arizona.

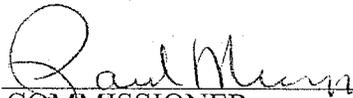
4 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

5 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

6  
7 

8 CHAIRMAN

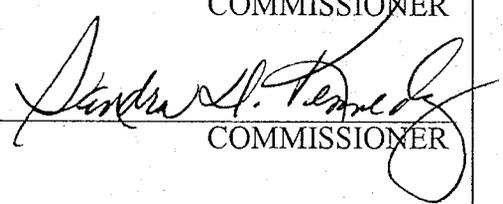
COMMISSIONER

9 

10 COMMISSIONER



COMMISSIONER



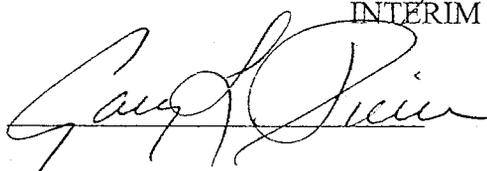
COMMISSIONER

11  
12 IN WITNESS WHEREOF, I, MICHAEL P. KEARNS, Interim  
13 Executive Director of the Arizona Corporation Commission,  
14 have hereunto set my hand and caused the official seal of the  
15 Commission to be affixed at the Capitol, in the City of Phoenix,  
16 this 6TH day of FEBRUARY, 2009.

17   
18 MICHAEL P. KEARNS  
19 INTERIM EXECUTIVE DIRECTOR

20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100  
101  
102  
103  
104  
105  
106  
107  
108  
109  
110  
111  
112  
113  
114  
115  
116  
117  
118  
119  
120  
121  
122  
123  
124  
125  
126  
127  
128  
129  
130  
131  
132  
133  
134  
135  
136  
137  
138  
139  
140  
141  
142  
143  
144  
145  
146  
147  
148  
149  
150  
151  
152  
153  
154  
155  
156  
157  
158  
159  
160  
161  
162  
163  
164  
165  
166  
167  
168  
169  
170  
171  
172  
173  
174  
175  
176  
177  
178  
179  
180  
181  
182  
183  
184  
185  
186  
187  
188  
189  
190  
191  
192  
193  
194  
195  
196  
197  
198  
199  
200  
201  
202  
203  
204  
205  
206  
207  
208  
209  
210  
211  
212  
213  
214  
215  
216  
217  
218  
219  
220  
221  
222  
223  
224  
225  
226  
227  
228  
229  
230  
231  
232  
233  
234  
235  
236  
237  
238  
239  
240  
241  
242  
243  
244  
245  
246  
247  
248  
249  
250  
251  
252  
253  
254  
255  
256  
257  
258  
259  
260  
261  
262  
263  
264  
265  
266  
267  
268  
269  
270  
271  
272  
273  
274  
275  
276  
277  
278  
279  
280  
281  
282  
283  
284  
285  
286  
287  
288  
289  
290  
291  
292  
293  
294  
295  
296  
297  
298  
299  
300  
301  
302  
303  
304  
305  
306  
307  
308  
309  
310  
311  
312  
313  
314  
315  
316  
317  
318  
319  
320  
321  
322  
323  
324  
325  
326  
327  
328  
329  
330  
331  
332  
333  
334  
335  
336  
337  
338  
339  
340  
341  
342  
343  
344  
345  
346  
347  
348  
349  
350  
351  
352  
353  
354  
355  
356  
357  
358  
359  
360  
361  
362  
363  
364  
365  
366  
367  
368  
369  
370  
371  
372  
373  
374  
375  
376  
377  
378  
379  
380  
381  
382  
383  
384  
385  
386  
387  
388  
389  
390  
391  
392  
393  
394  
395  
396  
397  
398  
399  
400  
401  
402  
403  
404  
405  
406  
407  
408  
409  
410  
411  
412  
413  
414  
415  
416  
417  
418  
419  
420  
421  
422  
423  
424  
425  
426  
427  
428  
429  
430  
431  
432  
433  
434  
435  
436  
437  
438  
439  
440  
441  
442  
443  
444  
445  
446  
447  
448  
449  
450  
451  
452  
453  
454  
455  
456  
457  
458  
459  
460  
461  
462  
463  
464  
465  
466  
467  
468  
469  
470  
471  
472  
473  
474  
475  
476  
477  
478  
479  
480  
481  
482  
483  
484  
485  
486  
487  
488  
489  
490  
491  
492  
493  
494  
495  
496  
497  
498  
499  
500  
501  
502  
503  
504  
505  
506  
507  
508  
509  
510  
511  
512  
513  
514  
515  
516  
517  
518  
519  
520  
521  
522  
523  
524  
525  
526  
527  
528  
529  
530  
531  
532  
533  
534  
535  
536  
537  
538  
539  
540  
541  
542  
543  
544  
545  
546  
547  
548  
549  
550  
551  
552  
553  
554  
555  
556  
557  
558  
559  
560  
561  
562  
563  
564  
565  
566  
567  
568  
569  
570  
571  
572  
573  
574  
575  
576  
577  
578  
579  
580  
581  
582  
583  
584  
585  
586  
587  
588  
589  
590  
591  
592  
593  
594  
595  
596  
597  
598  
599  
600  
601  
602  
603  
604  
605  
606  
607  
608  
609  
610  
611  
612  
613  
614  
615  
616  
617  
618  
619  
620  
621  
622  
623  
624  
625  
626  
627  
628  
629  
630  
631  
632  
633  
634  
635  
636  
637  
638  
639  
640  
641  
642  
643  
644  
645  
646  
647  
648  
649  
650  
651  
652  
653  
654  
655  
656  
657  
658  
659  
660  
661  
662  
663  
664  
665  
666  
667  
668  
669  
670  
671  
672  
673  
674  
675  
676  
677  
678  
679  
680  
681  
682  
683  
684  
685  
686  
687  
688  
689  
690  
691  
692  
693  
694  
695  
696  
697  
698  
699  
700  
701  
702  
703  
704  
705  
706  
707  
708  
709  
710  
711  
712  
713  
714  
715  
716  
717  
718  
719  
720  
721  
722  
723  
724  
725  
726  
727  
728  
729  
730  
731  
732  
733  
734  
735  
736  
737  
738  
739  
740  
741  
742  
743  
744  
745  
746  
747  
748  
749  
750  
751  
752  
753  
754  
755  
756  
757  
758  
759  
760  
761  
762  
763  
764  
765  
766  
767  
768  
769  
770  
771  
772  
773  
774  
775  
776  
777  
778  
779  
780  
781  
782  
783  
784  
785  
786  
787  
788  
789  
790  
791  
792  
793  
794  
795  
796  
797  
798  
799  
800  
801  
802  
803  
804  
805  
806  
807  
808  
809  
810  
811  
812  
813  
814  
815  
816  
817  
818  
819  
820  
821  
822  
823  
824  
825  
826  
827  
828  
829  
830  
831  
832  
833  
834  
835  
836  
837  
838  
839  
840  
841  
842  
843  
844  
845  
846  
847  
848  
849  
850  
851  
852  
853  
854  
855  
856  
857  
858  
859  
860  
861  
862  
863  
864  
865  
866  
867  
868  
869  
870  
871  
872  
873  
874  
875  
876  
877  
878  
879  
880  
881  
882  
883  
884  
885  
886  
887  
888  
889  
890  
891  
892  
893  
894  
895  
896  
897  
898  
899  
900  
901  
902  
903  
904  
905  
906  
907  
908  
909  
910  
911  
912  
913  
914  
915  
916  
917  
918  
919  
920  
921  
922  
923  
924  
925  
926  
927  
928  
929  
930  
931  
932  
933  
934  
935  
936  
937  
938  
939  
940  
941  
942  
943  
944  
945  
946  
947  
948  
949  
950  
951  
952  
953  
954  
955  
956  
957  
958  
959  
960  
961  
962  
963  
964  
965  
966  
967  
968  
969  
970  
971  
972  
973  
974  
975  
976  
977  
978  
979  
980  
981  
982  
983  
984  
985  
986  
987  
988  
989  
990  
991  
992  
993  
994  
995  
996  
997  
998  
999  
1000

DISSENT



DISSENT

\_\_\_\_\_

1 SERVICE LIST FOR: WICKENBURG RANCH WATER, LLC (FORMERLY  
2 CDC WICKENBURG WATER, LLC)

3 DOCKET NO.: W-03994A-07-0657

4 Steve Wene  
5 MOYES, SELLERS & SIMS  
6 1850 North Central Avenue, Suite 1100  
7 Phoenix, Arizona 85004-4541  
8 Attorney for Wickenburg Ranch Water, LLC

9 David Green  
10 WICKENBURG RANCH WATER, LLC  
11 C/O M3 Builders  
12 4222 East Camelback Road, H100  
13 Phoenix, Arizona 85018-2721

14 Janice Alward, Chief Counsel  
15 Kevin Torrey, Attorney  
16 Legal Division  
17 ARIZONA CORPORATION COMMISSION  
18 1200 W. Washington Street  
19 Phoenix, Arizona 85007

20 Ernest Johnson, Director  
21 Utilities Division  
22 ARIZONA CORPORATION COMMISSION  
23 1200 W. Washington Street  
24 Phoenix, Arizona 85007

25

26

27

28

29

30

31

32

33

34

35

36

37

38