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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS:

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

DOCKET NO. W-02824A-07-0388

IN THE MATTER OF THE APPLICATION OF ICR WATER USERS
 ASSOCIATION, AN ARIZONA CORPORATION, FOR A
 DETERMINATION OF THE CURRENT FAIR VALUE OF ITS
 UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS
 RATES AND CHARGES FOR UTILITY SERVICE

RESPONSE
 TO
 OPINION AND ORDER
 of
 ALJ SARAH N. HARPRING

 By Dayne Taylor, Intervenor

Arizona Corporation Commission

DOCKETED

APR 20 2009

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AZ CORP COMMISSION
DOCKET CONTROL

APRIL 18, 2009

- 1 FoF = Findings of Fact
- 2 ICRWUA = Inscription Canyon Ranch Water Users Association
- 3 TRR = Talking Rock Ranch Subdivision
- 4 TRGC = Talking Rock Golf Club
- 5 ICR = Inscription Canyon Ranch Subdivision
- 6 WC = Whispering Canyon Subdivision
- 7 PR = Preserve at the Ranch Subdivision
- 8 WSA = Water Service Agreement (various renditions, however)

9

10 Re: FoF 3 and 4, page 2: I do not believe it is clear from FoF 3 and 4 that we have ONE water
11 company with TWO separate water systems. Mr. Liu in Exhibit S-4 Executive Summary, 2.,
12 designates the two water systems as PWS 13-263 (TRR) and PWS 13-303 (ICR). For
13 clarification purposes (since the entire water company is called ICR Water Users Association),
14 the term ICR should either refer to ICR subdivision or ICRWUA, not either/or. I submit that
15 ICRWUA should refer to the WATER COMPANY, and PWS 13-263 (TRR) and PWS 13-303
16 (ICR) should refer to the two water systems. Even for someone familiar with the terms, this
17 was a confusing document to determine whether the subdivision or the water company was
18 being referred to.

19

20 Re: FoF 5, pages 2-4: The Well Agreement is referred to, but as far as is known, there is no
21 approval by the ACC to accept its terms. This was an agreement between ICRWUA and TRR
22 without including the ACC.

23

24 Re: FoF 5, page 3, lines 12-13: "The Well Agreement provides that TRGC will deliver to the
25 golf course, for landscape irrigation and lake fill, water from Well #1 and (until transferred to
26 ICR) Well #2." Using Wells 1 and 2 for golf course use is against public policy. Regarding
27 Wells 1 and 2, also reference page 3, line 29-33 of this document.

28

29 Re: FoF 5, page 3, lines 1-2: "ICR has been providing water from all three wells to its
30 customers and TRGC's golf course..." ICRWUA "customers" includes whom? No matter who
31 the customers are, this is an inaccurate statement. PWS 13-263 serves TR and the golf course
32 exclusively. PWS 13-303 serves ICR, PR, and WC exclusively.

33

1 Re: FoF 14, footnote 8, and I quote: "Mr. Taylor's direct testimony was not offered as an exhibit
2 and thus is not part of the evidentiary record for this matter." I was not made aware that it was
3 required to re-submit what was already submitted for evidence. On April 16, 2008, ALJ Stern
4 directed Staff to coach me as needed, and the information to re-submit was never provided to
5 me. I take exception to the deletion and also to the deletion of my surrebutal stated in FoF 19,
6 footnote 9.

7
8 If the entire FoF is read carefully, other documents are quoted that were also not submitted for
9 evidence—but they were obviously considered. Examples: FoF 28 and 29, page 9 were not
10 filed as exhibits yet apparently are included in the evidentiary record. I feel both these FoFs
11 (28 and 29) should be deleted since one is a personal diatribe against me, and neither are
12 supported or validated by any facts. In fact, I did not respond to the diatribe because I felt it
13 was ludicrous to put credence to it. And, regarding FoF 29, it should be noted some people
14 signed that were misinformed and later wanted their names withdrawn, but they were not
15 allowed to do so. Also, the petitions were circulated selectively.

16
17 Re: FoF 30, page 10, line 8, "SPECIAL CONTRACT CUSTOMER". There has been great
18 controversy during this case regarding the term "customer," and I fail to find a thorough
19 definition of it anywhere, especially not in the Title 14 series of the ACC Utilities Division. I
20 believe it is imperative that a clarifying definition be applied to this term prior to a final decision
21 in this proceeding. This clarification should include the difference between a "customer," a
22 "special contract customer" and a "tariffed customer." Ref: ACC, R14-2-401 Definitions, 9.
23 "Customer."

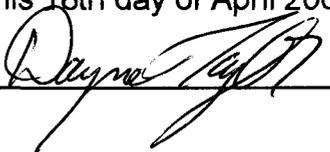
24
25 Re: FoF 32, page 12, lines 6-9: FORTY public comments were lumped together, but FoF 28
26 was individually selected, given weight, and commented on. Were there no worthy public
27 comments in those FORTY included in FoF 32?

28
29 Re: FoF 45, page 15, lines 20-22: "Mr. Busch testified that ICR is in compliance with the
30 requirements of Decision No. 64360 because the second well was transferred to ICR on May
31 21, 2008." Actually Well #1 has, to this day, never been transferred to ICRWUA. There is a
32 promise in the latest WSA that this well will be transferred once the ACC commission approves
33 the latest WSA. Please compare with FoF 83, page 27, lines 7-13.

1
2 Re: FoF 46, page 16, lines 6-7: "Staff informed Mr. Busch that ICR is prohibited from charging
3 the special hydrant rate without Commission approval." Note 12, page 16: "ICR's proposed
4 rate design does not include a special hydrant rate, but does include a standpipe rate." I find
5 nothing in this document that indicates allowances/rates that may be a part of R14-2-401
6 definitions .35 "Temporary Services." Please also refer to FoF 94, page 32, lines 13-17. I
7 believe it should be mandatory that a rate be implemented for providing water under
8 emergency or temporary conditions, i.e., wildland fires. Also, the ICRWUA needs authority to
9 implement a system where a temporary customer is charged a retaining fee in an appropriate
10 amount to cover meters and other costs. The concern of not implementing a temporary service
11 cost is that the theft of water will continue unabated.

12
13 Re: FoF 66, page 23, lines 11-15. The request for monthly information does not include the
14 cost of service for the two separate water systems, PWS 13-263 (TRR) and PWS 13-303
15 (ICR).

16
17 RESPECTFULLY submitted this 18th day of April 2009,

18
19 Dayne Taylor, Intervenor 
20 13868 North Grey Bears Trail
21 Prescott, AZ 86305

22
23 Original and thirteen (13) copies of the foregoing were mailed this 18th day of April 2009 to:
24 Docket Control
25 Arizona Corporation Commission
26 1200 West Washington Street
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28
29 COPY of the foregoing mailed this 18th day of April 2009 to:
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