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EXCEPTION

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BEFORE THE ARIZONA CORPORATION COMMISSION

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2009 MAY 29 P 4: 54
AZ CORP COMMISSION
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APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR AUTHORITY TO INCUR LONG-TERM DEBT THROUGH THE WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA.

DOCKET NO. WS-01303A-09-0152
EXCEPTIONS

Arizona-American Water Company respectfully files these limited exceptions to the Recommended Opinion and Order dated May 22, 2009 ("ROO"). At page 7, lines 25-26, the ROO requires Arizona-American Water Company to construct, at a minimum, an additional 500,000 gallons of storage capacity by April 30, 2010. Following receipt of the ROO, Arizona-American met with members of Commission Staff on May 28, 2009, to discuss this condition. In the Tubac Water District, Arizona-American placed Well #3 back in service on April 29, 2009. Arizona-American had not made Staff aware of the additional capacity available from Well #3, which has a pumping capacity of 180 gpm,¹ and, therefore, Staff's recommendation for additional storage did not account for the additional capacity provided by this well. Once the arsenic remediation project is complete, Arizona-American intends to take Well #2 out of service; however, the additional capacity provided by Well #3 will then provide sufficient capacity without the

¹ Well #3 meets the federal arsenic standard, so arsenic remediation for this well is not an issue.

1 need for additional storage.² As a result of the additional capacity provided by Well #3,
2 Staff has indicated that it will re-examine whether new storage should be required at this
3 time. For these reasons, Arizona-American respectfully requests that the Commission
4 amend the ROO to remove this condition from the final Order in this matter.

5 Arizona-American appreciates the timely manner in which this docket has been
6 processed, and with the amendment proposed in these Exceptions, very much looks
7 forward to moving forward with this financing and the benefits that it will provide to
8 customers in the Tubac Water District.

9 DATED this 29th day of May, 2009.

10 LEWIS AND ROCA LLP

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12 

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14 Michael T. Hallam
15 40 N. Central Avenue
16 Phoenix, Arizona 85004
17 Attorneys for Arizona-American
18 Water Company

19 ORIGINAL and thirteen (13) copies
20 of the foregoing filed this 29th day
21 of May, 2009 with:

22 The Arizona Corporation Commission
23 Docket Control – Utilities Division
24 1200 W. Washington Street
25 Phoenix, Arizona 85007

26 COPY of the foregoing hand-delivered
this 29th of May, 2009, to:

Amanda Ho
Legal Division
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

² Additional storage required by future growth in this District should be provided by private development.

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