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Arizona Corporation Commission  
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AUG 11 2009

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9 Attorneys for Northern Sunrise Water Company  
10 and Southern Sunrise Water Company

11 **BEFORE THE ARIZONA CORPORATION COMMISSION**

12 IN THE MATTER OF THE APPLICATION OF  
13 NORTHERN SUNRISE WATER COMPANY FOR A  
14 CERTIFICATE OF CONVENIENCE AND  
15 NECESSITY TO PROVIDE WATER UTILITY  
16 SERVICE IN COCHISE COUNTY, ARIZONA.

DOCKET NO. W-20453A-06-0247

17 IN THE MATTER OF THE APPLICATION OF  
18 SOUTHERN SUNRISE WATER COMPANY FOR A  
19 CERTIFICATE OF CONVENIENCE AND  
20 NECESSITY TO PROVIDE WATER UTILITY  
21 SERVICE IN COCHISE COUNTY, ARIZONA.

DOCKET NO. W-20454A-06-0248

22 IN THE MATTER OF THE JOINT APPLICATION  
23 OF NORTHERN SUNRISE WATER COMPANY  
24 AND SOUTHERN SUNRISE WATER COMPANY  
25 FOR THE APPROVAL OF SALE AND TRANSFER  
26 OF WATER UTILITY ASSETS, AND  
CANCELLATION OF CERTIFICATES OF  
CONVENIENCE AND NECESSITY, FOR  
MIRACLE VALLEY WATER COMPANY,  
COCHISE WATER COMPANY, HORSESHOE  
RANCH WATER COMPANY, CRYSTAL WATER  
COMPANY, MUSTANG WATER COMPANY,  
CORONADO ESTATES WATER COMPANY, AND  
SIERRA SUNSET WATER COMPANY, LOCATED  
IN COCHISE COUNTY, ARIZONA.

DOCKET NOS. W-20453A-06-0251  
W-20454A-06-0251  
W-01646A-06-0251  
W-01868A-06-0251  
W-02235A-06-0251  
W-02316A-06-0251  
W-02230A-06-0251  
W-01629A-06-0251  
W-02240A-06-0251

23 **SOUTHERN SUNRISE WATER COMPANY**

24 **NOTICE OF COMPLIANCE WITH DECISION NO. 70955 (April 7, 2009)**

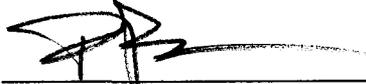
25 **[Borderline Agreement with East Slope Water Company]**

1 Southern Sunrise Water Company ("SSWC" or the "Company") hereby files this  
2 Notice of Compliance with Decision No. 70955 in the above-captioned docket. Decision  
3 No. 70955 requires the Company to use its best efforts to negotiate a borderline agreement  
4 with East Slope Water Company ("East Slope"), and to file such agreement for  
5 Commission review and approval within 120 days of the decision. To date, SSWC has  
6 been unsuccessful in negotiating a final borderline agreement with East Slope, to be filed  
7 with the Commission for review and approval. On June 2, 2009, East Slope filed a  
8 request for approval of an emergency surcharge to increase storage capacity, and it  
9 appears that issues concerning the system have taken precedent, understandably, over  
10 entering into a borderline agreement. Furthermore, SSWC has a duty to its customers to  
11 not unreasonably expose them to any negative effects in the event that they are required to  
12 switch water providers as a result of the borderline agreement.

13 Decision No. 70955, and the requirement to submit a borderline agreement for  
14 review and approval, is predicated upon the assumption that the Company's efforts would  
15 be successful. SSWC is confident that it will be successful in this regard, and will  
16 continue to negotiate with East Slope so that a borderline agreement can be finalized  
17 within the next 60 to 90 days. In the meantime, those SSWC customers located within  
18 East Slope's service area will continue to receive improved domestic water service during  
19 this time.

20 RESPECTFULLY SUBMITTED this 7th day of August, 2009.

21 FENNEMORE CRAIG, P.C.

22  
23 By:   
24 Jay L. Shapiro  
25 Patrick J. Black  
26 Attorneys for Northern Sunrise Water Company  
and Southern Sunrise Water Company

1 **ORIGINAL and 17 copies filed**  
this 7<sup>th</sup> day of August, 2009 with:

2  
3 Docket Control  
4 Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

5 **Copy hand-delivered**  
this 7th day of August, 2009 to:

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9 Arizona Corporation Commission  
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11 Phoenix, Arizona 85007

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17 Phoenix, Arizona 85007

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19 Kevin Torrey  
20 Legal Division  
21 Arizona Corporation Commission  
22 1200 West Washington Street  
23 Phoenix, Arizona 85007

24  
25 **Copy sent via U.S. mail and/or**  
26 **Electronic mail** this 7th day of  
August, 2009 to:

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8 By: Maria Sujo  
9 2224637.1/20898.003

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