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AZ CORP COMMISSION Arizona Corporation Commission  
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MAY 29 2009

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Douglas G. Martin – 004233  
**MARTIN & BELL, L.L.C.**  
365 East Coronado Road, Suite 200  
Phoenix, Arizona 85004  
Telephone: (602) 230-0030

Attorneys for WILHOIT WATER COMPANY,  
INC

**BEFORE THE ARIZONA CORPORATION COMMISSION**

In the Matter of THE APPLICATION OF  
WILHOIT WATER COMPANY, INC.,  
YAVAPAI MOBILE HOME ESTATES  
SYSTEM, FOR RETROACTIVE APPROVAL  
OF A FINANCING APPLICATION.

DOCKET NO. W-02065A-07-0308

In the Matter of THE APPLICATION OF  
WILHOIT WATER COMPANY, INC.,  
YAVAPAI MOBILE HOME ESTATES  
SYSTEM, FOR A APPROVAL OF A  
FINANCING APPLICATION.

DOCKET NO. W-02065A-07-0309

In the Matter of THE APPLICATION OF  
WILHOIT WATER COMPANY, INC.,  
YAVAPAI MOBILE HOME ESTATES  
SYSTEM, FOR APPROVAL OF A  
PERMANENT RATE INCREASE.

DOCKET NO. W-02065A-07-0311

In the Matter of THE APPLICATION OF  
WILHOIT WATER COMPANY, INC.,  
YAVAPAI MOBILE HOME ESTATES  
SYSTEM, FOR A APPROVAL OF A  
FINANCING APPLICATION FOR A NEW  
ARSENIC TREATMENT SYSTEM.

DOCKET NO. W-02065A-09-0123

**PUBLIC NOTICE**

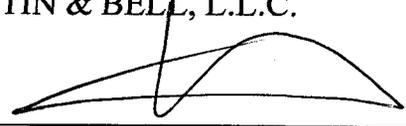
In the Court's Procedural Order dated May 14, 2009, the Court Ordered Wilhoit Water Company to provide public notice (Exhibit A) of the hearing in this matter by publishing a notice prior to June 1, 2009 in a newspaper of general circulation in the area and by mailing the notice to each of its customers along with a copy of the draft letter filed on May 8, 2009 (Exhibit B).

The public notice was published in the Chino Valley Review on May 27, 2009. An affidavit of publication is attached (Exhibit C). I certify the public notice and cover

1 letter was mailed to all of the customers of the Yavapai Mobile Home Estates system on  
2 May 25, 2009 by this office.

3  
4 DATED this 29<sup>th</sup> day of May, 2009.

5  
6 MARTIN & BELL, L.L.C.

7  
8 By 

9 \_\_\_\_\_  
10 Douglas G. Martin  
11 365 East Coronado Road, Suite 200  
12 Phoenix, Arizona 85004  
13 Attorneys for Wilhoit Water Company, Inc.

14 ORIGINAL filed with copies  
15 mailed/delivered this 29<sup>th</sup> day  
16 of May, 2009 to:

17 Janice Alward, Chief Counsel  
18 Legal Division  
19 ARIZONA CORPORATION COMMISSION  
20 1200 West Washington Street  
21 Phoenix, AZ 85007

22 Ernest G. Johnson, Director  
23 Utilities Division  
24 ARIZONA CORPORATION COMMISSION  
25 1200 West Washington Street  
26 Phoenix, AZ 85007

Lyn Farmer, Chief  
Hearing Division  
ARIZONA CORPORATION COMMISSION  
1200 West Washington Street  
Phoenix, AZ 85007

Arizona Reporting Service, Inc.  
2200 North Central Avenue, Suite 502  
Phoenix, AZ 85004

**A**

**PUBLIC NOTICE OF HEARING ON THE AMENDMENT OF  
DECISION NO. 70384 AND THE FINANCING APPLICATION OF WILHOIT  
WATER COMPANY, INC., YAVAPAI MOBILE HOME ESTATES  
(Docket Nos. W-02065A-07-0308, W-02065A-07-0309,  
W-02065A-07-0311 and W-02065A-09-0123)**

On March 17, 2009, the Wilhoit Water Company, Inc., Yavapai Mobile Home Estates System ("Company" or "Applicant") filed an application with the Arizona Corporation Commission ("Commission") for an order authorizing Applicant to obtain a 20-year, \$320,000 loan to purchase and install an Arsenic Remediation System. In addition, the Company has requested that the Commission authorize a surcharge to pay debt service on the loan by means of an Arsenic Remediation Surcharge Mechanism ("ARSM"). The Company also filed a request that the Commission amend Decision No. 70384 to approve the ARSM in lieu of an Arsenic Cost Recovery Mechanism ("ACRM") approved in the Decision.

The estimated monthly surcharges by meter size would be as follows: 5/8 x 3/4-inch, \$12.44; 2-inch, \$99.55; and 4-inch, \$311.10. The actual amounts authorized by the Commission may be greater or less than these estimates.

The Commission will hold a public hearing on this matter beginning **July 9, 2009 at 10:00 a.m.** at the Commission's offices, 1200 West Washington Street, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Intervention shall be permitted to any person entitled by law to intervene and having a direct and substantial interest in the matter. Persons desiring to intervene must file a written motion to intervene with the Commission no later than **June 15, 2009**. The motion to intervene must be sent to the Company or its counsel and to all parties of record, and shall contain the following:

1. The name, address, and telephone number of the proposed intervenor and of any party upon whom service of documents is to be made if different from the intervenor.
2. A short statement of the proposed intervenor's interest in the proceeding (e.g., a customer of the Company, a shareholder of the Company, etc.).
3. A statement certifying that a copy of the motion to intervene has been mailed to the Company or its counsel and to all parties of record in the case.

The granting of intervention, among other things, entitles a party to present sworn evidence at the hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any interested person or entity from appearing at the hearing; and providing public comment on the application or from filing; written comments in the record of the case. You will not receive any further notice of this proceeding unless you request it.

If you have any questions about this application, or want further information on intervention, you may contact the Consumer Services Section of the Commission at 1200 W. Washington Street, Phoenix, Arizona 85007 or call 602-542-4251 or 1-800-222-7000.

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting Shaylin Bernal at SBernal@azcc.gov, voice phone number 602-542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

**B**

**Wilhoit Water Company**  
**P.O. Box 870**  
**Clarkdale, AZ 86324**

Dear Customer:

Attached is a Public Notice the Company is required to provide to all of our customers because we have filed an application with the Arizona Corporation Commission to obtain a loan of up to \$320,000 to purchase and install an arsenic remediation system.

Last year, the Company installed an Arsenic Treatment System that had been reviewed, approved and inspected by the Arizona Department of Environmental Quality. Unfortunately, that system failed shortly after it was installed because it was poorly designed and undersized for the level of arsenic in the water. Since that time, customers of the Company have been receiving potable water from the City of Prescott. The Company has been notified by Prescott that the City will not supply water on an on-going basis and that the City will disconnect the Yavapai Mobile Home Estates System in the near future.

The Company is committed to supplying potable water to our customers that meet all federal and state drinking water standards. To do so, the Company has no choice but to purchase and install a costly arsenic treatment system that will lower the arsenic to levels that meet the federally established standard.

The Company has submitted an application for a loan from the Water Infrastructure Financing Authority of Arizona (WIFA) to fund the design, purchase and installation of the arsenic treatment system. WIFA is an agency of the State of Arizona and provides low interest loans to public and private water systems for required improvements. This loan would be amortized over a term of twenty years. The Company is listed as eligible to receive the required loan from WIFA and is hopeful that we will receive a loan with the lowest possible interest rate to minimize the surcharge impact on our customers.

Wilhoit understands that this is a difficult economic time for everyone and the Company would not be undertaking this project if there were any viable alternatives or if we were not required to do so by state and federal standards.

Please contact us at 928-639-1308 if you have any questions about this application.

**C**

### AFFIDAVIT OF PUBLICATION

STATE OF ARIZONA )  
County of Yavapai ) ss.

I, **Aileen Kemper**, being first duly sworn on her oath says:  
That she is the **Classified Coordinator** of **PRESCOTT NEWSPAPERS, INC.**, an Arizona corporation, which owns and publishes the **CHINO VALLEY REVIEW**, a Weekly Newspaper published in the City of Prescott, County of Yavapai that the notice attached hereto, namely,

**PUBLIC NOTICE OF HEARING ON THE AMENDMENT OF DECISION NO. 70384 AND THE FINANCING APPLICATION OF WILHOIT WATER COMPANY, INC., YAVAPAI MOBILE HOME ESTATES (Docket Nos. W-02065A-07-0308, W-02065A-07-0309, W-02065A-07-0311 and W-02065A-09-0123)**

has, to the personal knowledge of affidavit, been published in the news paper aforesaid, according to law, on 27 day of **MAY, 2009** to 27 day of **MAY, 2009** both inclusive without change, interruption or omission, amounting in all 1 insertions, made on the following dates:  
**MAY 27, 2009**

By: \_\_\_\_\_  
Dated this 27 Day of **MAY, 2009**

By: Mallea L Miller  
Notary Public

My commission expires:



**PUBLIC NOTICE OF HEARING ON THE AMENDMENT OF DECISION NO. 70384 AND THE FINANCING APPLICATION OF WILHOIT WATER COMPANY, INC., YAVAPAI MOBILE HOME ESTATES (Docket Nos. W-02065A-07-0308, W-02065A-07-0309, W-02065A-07-0311 and W-02065A-09-0123)**

On March 17, 2009, the Wilhoit Water Company, Inc., Yavapai Mobile Home Estates System ("Company" or "Applicant") filed an application with the Arizona Corporation Commission ("Commission") for an order authorizing Applicant to obtain a 20-year, \$520,000 loan to purchase and install an Arsenic Remediation System. In addition, the Company has requested that the Commission authorize a surcharge to pay debt service on the loan by means of an Arsenic Remediation Surcharge Mechanism ("ARSM"). The Company also filed a request that the Commission amend Decision No. 70384 to approve the ARSM in lieu of an Arsenic Cost Recovery Mechanism ("ACRM") approved in the Decision. The estimated monthly surcharges by meter size would be as follows: 5/8 x 3/4-inch, \$12.44; 2-inch, \$99.55; and 4-inch, \$311.10. The actual amounts authorized by the Commission may be greater or less than these estimates. The Commission will hold a public hearing on this matter beginning July 8, 2009 at 10:00 a.m. at the Commission's office, 1200 West Washington Street, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. The law provides for an open public hearing at

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