

ORIGINAL

NEW APPLICATION



0000099018

Arizona Corporation Commission

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2009 MAY 29 A 11:39

MAY 29 2009

AZ CORP COMMISSION
DOCKET CONTROL

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1 Richard L. Sallquist
 SALLQUIST, DRUMMOND & O'CONNOR, P.C.
 2 1430 East Missouri, Suite B-125
 Phoenix, Arizona 85014
 3 Telephone: (602) 224-9222
 Fax: (602) 224-9366
 4 Attorneys for Oak Creek Water Company No. 1

BEFORE THE ARIZONA CORPORATION COMMISSION

W-01392A-09-0273

6 IN THE MATTER OF THE APPLICATION OF)
 OAK CREEK WATER COMPANY NO. 1 FOR)
 7 APPROVAL OF AUTHORITY TO ISSUE)
 LONG TERM PROMISSORY NOTES OR)
 8 BONDS AND OTHER EVIDENCE OF)
 INDEBTEDNESS.)

DOCKET NO. W-01392A-09 _____
FINANCING APPLICATION
AND
REQUEST FOR EXPEDITED
PROCESSING

9
 10 Oak Creek Water Company No. 1 ("Oak Creek" or the "Company"), by and through
 undersigned counsel, respectfully states the following in support of this Application:

11 1. Oak Creek Water Company No. 1 is an Arizona not-for-profit corporation duly
 12 organized and existing under the laws of the State of Arizona. Its principal place of business is
 13 90 Oak Creek Blvd., Sedona, Arizona, 85336.

14 2. The Company is a public service corporation primarily engaged in the business of
 15 providing water utility service in its certificated area within portions of Yavapai County,
 16 Arizona.

17 3. The Company herein seeks Commission approval to enter into certain loan
 18 agreements necessary to fund certain facilities necessary to provide domestic and fire protection
 19 to its existing and future customers at the mandated pressures and volumes, the "Projects".

20 Attached hereto as **Attachment One**, and included herein for all purposes by this reference, are
 21 the Opinion of Probable Construction Cost for the Project prepared by the Company's
 22 engineering firm, WestLand Resources, Inc., the Prometheus Systems, LLC. Proposal for a
 23

1 Solar System for the Company's Wells, and the Smyth Steel Manufacturing, Inc. bid for a
2 Supervisory Control and Data Acquisition ("SCADA") System.

3 4. The Company seeks Commission approval for authority to issue long term
4 promissory notes or bonds and other evidence from the Water Infrastructure Finance Authority
5 of Arizona ("WIFA") for the purpose of repaying the above referenced Project. The Company
6 expects the documentation for the loan will be substantially similar to the documents WIFA has
7 required for other similar loans. The interest rate is expected to be approximately 6.6% (8.25%
8 x 80% = 6.6%) and have a twenty 20 year amortization. The exact interest rate and term will be
9 determined at the time the Company executes those documents.

10 5. Portions of the loan are proposed to be repaid with proceeds from a Hook-Up Fee
11 Tariff which is the subject of an application filed with the Commission under a separate docket.

12 6. Attached hereto as **Attachment Two** and incorporated herein by reference for all
13 purposes, are Oak Creek's Financial Statements as of December 31, 2008.

14 7. Attached as **Attachment Three** and incorporated herein for all purposes is a form of
15 the Resolution of Oak Creek's Board of Directors authorizing this Application and the issuance of
16 the requested loan. The executed document will be filed as a late-filed exhibit shortly after the
17 Board's next formal meeting on June 9, 2009.

18 8. The Company is requesting expedited processing of this Application to enjoy funding
19 available through WIFA. Due to the need of large commercial projects for immediate service,
20 combined with the Company's limited existing storage capacity, the Company is requesting the
21 Commission to expedite the processing of this Application.

22 9...The Company will provide notice of the filing of this Application in conformity with
23 A.R.S. §40-302 in the form attached as **Attachment Four** and incorporated herein by this

1 reference, which exhibit contains the form of the Public Notice to be filed with the Commission,
2 or in such other form as ordered by the Commission.

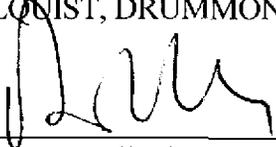
3 10. In the Company's opinion the purpose to which proceeds of the issuance of the
4 promissory notes or bonds and other evidence of indebtedness will be applied as set forth above
5 are lawful, and within its powers and are compatible with the public interest, with sound financial
6 practices, and with the proper performance of the Company of service as a public service
7 corporation and will not impair its ability to perform that service. The Company is further of the
8 opinion that the issuance of the issuance of the promissory notes or bonds and other evidence of
9 indebtedness as herein contemplated is reasonably necessary or appropriate for the aforementioned
10 purposes.

11 WHEREFORE, Oak Creek Water Company No. 1 requests that the Commission make
12 such inquiry or investigation that the Commission may deem necessary and appropriate; make the
13 findings required by A.R.S. §40-301 and §40-302 relative to the purposes of issuing the
14 promissory notes or bonds and other evidence of indebtedness as herein stated; and thereafter issue
15 *an immediately effective order(s) (i) setting the matter for an evidentiary hearing only if deemed*
16 *necessary, (ii) authorizing the Company to issue promissory notes or bonds and other evidence of*
17 *indebtedness, in the same manner and for the purposes herein contemplated, (iii) stating that the*
18 *issuance of the promissory notes or bonds and other evidence of indebtedness, is reasonably*
19 *necessary or appropriate for the purposes set forth above, and (iv) stating that such purposes are*
20 *within those permitted by A.R.S. §40-301.*

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Respectfully submitted this 29th day of May, 2009.

SALLQUIST, DRUMMOND & O'CONNOR, P.C.

By 

Richard L. Sallquist
1430 East Missouri, Suite B-125
Phoenix, Arizona 85014
Attorneys for Oak Creek Water Company No. 1

1 Original and ten copies of the
foregoing filed this 21st day
2 of May, 2009, with

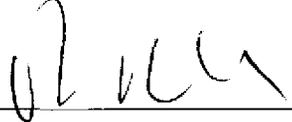
3 Docket Control
Arizona Corporation Commission
4 1200 West Washington
Phoenix, Arizona 85007

5 Copies of the foregoing Hand Delivered this 29th
6 day of May, 2009 to:

7 Hearing Division
Arizona Corporation Commission
8 1200 West Washington
Phoenix, Arizona 85007

9 Legal Division
10 Arizona Corporation Commission
1200 West Washington
11 Phoenix, Arizona 85007

12 Utilities Division
Arizona Corporation Commission
13 1200 West Washington
Phoenix, Arizona 85007

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LIST OF EXHIBITS

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ATTACHMENT

DESCRIPTION

ONE

PROJECT DESCRIPTION

TWO

FINANCIAL STATEMENTS

THREE

BOARD OF DIRECTOR'S RESOLUTION

FOUR

PUBLIC NOTICE

OPINION OF PROBABLE CONSTRUCTION COST

Project Name: Oak Creek Water Masterplan
 Project No. 1593.01 A 8000
 Location: Sections 12 and 13, Township 17 North, Range 5 East
 Description: Water System Upgrades - Option 1

Prepared by: K LW Date: 3/27/09
 Checked by: M FT Date: 3/27/09
 Client: Oak Creek Water Company No. 1

Item No.	Item Description	Unit	Quantity	Unit Price	Amount	Remarks
Option 1 - Floating System						
1	New 116,000-gallon storage tank	LS	1	\$120,000	\$120,000	Located at Airport reservoir site. Includes site work.
2	New 8-inch water main	LF	900	\$85	\$76,500	From new tank to Panorama reservoir site
3	New PRV	LS	1	\$10,000	\$10,000	To serve Saddlerock and Mingus Mountain area.
4	300 Gpm Upgrade to Existing Airport Transfer Booster	LS	1	\$60,000	\$60,000	To pump PDD for floating service areas. Includes electrical and instrumentation.
	Subtotal				\$266,500	
	25% Engineering and Contingencies				\$66,625	
	Option 1 Total				\$333,125	
Cost Allocations for Floating System						
	Galloway - Airport 15.1% Allocation				\$50,302	Allocation based on % of total demand
	Galloway - Kallof 14.6% Allocation				\$48,636	
	Centrum 4.60% Allocation				\$15,324	
	Future Customers 65.7% Allocation				\$218,863	
	Total				\$333,125	

Note: Costs exclude easement and/or property acquisition. Costs exclude rock excavation, if necessary.

OPINION OF PROBABLE CONSTRUCTION COST

Project Name: Oak Creek Water Masterplan
Project No.: 1593.01 A 8000
Location: Sections 12 and 13, Township 17 North, Range 5 East
Description: Water System Upgrades – Option 1

Prepared by: KLW
Checked by: MFT
Client: Oak Creek Water Company No. 1

Date: 3/27/09
Date: 3/27/09

Item No.	Item Description	Unit	Quantity	Unit Price	Amount	Remarks
Pipeline Upgrades						
1	New 6-inch water main	LF	2,000	\$85	\$170,000	Augment existing pipeline capacity for fire flow, includes pavement replacement
2	New 4-inch water main	LF	450	\$75	\$33,750	Augment existing pipeline capacity for fire flow, includes pavement replacement
	Subtotal				\$203,750	
	2.5% Engineering and Contingencies				\$50,938	
	Total				\$254,688	
Cost Allocations for Pipeline Upgrades						
	Galloway - Airport 50% Allocation				\$127,344	
	Existing and Future Water System Customers 50% Allocation				\$127,344	
	Total				\$254,688	

Note: Costs exclude easement and/or property acquisition. Costs exclude rock excavation, if necessary.

OPINION OF PROBABLE CONSTRUCTION COST

Project Name: Oak Creek Water Masterplan
Project No.: 1593.01 A 8000
Location: Sections 12 and 13, Township 17 North, Range 5 East
Description: Water System Upgrades – Option 1

Prepared by: K LW
Checked by: M FT
Client: Oak Creek Water Company No. 1

Date: 3/27/09
Date: 3/27/09

Item No.	Item Description	Unit	Quantity	Unit Price	Amount	Remarks
	Airport Onsite Project Cost					
1	New 6-inch water main	LF	950	\$45	\$33,250	To serve project
	25% Engineering and Contingencies				\$8,313	
	Airport Onsite Project Total				\$41,563	
	Cost Allocations for Floating System					
	Galloway - Airport 15.1% Allocation				\$50,302	
	Cost Allocations for Pipeline Upgrades					
	Galloway - Airport 50% Allocation				\$127,344	
	Total Airport On & Offsite Project Cost				\$219,209	
	Kalloy Onsite Project					
1	New 8-inch water main	LF	700	\$55	\$38,500	To serve project
	25% Engineering and Contingencies				\$7,875	
	Kalloy Onsite Project Total				\$39,375	
	Cost Allocations for Floating System					
	Galloway – Kalloy 14.6% Allocation				\$48,636	
	Total Kalloy On & Offsite Project Cost				\$88,011	

Note: Costs exclude easement and/or property acquisition. Costs exclude rock excavation, if necessary.

System Options for Oak Creek Water



Prometheus Systems, LLC
 11950 N US Hwy 89
 Flagstaff, AZ 86004

Site Information		System Specifications					Rebate Options		
Site	Site Average Daily Usage	System Size	Modules	Inverter	Avg. Daily System Output	System Cost	One-Time @2.50/Watt	PBI \$0.25/kWh for 10 years	PBI \$0.18/kWh for 20 years
680 Sunset Dr.	688 kWh/day	26,640 Watts	126 ES-A-210	PVP30K-480	134 kWh/day	\$199,800.00	\$66,600.00	\$12,200.00/yr	\$8,800.00/yr
677 Panorama Blvd	107 kWh/day	12,600 Watts	72 NT-175U1	PVI-13KW	60 kWh/day	\$107,100.00	\$31,500.00	\$5,400.00/yr	\$3,900.00/yr
137 Shrine Rd.	26 kWh/day	4,725 Watts	27 NT-175U1	PVP5300	24 kWh/day	\$42,000.00	\$11,800.00	\$2,150.00/yr	\$1,500.00/yr
90 Oak Creek Blvd	22 kWh/day	4,200 Watts	20 SCM210	M190-72-240	21.5 kWh/day	\$32,760.00	\$10,500.00	\$1,900.00/yr	\$1,400.00/yr

SMYTH STEEL MANUFACTURING, INC.

4010 E. Illinois St.
Tucson, AZ 85714
(520) 750-8719
(520) 750-9544

April 14, 2009
To: Mark Fenech Oakcreek Water
Re: SCADA System

Dear Mark,

The following quote is in reference to the SCADA (Supervisory Control And Data Acquisition) system as discussed in our meeting. The system will consist of (6) sites, each site will have a 20' antenna pole and a Nema 3R enclosure to house the control equipment.

Quote Total \$38,823

Feature List

- Remote access and control of each site from a secure internet connection.
- Alarm notifications sent to cell phones & email. This will allow you to remove the audible alarms currently at the sites.
- Trending database of "Run Time Hours", "Pump On/Off Times" & "System Pressure". If your current flowmeter has a 4-20mA output we can also integrate "G.P.M."
- UL508 Listed Control Panels.
- CAD Schematics.

Exclusions:

- Per your request the electrical connections will be made by your electrical contractor.

If you have any questions, please don't hesitate to call me anytime.

Thank you for your consideration,

Ray Rogers
Project Manager
Smyth Steel/Automation & Control Inc.
4010 E. Illinois Ave.
Tucson, Arizona 85714
Ray@SmythSteel.com
Office 520.750.8719
Cell 520.301.5604

License #ROC154663 A-General Engineering
License #ROC171540 L-11 Electrical
ASME Boiler and Pressure Vessel 'U' Certified
The National Board of Boiler and Pressure Vessel Inspectors 'R' Certified
UL 508A Manufacturing #E306021

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL -- MAKE CHANGES AS NECESSARY

<p>OAK CREEK WATER CO., NO 1 90 OAK CREEK BLVD SEDONA, AZ 86336</p>	
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ANNUAL REPORT
WATER

FOR YEAR ENDING

12	31	2008
----	----	------

FOR COMMISSION USE

ANN 04	08
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PROCESSED BY:

SCANNED

ATTACHMENT TWO

COMPANY INFORMATION

Company Name (Business Name) <u>OAK CREEK WATER CO. NO. 1</u>		
Mailing Address <u>90 OAK CREEK BLVD</u>		
<u>SEDONA</u> (City)	<u>AZ</u> (State)	<u>86336</u> (Zip)
<u>(928) 282-3404</u> Telephone No. (Include Area Code)	<u>(928) 282-5558</u> Fax No. (Include Area Code)	<u>(928) 300-3835</u> Cell No. (Include Area Code)
Email Address <u>INFO@OAKCREEKWATER.COM</u>		
Local Office Mailing Address <u>SAME AS ABOVE</u>		
<u>(City)</u>	<u>(State)</u>	<u>(Zip)</u>
<u>Local Office Telephone No. (Include Area Code)</u>	<u>Fax No. (Include Area Code)</u>	<u>Cell No. (Include Area Code)</u>
Email Address _____		

MANAGEMENT INFORMATION

Management Contact: <u>DICK SITTS, PRESIDENT</u>		
<u>(Name)</u>	<u>(Title)</u>	
<u>45 SYCAMORE CANYON ROAD</u> (Street)	<u>SEDONA</u> (City)	<u>AZ</u> (State) <u>86336</u> (Zip)
<u>(928) 282-3404</u> Telephone No. (Include Area Code)	<u>(928) 282-5558</u> Fax No. (Include Area Code)	<u>(928) 300-3835</u> Cell No. (Include Area Code)
Email Address <u>INFO@OAKCREEKWATER.COM</u>		
On Site Manager: <u>STEVE YERICH</u>		
<u>(Name)</u>		
<u>18 TANAGER LANE</u> (Street)	<u>SEDONA</u> (City)	<u>AZ</u> (State) <u>86336</u> (Zip)
<u>(928) 282-3404</u> Telephone No. (Include Area Code)	<u>(928) 282-5558</u> Fax No. (Include Area Code)	<u>(928) 300-3835</u> Cell No. (Include Area Code)
Email Address <u>STEVEYERICH@OAKCREEKWATER.COM</u>		

Statutory Agent: RONALD N. ROVEY

(Name)

1785 W. HIGHWAY 89A, SUITE 3-I

(Street)

SEDONA

(City)

AZ

(State)

86336

(Zip)

(928) 282-1155

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: SAME AS ABOVE

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

OWNERSHIP INFORMATION

Check the following box that applies to your company:

Sole Proprietor (S)

C Corporation (C) (Other than Association/Co-op)

Partnership (P)

Subchapter S Corporation (Z)

Bankruptcy (B)

Association/Co-op (A)

Receivership (R)

Limited Liability Company

Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

APACHE

COCHISE

COCONINO

GILA

GRAHAM

GREENLEE

LA PAZ

MARICOPA

MOHAVE

NAVAJO

PIMA

PINAL

SANTA CRUZ

YAVAPAI

YUMA

STATEWIDE

COMPANY NAME**OAK CREEK WATER CO. NO. 1****UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises	4,277		4,277
303	Land and Land Rights	19,348		19,348
304	Structures and Improvements	299,292	173,556	125,736
307	Wells and Springs	120,660	93,273	27,387
311	Pumping Equipment	83,501	65,710	17,791
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	180,816	119,051	61,765
331	Transmission and Distribution Mains	617,707	417,840	199,867
333	Services	19,952	10,896	9,056
334	Meters and Meter Installations	41,447	35,472	5,975
335	Hydrants	24,761	13,663	11,098
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	22,526	15,879	6,647
341	Transportation Equipment	25,636	25,636	0
343	Tools, Shop and Garage Equipment	4,241	2,846	1,395
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	5,103	5,103	0
347	Miscellaneous Equipment	1,493	1,493	0
348	Other Tangible Plant			
	TOTALS	1,470,760	980,418	490,342

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME**OAK CREEK WATER CO. NO. 1****CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises	4,277		
303	Land and Land Rights	19,348		
304	Structures and Improvements	299,292	3.33%	9,936
307	Wells and Springs	120,660	3.33%	4,018
311	Pumping Equipment	83,501	12.50%	9,558
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	180,816	2.22%	3,956
331	Transmission and Distribution Mains	617,707	2.00%	12,354
333	Services	19,952	3.33%	664
334	Meters and Meter Installations	41,447	8.33%	3,403
335	Hydrants	24,761	2.00%	451
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	22,526	6.67/20.00%	3,870
341	Transportation Equipment	25,636	20.00%	0
343	Tools, Shop and Garage Equipment	4,241	5.00%	212
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	5,103	10.00%	0
347	Miscellaneous Equipment	1,493	10.00%	0
348	Other Tangible Plant			
	SUBTOTAL	1,470,760		48,422
	CIAC AMORTIZATION			(1,320)
	TOTALS	1,470,760		47,102

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

 **ULLMANN
& COMPANY P.C.**
Certified Public Accountants

To the Board of Directors of
Oak Creek Water Co., No. 1
Sedona, Arizona

We have compiled the balance sheet of Oak Creek Water Co., No. 1 (a corporation) as of December 31, 2008 and 2007, and the comparative statement of income and expense for the years then ended included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the Arizona Corporation Commission information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Arizona Corporation Commission, which differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

All other information contained in the accompanying prescribed form has not been audited, reviewed, or compiled by us and, accordingly, we assume no responsibility for that information.

Ullmann & Company

ULLMANN & COMPANY, P.C.
Certified Public Accountants

April 21, 2009

COMPANY NAME OAK CREEK WATER CO. NO. 1

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 75	\$ 43,366
134	Working Funds	49,217	0
135	Temporary Cash Investments	330,180	0
141	Customer Accounts Receivable	13,533	21,675
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	8,582	8,582
162	Prepayments	0	2,918
174	Miscellaneous Current and Accrued Assets	9,611	30,553
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 411,198	\$ 107,094
	FIXED ASSETS		
101	Utility Plant in Service	\$ 1,392,698	\$ 1,470,760
103	Property Held for Future Use		
105	Construction Work in Progress	0	52,480
108	Accumulated Depreciation - Utility Plant	879,008	980,418
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 513,690	\$ 542,822
	TOTAL ASSETS	\$ 924,888	\$ 649,916

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

COMPANY NAME
OAK CREEK WATER CO. NO. 1

BALANCE SHEET - (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	\$ -	\$ -
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	3,400	4,764
236	Accrued Taxes	9,175	17,711
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	0	64
	TOTAL CURRENT LIABILITIES	\$ 12,575	\$ 22,539
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ -	\$ -
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ -	\$ -
252	Advances in Aid of Construction	217,888	0
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	361,809	368,584
272	Less: Amortization of Contributions	316,845	329,645
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 262,852	\$ 38,939
	TOTAL LIABILITIES	\$ 275,427	\$ 61,478
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ -	\$ -
211	Paid in Capital in Excess of Par Value	17,605	17,605
215	Retained Earnings	638,533	570,833
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 656,138	\$ 588,438
	TOTAL LIABILITIES AND CAPITAL	\$ 931,565	\$ 649,916

COMPANY NAME**OAK CREEK WATER CO. NO. 1****COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461Me	metered Water Revenue	\$ 274,622	\$ 265,794
460Unmete	red Water Revenue		
474Other	Water Revenues	6,151	5,394
	TOTAL REVENUES	\$ 280,773	\$ 271,188
	OPERATING EXPENSES		
601S	Salaries and Wages	\$ 128,742	\$ 141,933
610P	Purchased Water	86	0
615P	Purchased Power	43,207	45,001
618Chemica	ls		
620Re	pairs and Maintenance	15,147	6,011
621Of	ice Supplies and Expense	12,933	4,326
630Outside	Services	6,280	6,149
635Water	Testing	2,747	9,814
641Re	nts		
650Transportation	Expenses	3,558	2,745
657I	nsurance - General Liability	5,582	9,456
659I	nsurance - Health and Life	15,948	10,150
666Re	gulatory Commission Expense - Rate Case	5,398	(4,061)
675Misc	ellaneous Expense	3,378	14,441
403De	preciation Expense	37,557	47,102
408Tax	es Other Than Income	21	10,865
408.11	Property Taxes	11,487	9,168
409I	ncome Tax		
	TOTAL OPERATING EXPENSES	\$ 292,071	\$ 313,100
	OTHER INCOME/EXPENSE		
419I	nterest and Dividend Income 17,373	\$	\$ 8,968
421Non-Util	ity Income	12,200	0
426Misc	ellaneous Non-Utility Expenses		
427I	nterest Expense	15	14
	TOTAL OTHER INCOME/EXP	\$ 29,558	\$ 8,954
	NET INCOME/(LOSS)	\$ 18,260	\$ (32,958)

See Accountants' Compilation Report

COMPANY NAME OAK CREEK WATER CO. NO. 1

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ _____

Meter Deposits Refunded During the Test Year \$ _____

COMPANY NAME

Name of System:

ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME OAK CREEK WATER CO. NO. 1 YEAR ENDING 12/31/2008

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported TAX EXEMPT
Estimated or Actual Federal Tax Liability TAX EXEMPT

State Taxable Income Reported TAX EXEMPT
Estimated or Actual State Tax Liability TAX EXEMPT

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances N/A
Amount of Gross-Up Tax Collected N/A
Total Grossed-Up Contributions/Advances N/A

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE

DATE

PRINTED NAME

TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION
COU
STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

NTY OF (COUNTY NAME)
YAVAPAI
NAME (OWNER OR OFFICIAL) TITLE
DICK SITTS, PRESIDENT
COMPANY NAME
OAK CREEK WATER CO. NO. 1

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2008

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2008 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)
\$ <u>294,671</u>

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 23,483
IN SALES TAXES BILLED, OR COLLECTED)**

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS **DAY OF**

COUNTY NAME	
MONTH	.20__

(SEAL)

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES _____

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

<small>COUNTY OF (COUNTY NAME)</small> YAVAPAI	
<small>NAME (OWNER OR OFFICIAL)</small> DICK SITTS	<small>TITLE</small> PRESIDENT
<small>COMPANY NAME</small> OAK CREEK WATER CO. NO. 1	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

<small>MONTH</small>	<small>DAY</small>	<small>YEAR</small>
12	31	2008

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2008 WAS:

<small>ARIZONA INTRASTATE GROSS OPERATING REVENUES</small>
\$ <u>237,455</u>

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 18,923
IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

DAY OF

<small>NOTARY PUBLIC NAME</small>	
<small>COUNTY NAME</small>	
<small>MONTH</small>	,20__

(SEAL)

MY COMMISSION EXPIRES

X

SIGNATURE OF NOTARY PUBLIC

ARIZONA DEPARTMENT OF REVENUE

Property Tax Division - Centrally Valued Property Unit

1600 West Monroe, Room 820, Phoenix, Arizona 85007-2650
Phone (602) 716-6843 Fax (602) 542-4425

E-mail address: cobrien@azdor.gov
Direct phone number: (602) 716-6835



TAX YEAR 2010

WATER, SEWER AND WASTEWATER UTILITY COMPANIES

PROPERTY TAX FORM

FILING DUE DATE: APRIL 1, 2009

CVP Tax ID: 55-187

Company Name: OAK CREEK WATER CO., NO. 1

Contact: Dick Sitts

Address: 90 Oak Creek Blvd

City, State, Zip Code: Sedona, AZ 86336

OFFICIAL MAILING ADDRESS
(Please enter correct name and address)

PROPERTY TAX FORM
WATER, SEWER AND WASTEWATER UTILITY COMPANIES
Tax Year 2010

TABLE OF CONTENTS

<u>Property Tax Form :</u>	Section
Instructions on following page	
Proprietary Data (Tab 1)	1
Balance Sheet, Income and Financial Data (Tab 2)	2
Non-Capitalized Leased or Rented Operating Property (Tab 3)	3
New Operating Land Additions (Tab 4)	4
Non-Operating Property (Tab 5)	5
Verification / Notary Page (Tab 6)	6

TAX YEAR 2010
**WATER, SEWER AND WASTEWATER
UTILITY COMPANIES**

PROPERTY TAX FORM INSTRUCTIONS

This report is required to be filed in order to provide the information necessary for the determination of the full cash value of your water, sewer and/or wastewater utility company property in Arizona valued under provisions of A.R.S. §§ 42-14151 through 42-14153.

Return the complete report. **DO NOT DETACH ANY PAGES.** The verification page in Section 6 must be signed and notarized for the report to be considered complete.

The CVP Tax ID number is the number assigned to you that begins with "55-". You will find it on the mailing envelope for this tax form, and it also appears on almost all of the official correspondence from this office. If you do not know your CVP Tax ID number, or cannot find it, please call Carole O'Brien at (602) 716-6835.

REFUSAL OR FAILURE TO FILE: Failure to file a completed report on or before April 1st, or the extended due date if an extension is granted, will result in a valuation of one hundred five percent of the prior year's full cash value or a value based upon other information available to the Department (A.R.S. § 42-14152). In addition, a penalty will be assessed in the amount of the lesser of one-half of one percent of the value estimated by the Department, or one hundred dollars per day for each day the company fails to file the report beyond the original due date of April 1, 2009. If a penalty is assessed for late filing, the taxpayer may request an abatement of the penalty. The request must be in writing. Abatements will depend on the taxpayer's filing history and whether or not the taxpayer is current on its property taxes.

If the report is not filed by May 20, 2009, the company forfeits its right to appeal the valuation and classification pursuant to A.R.S. § 42-14005 (A.R.S. § 42-14152(D)).

One copy of PS1220-01 (Statement of Original Cost) and one copy of PS1220-12 (Operating Land) are included with this report. Please update the information on these forms and return them to the Department. Make a copy of the report with all the attachments for your files, and send the original to the Department. If you have any questions concerning the report, please contact Carole O'Brien at (602) 716-6835.

A separate Property Tax Form must be prepared and submitted for each company with an individual and separate CC&N, operating in the State of Arizona and regulated by the Arizona Corporation Commission.

If you would like an electronic version of this report (Excel spreadsheet), send your request to cobrien@azdor.gov. Please note that at this time, because of confidentiality concerns, we can not accept completed reports via e-mail. Reports must be signed, notarized and returned via regular or express mail to the Department on or before April 1, 2009.

**PROPERTY TAX FORM
WATER, SEWER AND WASTEWATER UTILITY COMPANIES
Tax Year 2010**

PROPRIETARY DATA

Company Name: **OAK CREEK WATER CO., NO. 1** CVP Tax ID: **55-187**

Indicate type of organization:

Corporation Partnership Sole Proprietorship

If applicable, State of Incorporation Arizona Organization year: 1953

President/CEO Managing Partner Owner

Name: Dick Sitts Title: President

Address: 90 Oak Creek Blvd

City, State, Zip Code: Sedona, AZ 86336

Refer all correspondence to:

Name: Dick Sitts Title: President

Address: 90 Oak Creek Blvd

City, State, Zip Code: Sedona, AZ 86336

Telephone No.: 928-282-3404 Fax No.: 928-282-5558

E-mail Address: info@oakcreekwater.com

[Note: If this report is prepared by a CPA who is not a full-time employee of the company, please provide details including name, firm, address and telephone number on page 5]

Are you regulated by the Arizona Corporation Commission?

Yes No

What services do you provide your customers?

Water Sewer Both

Number of customers:

Year in which operations commenced in Arizona: 1953

Location of property: County(ies) served: See Attached Schedule
Section(s), Township, Range:

If this report is prepared by a CPA not associated or affiliated with the company, please provide details here:

Name: Peggy H. Ullmann Title: CPA

CPA Firm: Ullmann & Company, P.C.

Address: 4647 N. 32nd Street, Suite 220

City, State, Zip Code: Phoenix, AZ 85018

Telephone No.: 602-224-0166 Fax No.: 602-224-6062

E-mail Address: peggy@ullmanncpa.com

Comments:

If you have only recently been granted a CC&N from the Corporation Commission and as yet do not provide service to any customers, have no revenues or property, you do not need to complete the remainder of this report. Complete the certification below and return the report to the Department by the filing deadline, April 1, 2009.

CERTIFICATION

I hereby certify that, to the best of my knowledge and belief, water and/or sewer services were not provided to any customers during the year ended December 31, 2008 and the company has no property operating at this time.

Dated this _____ day of _____, 2009

Signature

Title

PROPERTY TAX FORM
WATER, SEWER AND WASTEWATER UTILITY COMPANIES
 Tax Year 2010
BALANCE SHEET AND INCOME INFORMATION

Company Name: **OAK CREEK WATER CO., NO. 1** CVP Tax ID: **55-187**

Year Ended
12/31/2008

FINANCIAL DATA

1. ORIGINAL COST of PLANT IN SERVICE

Include the original capitalized cost of all property owned or leased by the utility company for use in its operations. Include all structures and improvements, wells and springs, pumping equipment, water/sewer treatment equipment, transmission and distribution mains, services, meters, hydrants and all other miscellaneous equipment and supplies. **DO NOT INCLUDE LAND AND LAND RIGHTS.**

\$1,421,499

2. LICENSED TRANSPORTATION*

\$25,636

3. TOTAL PLANT IN SERVICE

\$1,447,135

4. REPORT NET BOOK VALUE OF LICENSED TRANSPORTATION

Report only the vehicles that are licensed and used strictly for the utility company's purposes from Item 2 above. "Net book value" is defined as the original cost minus accumulated depreciation.

5. LAND AND LAND RIGHTS

\$19,348

6. CONSTRUCTION WORK IN PROGRESS

Report any cost of the plant in the process of construction, but not ready for service as of December 31, 2008.

\$52,480

Comments:

NOTE: *To be separately extracted from utility plant accounts.
 Explain any significant increase or decrease from the previous year in the comment section.
 The information contained herein is subject to verification with information reported to the Arizona Corporation Commission. On the accompanying copy of PS1220-01 (Statement of Original Cost per Balance Sheet) the totals reported under Current Year Buildings and Structures plus Current Year Personal Property should equal Item 1 (Original Cost of Plant in Service).

PROPERTY TAX FORM
WATER, SEWER AND WASTEWATER UTILITY COMPANIES
Tax Year 2010
BALANCE SHEET AND INCOME INFORMATION

Company Name: OAK CREEK WATER CO., NO. 1 CVP Tax ID: 55-187

INCOME DATA

Year Ended
12/31/2008

1. GROSS OPERATING REVENUES

Report all monies collected from the sales to all customer classes (residential and commercial), including monies collected for connect/disconnect fees, testing, maintenance and repair charges paid by customer. Also include monies collected for city and/or state transaction privilege (sales) or use tax.

294,671

2. SALES TAX

Report all monies collected for city and/or state transaction privilege (sales) or use tax.

23,483

3. ADJUSTED GROSS REVENUES

Subtract SALES TAX (2) from GROSS OPERATING REVENUES (1)

\$271,188

Note:

Explain any significant increase or decrease in revenues from previous year in the comment section.

Comments:

PROPERTY TAX FORM
WATER, SEWER AND WASTEWATER UTILITY COMPANIES
Tax Year 2010

VERIFICATION

State of ARIZONA

County of YAVAPAI

I, DICK SITTS, being duly sworn, upon my oath say that I am
the PRESIDENT of OAK CREEK WATER CO., NO. 1 and that
the information contained in this report is complete, true and correct, according to the best of
my knowledge, information and belief.

Further, the Taxpayer waives its rights to confidentiality under A.R.S. §§ 42-2001 through
42-2004 with respect to tabs 3, 4, and 5 (sections 3, 4, and 5) of this report, and
consents to the disclosure of such information to County Assessors and their personnel by
the Arizona Department of Revenue in order to assure that all property is properly assessed
and to help protect against double assessments.

Signature

Subscribed in my presence and sworn to before me, a Notary Public, in and for said County and
State, by _____ on this the _____ day of
_____, a.d. 20_____.

My commission expires _____, 20_____

In Witness Whereof, I have hereunto set my seal of office.

Signature

DIST ID: UM03 A
 01/13/09 20:44:06
 REPORT ID: PS1220 - 01
 LATEST ACTIVITY: / /

ARIZONA DEPARTMENT OF REVENUE
 CENTRALLY VALUED PROPERTIES SYSTEM
 STATEMENT OF ORIGINAL COST - PER BALANCE SHEET

PS1221

TAXPAYER NAME	TRANS CODE	TRANS TP CL-NUM	TRANSACTION KEY A CO AREA	ACTION CODE	CURRENT YEAR BLDG & STRUCTURES	CURRENT YEAR PERSONAL PROP BLDG & STRUCTURES	PREVIOUS YEAR PERSONAL PROP	PREVIOUS YEAR % CHANGE
OAK CREEK WATER CO #1 C/O DICK SITTS	30	55-187	13 0970		299,292	1,122,207	301,173	1,046,005
COUNTY TOTAL			13		000	000	301,173	1,046,005
TAXPAYER TOTAL		55-187			000	000	301,173	1,046,005

DIST ID: UM03 B

ARIZONA DEPARTMENT OF REVENUE

PAGE: 667

DATE: 01/13/09

CENTRALLY VALUED PROPERTIES SYSTEM

LATEST ACTIVITY: / /

TAXPAYER PAGE 1

REPORT:PS1220-12

PS1224

OPERATING LAND BY TAXPAYER

TAXPAYER NUMBER COUNTY AREA PARCEL NUM

CLASS-NUM ALPHA NUMBER CODE BK MP PARC ACREAGE LAND FCV NO LEGAL DESCRIPTION

55-187 13 0970 408 26 429 .00 500 01 13 17N 5E COPPER VISTA ESTATES WATER PRESSURE BOOSTER

02 SITE

AREA TOTAL 1 PARCELS .00 500

55-187 13 0976 408 08 017 .34 15,300 01 OAK CREEK DEVELOPMENT # 1 SUB AMENDED

02 LOT 20 BLK A

55-187 13 0976 408 08 078A .52 13,000 01 OAK CREEK DEV #1 AMENDED: THE N 40' OF

02 LOT 27 BLK C

55-187 13 0976 408 26 053 .14 30,000 01 PCL BY M & B 100X150'; BEG 262' W 795' S FROM N4 COR

02 SEC 13 CONT .344AC DESC 53/565 IN SE4 NE4 NW4 LESS PCL

03 .12AC 389/405 & LESS .086AC 413/92 SEC 13 17 5E AP #60

55-187 13 0976 408 26 336 .00 1,000 01 12 17N 5E SADDLEROCK HOMES TRACT A

AREA TOTAL 4 PARCELS 1.00 59,300

COUNTY TOTAL 5 PARCELS 1.00 59,800

TAXPAYER TOTAL 5 PARCELS 1.00 59,800

Secretary's Certificate

I, _____, Secretary of Oak Creek Water Company No. 1, do hereby certify that the attached Resolution of the Board of Directors of Oak Creek Water Company No. 1, is a true copy of the minutes of the Board of Directors action, and has not been revoked, rescinded, or substantially modified, and remains in full force and effect.

DATED this ___th day of May, 2009.

SUBSCRIBED AND SWORN to before me this ___ day of May, 2009.

Notary Public

My Commission Expires:

OAK CREEK WATER COMPANY NO.1

RESOLUTION OF THE BOARD OF DIRECTORS

May __, 2009

The President reported on the need to institute a System Improvement Plan and the long-term financing of those facilities, and the need for an Arizona Corporation Commission (the "Commission") Order authorizing the financing of that plant. Discussion of those matters ensued.

Thereafter, upon motion duly made, seconded and unanimously carried, it was:

RESOLVED, that the Board hereby authorizes the officers of the Corporation to file an Application with the Water Infrastructure Finance Authority of Arizona (WIFA) for a loan not to exceed \$804,190 at terms favorable to the Corporation for the purpose of funding a System Improvement Plan and appurtenant facilities as described in Exhibit A hereto, and

FURTHER RESOLVED, that the Board hereby authorizes the officers of the Corporation to file an application with the Commission for authority to issue Promissory Note(s) and evidence of indebtedness necessary to fund the System Improvement Plan, and the filing of any and all amendments and supplements to said application, and

FURTHER RESOLVED, that upon receiving the requisite authority from WIFA and the Commission, and subject to other legal requirements, the Corporation shall issue Promissory Note(s) and such evidence of the long-term indebtedness for up to \$804,190 under terms and conditions advantageous to the Corporation for the purpose of funding certain plant and equipment additions, as hereinabove described, all in the manner and in the terms and conditions provided in the above-mentioned resolutions, and

FURTHER RESOLVED, that the proper officers of the Corporation be and each of them hereby is, authorized, in the name and on behalf of the Corporation, to conduct any and all negotiations, to make any and all arrangements, do and perform any and all acts and things and to execute and deliver any and all officer's certificates and other documents and instruments as they deem necessary or appropriate in order to consummate the issuance and otherwise to effectuate the purposes of each and all of the foregoing resolutions.

**PUBLIC NOTICE
OF
AN APPLICATION FOR AN ORDER AUTHORIZING
THE ISSUANCE OF PROMMISSORY NOTES AND OTHER EVIDENCE OF
INDEBTEDNESS
FOR
OAK CREEK WATER COMPANY NO.1**

Oak Creek Water Company No. 1. (Applicant) has filed an Application with the Arizona Corporation Commission (Commission) for an order authorizing Applicant to issue a total of \$804,190 in long term debt for the purpose of funding construction of certain facilities necessary to provide domestic and fire protection to its existing and future customers at the mandated pressures and volumes. The Applications is available for inspection during regular business hours at the offices of the Commission in Phoenix, Arizona, and Applicant's offices at 90 Oak Creek Blvd., Sedona, Arizona 85336.

Intervention in the Commission's proceedings on the Financing Application shall be permitted to any person entitled by law to intervene and having a direct substantial interest in this matter. Persons desiring to intervene must file a Motion to Intervene with the Commission which must be served upon the Applicant and which, at a minimum, shall contain the following information:

1. The name, address and telephone of the proposed intervenor and of any person upon whom service of documents is to be made if different than the intervenor.
2. A short statement of the proposed intervenor's interest in the proceedings.
3. Whether the proposed intervenor desires a formal evidentiary hearing on the Application and the reasons for such a hearing.
4. A statement certifying that a copy of the Motion to Intervene has been mailed to Applicant.

The granting of Motions to Intervene shall be governed by A.A.C. R14-3-105, except that all Motions to Intervene must be filed on, or before, the 15th day after this notice.

If you have any questions or concerns about this application or have any objections to its approval, or wish to make a statement in support of it, you may contact the Consumer Services Section of the Commission at 1200 West Washington, Phoenix, Arizona 85007 or call 1-800-222-7000.