



0000094052

ORIGINAL

BEFORE THE ARIZONA CORPORATION COMMISSION  
RECEIVED

2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

**COMMISSIONERS**

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

2009 FEB 24 P 4: 04  
AZ CORP COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission  
**DOCKETED**

FEB 24 2009

DOCKETED BY [Signature]

IN THE MATTER OF THE APPLICATION OF  
GLOBAL WATER – PALO VERDE UTILITIES  
COMPANY FOR THE ESTABLISHMENT OF  
JUST AND REASONABLE RATES AND  
CHARGES FOR UTILITY SERVICE DESIGNED  
TO REALIZE A REASONABLE RATE OF  
RETURN ON THE FAIR VALUE OF ITS  
PROPERTY THROUGHOUT THE STATE OF  
ARIZONA

DOCKET NO. SW-03575A-09-0077

**MOTION TO CONSOLIDATE**

Global Water – Palo Verde Utilities Company (“Palo Verde” or “Applicant”) moves that this docket be consolidated five additional rate dockets that were filed on the same day for affiliated companies (collectively, the “Global Utilities” ), and together with their unregulated affiliates and parent companies, “Global Water”). Specifically, Applicant moves that the following dockets be consolidated:

Utility	Docket Number
Global Water – Palo Verde Utilities Company	SW-03575A-09-0077
Global Water – Santa Cruz Water Company	W-03576A-09-0080
Valencia Water Company – Town Division	W-01212A-09-0082
Valencia Water Company – Greater Buckeye Division	W-02451A-09-0078
Water Utility of Greater Tonopah	W-02450A-09-0081
Willow Valley Water Co.	W-01732A-09-0079

1 Consolidation is justified for numerous reasons:

2 **Cost Allocation.** The Global Utilities know that the Commission will want to examine  
3 the allocation of costs among the Global Utilities, and between the Global Utilities and their  
4 unregulated affiliates. In order to address concerns raised by the Commission and Staff, Global  
5 Water has implemented a new cost allocation method, as further explained in the testimony of  
6 Greg Barber, which was filed along with the Rate Application of Palo Verde. This allocation  
7 method should be more transparent and easier to audit. However, the Global Utilities expect that  
8 the Commission will want to fully examine all aspects of cost allocation. This issue is common  
9 for all the Global Utilities. Moreover, this examination should be simpler if all the Global  
10 Utilities are before the Commission in the same proceeding.

11 **Other Common Issues.** There are additional common issues that impact each of the  
12 Global Utilities. For example, the Global Utilities have submitted joint testimony concerning cost  
13 of equity, cost of debt, total water management and cost cutting measures that is applicable to  
14 each of the Global Utilities.

15 **Integrated Service.** The Global Utilities strongly believe in the integration of water,  
16 wastewater and recycled water services. Integration allows the water utility to promote the use of  
17 recycled water, and it also provides increased efficiencies. Because the provision of these three  
18 services (water, wastewater and recycled water) is so closely linked, the Global Utilities believe  
19 that, when possible, the rates for these three services should be determined in one proceeding.  
20 Here, Palo Verde and Santa Cruz provide integrated water, wastewater and recycled water  
21 services to the same service areas in Pinal County, Arizona. In addition, Palo Verde and Santa  
22 Cruz share certain employees and facilities. Thus, the rate applications of Palo Verde and Santa  
23 Cruz should be consolidated.

24 **Rate Consolidation.** In order to limit the rate impact to customers of the smaller utilities,  
25 the Global Utilities are proposing to consolidate the rates of the three Global Utilities in the West  
26 Valley: Valencia Water Company – Town Division, Valencia Water Company – Greater  
27

1 Buckeye Division, and Water Utility of Greater Tonopah. In order to properly evaluate this  
2 proposal, it will be necessary to consolidate the rate dockets involving these utilities.

3 **Efficiency.** Processing one combined case should be more efficient than processing six  
4 separate rate cases. This should benefit Global, the Commission, Staff, and any intervenors.

5 Accordingly, Applicant requests that the Commission consolidate these six dockets.  
6 Counsel for Applicant has conferred with counsel for Staff and Staff has indicated that it does not  
7 oppose the proposed consolidation.

8

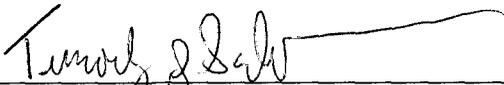
9 RESPECTFULLY SUBMITTED this 24<sup>th</sup> day of February 2009.

10

ROSHKA DEWULF & PATTEN, PLC

11

12

By 

13

Michael W. Patten

14

Timothy J. Sabo

15

One Arizona Center

16

400 East Van Buren Street, Suite 800

17

Phoenix, Arizona 85004

18

*Attorneys for Global Water –*

19

*Palo Verde Utilities Company*

20

21 Original +13 copies of the foregoing  
22 filed this 24<sup>th</sup> day of February 2009, with:

23

Docket Control

24

Arizona Corporation Commission

25

1200 West Washington

26

Phoenix, AZ 85007

27

1 Copies of the foregoing hand-delivered/mailed  
2 this 24<sup>th</sup> day of February 2009, to:

3 Lyn A. Farmer, Esq.  
4 Chief Administrative Law Judge  
5 Hearing Division  
6 Arizona Corporation Commission  
7 1200 West Washington  
8 Phoenix, AZ 85007

9 Janice Alward, Esq.  
10 Chief Counsel, Legal Division  
11 Arizona Corporation Commission  
12 1200 West Washington  
13 Phoenix, AZ 85007

14 Ernest G. Johnson, Esq.  
15 Director, Utilities Division  
16 Arizona Corporation Commission  
17 1200 West Washington  
18 Phoenix, AZ 85007

19  
20  
21  
22  
23  
24  
25  
26  
27  
By Subbie Amund