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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

KRISTIN K. MAYES, Chairman 2009 AUG 31 P 12:30
GARY PIERCE
PAUL NEWMAN
SANDRA D. KENNEDY
BOB STUMP

AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF
GLOBAL WATER – PALO VERDE UTILITIES
COMPANY FOR THE ESTABLISHMENT OF JUST AND
REASONABLE RATES AND CHARGES FOR UTILITY
SERVICE DESIGNED TO REALIZE A REASONABLE
RATE OF RETURN ON THE FAIR VALUE OF ITS
PROPERTY THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. SW-20445A-09-0077

IN THE MATTER OF THE APPLICATION OF
VALENCIA WATER COMPANY – GREATER
BUCKEYE DIVISION FOR THE ESTABLISHMENT OF
JUST AND REASONABLE RATES AND CHARGES FOR
UTILITY SERVICE DESIGNED TO REALIZE A
REASONABLE RATE OF RETURN ON THE FAIR
VALUE OF ITS PROPERTY THROUGHOUT THE
STATE OF ARIZONA

DOCKET NO. W-02451A-09-0078

IN THE MATTER OF THE APPLICATION OF
WILLOW VALLEY WATER CO. FOR THE
ESTABLISHMENT OF JUST AND REASONABLE
RATES AND CHARGES FOR UTILITY SERVICE
DESIGNED TO REALIZE A REASONABLE RATE OF
RETURN ON THE FAIR VALUE OF ITS PROPERTY
THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. W-01732A-09-0079

IN THE MATTER OF THE APPLICATION OF
GLOBAL WATER – SANTA CRUZ WATER COMPANY
FOR THE ESTABLISHMENT OF JUST AND
REASONABLE RATES AND CHARGES FOR UTILITY
SERVICE DESIGNED TO REALIZE A REASONABLE
RATE OF RETURN ON THE FAIR VALUE OF ITS
PROPERTY THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. ~~W-02446A-09-0080~~

20446

IN THE MATTER OF THE APPLICATION OF
WATER UTILITY OF GREATER TONOPAH FOR
THE ESTABLISHMENT OF JUST AND REASONABLE
RATES AND CHARGES FOR UTILITY SERVICE
DESIGNED TO REALIZE A REASONABLE RATE OF
RETURN ON THE FAIR VALUE OF ITS PROPERTY
THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. W-02450A-09-0081

**Global Utilities' Notice of Filing
Affidavits of Publication**

Arizona Corporation Commission

DOCKETED

AUG 31 2009

DOCKETED BY

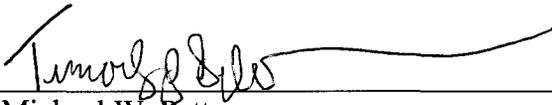
1 IN THE MATTER OF THE APPLICATION OF
2 VALENCIA WATER COMPANY – TOWN DIVISION
3 FOR THE ESTABLISHMENT OF JUST AND
4 REASONABLE RATES AND CHARGES FOR UTILITY
5 SERVICE DESIGNED TO REALIZE A REASONABLE
6 RATE OF RETURN ON THE FAIR VALUE OF ITS
7 PROPERTY THROUGHOUT THE STATE OF ARIZONA

DOCKET NO. W-01212A-09-0082

8 Global Water – Palo Verde Utilities Company, Global Water – Santa Cruz Water
9 Company, Valencia Water Company – Town Division, Valencia Water Company – Greater
10 Buckeye Division, Water Utility of Greater Tonopah and Willow Valley Water Co. (collectively,
11 the “Global Utilities”) file the attached affidavits of mailing and affidavits of publication.

12 RESPECTFULLY SUBMITTED this 31st day of August 2009.

13 ROSHKA DEWULF & PATTEN, PLC

14 By 
15 Michael W. Patten
16 Timothy J. Sabo
17 One Arizona Center
18 400 East Van Buren Street, Suite 800
19 Phoenix, Arizona 85004

20 *Attorneys for Global Utilities*

21 Original +13 copies of the foregoing
22 filed this 31st day of August 2009, with:

23 Docket Control
24 Arizona Corporation Commission
25 1200 West Washington
26 Phoenix, AZ 85007
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Copies of the foregoing hand-delivered/mailed
this 31st day of August 2009, to:

Lyn A. Farmer, Esq.
Chief Administrative Law Judge
Hearing Division
Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007

Janice Alward, Esq.
Chief Counsel, Legal Division
Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007

Steve Olea
Director, Utilities Division
Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007

By *Christine Arnold*

Global Water – Palo Verde
Global Water – Santa Cruz

SW-20445A-09-0077
W-20446A-09-0080

PUBLIC NOTICE PUBLIC NOTICE PUBLIC NOTICE

PUBLIC NOTICE OF HEARING ON THE APPLICATIONS OF GLOBAL WATER - PALO VERDE UTILITIES COMPANY; VALENCIA WATER COMPANY - GREATER BUCKEYE DIVISION; WILLOW VALLEY WATER COMPANY; GLOBAL WATER - SANTA CRUZ WATER COMPANY; WATER UTILITY OF GREATER TONOPAH, INC.; AND VALENCIA WATER COMPANY - TOWN DIVISION FOR PERMANENT BASE RATE INCREASES FOR WATER SERVICE.

(DOCKET NOS. SW-20445A-09-0077; W-02451A-09-0078; W-01732A-09-0079; W-20446A-09-0080; W-02450A-09-0081 AND W-01212A-09-0082)

Summary of Application

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Affidavit of Publication

_____ DONOVAN M. KRAMER SR. first being duly sworn deposes and says: That he is a native born citizen of the United States of America, over 21 years of age, that I am an agent of the publisher of the Casa Grande Dispatch, a daily newspaper published at Casa Grande, Pinal County, Arizona, Tuesday through Sunday of each week; that a notice, a full, true and complete printed copy of which is hereunto attached, was printed in the regular edition of said newspaper, and not in a supplement thereto, for _____ ONE consecutive issues the first publication thereof having been on the _____ 7TH

day of _____ AUGUST _____ A.D., 2009

Second publication _____

Third publication _____

Fourth publication _____

Fifth publication _____

Sixth publication _____

*** MARICOPA MONITOR ***

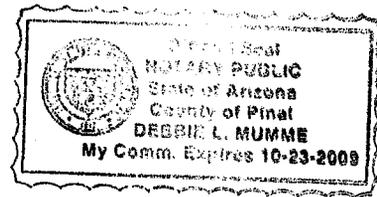
CASA GRANDE DISPATCH

By _____ Debbie L. Mumme agent of DONOVAN M. KRAMER SR., Publisher

Sworn to before me this _____ 10th

day of _____ August _____ A.D. 2009
Debbie L. Mumme

Notary Public in and for the County
of Pinal, State of Arizona



**PUBLIC NOTICE OF
HEARING ON THE
APPLICATIONS OF GLOBAL
WATER - PALO VERDE
UTILITIES COMPANY;
VALENCIA WATER
COMPANY - GREATER
BUCKEYE DIVISION;
WILLOW VALLEY WATER
COMPANY; GLOBAL WATER
- SANTA CRUZ WATER
COMPANY; WATER UTILITY
OF GREATER TONOPAH,
INC.; AND VALENCIA WATER
COMPANY - TOWN DIVISION
FOR PERMANENT BASE
RATE INCREASES FOR
WATER SERVICE.
(DOCKET NOS. SW-20445A-
09-0077; W-02451A-09-0078;
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dence presented by the parties. The Commission is not bound by the proposals made by Global Utilities, Staff, or any other intervenors; therefore, the final rates approved by the Commission may differ from the rates requested by the Company.

How You Can View or Obtain a Copy of the Rate Proposal

Copies of the application and proposed rates are available from Global Utilities Offices, 21410 N. 19th Avenue, Suite 201, Phoenix, AZ 85027 (623) 580-9600 and at the Commission's Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours and on the Internet via the Commission's website (www.azcc.gov) using the e-Docket function.

Arizona Corporation Commission Public Hearing Information

The Commission will hold a hearing on this matter beginning on December 14, 2009, at 10:00 a.m., at the Commission's offices, Hearing Room #1, 1200 West Washington Street, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. Written public comments may be submitted by mailing a letter referencing Docket Nos. SW-20445A-09-0077; W-02451A-09-0078; W-01732A-09-0079; W-20446A-09-0080; W-02450A-09-0081; and W-01212A-09-0082 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by e-mail. For a form to use and instructions on how to e-mail comments to the Commission, go to the Commission, go to http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf. If you require assistance, you may contact the Consumer Services Section at 602-542-4251 or 1-800-222-7000.

About Intervention

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than October 12, 2009, and send a copy of the motion to Global Utilities or its counsel and to all parties of record. Your motion to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any party upon whom service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of Global Utilities, a shareholder of Global Utilities, etc.); and
3. A statement certifying that you have mailed a copy of the motion to intervene to Global Utilities or its counsel and to all parties of record in the case.

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 October 12, 2009. If representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme Court, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. For information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>. The granting of intervention, among other things, entitles a party to present sworn evidence at 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.

ADA/Equal Access Information

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No. of publications: 1; date of publication: Aug. 7, 2009.

Affidavit of Publication

DONOVAN M. KRAMER SR. first being duly sworn deposes and says: That he is a native born citizen of the United States of America, over 21 years of age, that I am an agent of the publisher of the Casa Grande Dispatch, a daily newspaper published at Casa Grande, Pinal County, Arizona, Tuesday through Sunday of each week; that a notice, a full, true and complete printed copy of which is hereunto attached, was printed in the regular edition of said newspaper, and not in a supplement thereto, for ONE consecutive issues the first publication thereof having been the 7TH

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Second publication _____

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*** MARICOPA MONITOR ***

CASA GRANDE DISPATCH

By Debbie L. Mumme
agent of DONOVAN M. KRAMER SR., Publisher

Sworn to before me this 10th

day of August A.D. 2009
Debbie L. Mumme

Notary Public in and for the County of Pinal, State of Arizona

10 - Maricopa, Ariz. MARICOPA MONITOR, Friday, August 7, 2009

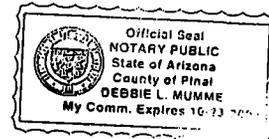
PUBLIC NOTICE PUBLIC NOTICE

PUBLIC NOTICE OF HEARING ON THE APPLICATIONS OF GLOBAL WATER - PALO VERDE UTILITIES COMPANY; VALENCIA WATER COMPANY - GREATER BUCKEYE DIVISION; WILLOW VALLEY WATER COMPANY; GLOBAL WATER - SANTA CRUZ WATER COMPANY; WATER UTILITY OF GREATER TONOPAH, INC.; AND VALENCIA WATER COMPANY - TOWN DIVISION FOR PERMANENT BASE RATE INCREASES FOR WATER SERVICE. (DOCKET NOS. SW-20445A-09-0077; W-02451A-09-0078; W-01732A-09-0079; W-20446A-09-0080; W-02450A-09-0081 AND W-01212A-09-0082)

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PUBLIC NOTICE**PUBLIC NOTICE**

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AFFIDAVIT OF PROOF OF MAILING

Docket Nos. SW-20445A-09-0077; W-02451A-09-0078;
W-01732A-09-0079; W-20446A-09-0080;
W-02450A-09-0081 AND W-01212A-09-0082

STATE OF ARIZONA)

) ss.

County of Maricopa)

I, Graham Symmonds, states as follows:

1. I am the Senior Vice President Regulatory Affairs & Compliance for Global Water Resources.

2. I certify that a copy of the attached notice, pursuant to Procedural Order issued May 28, 2009 in SW-20445A-09-0077; W-02451A-09-0078; W-01732A-09-0079; W-20446A-09-0080; W-02450A-09-0081 and W-01212A-09-0082 was enclosed as a bill insert to all customers of the Global Water – Santa Cruz Water Company and Global Water – Palo Verde Utilities Company on the following schedule:

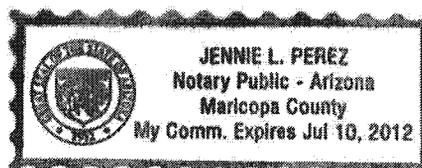
- | | |
|---------------------------------|--------------------------|
| Direct Mail - Cycle 1 | August 7, 2009 |
| Direct Mail - Cycle 2 | August 14, 2009 |
| Direct Mail - Cycle 3 | July 23, 2009 |
| Direct Mail - Cycle 4, 5, and 6 | July 31, 2009 |
| Via e-mail for E-Bill customers | July 17, 24 and 31, 2009 |

Graham Symmonds

SUBSCRIBED AND SWORN to before me by Graham Symmonds, this 27th day of August, 2009.

Notary Public

My Commission Expires: 7/10/2012



PUBLIC NOTICE OF HEARING ON THE APPLICATIONS OF GLOBAL WATER — PALO VERDE UTILITIES COMPANY; VALENCIA WATER COMPANY — GREATER BUCKEYE DIVISION; WILLOW VALLEY WATER COMPANY; GLOBAL WATER - SANTA CRUZ WATER COMPANY; WATER UTILITY OF GREATER TONOPAH, INC.; AND VALENCIA WATER COMPANY — TOWN DIVISION FOR PERMANENT BASE RATE INCREASES FOR WATER SERVICE.
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(DOCKET NOS. SW-20445A-09-0077; W-02451A-09-0078; W-01732A-09-0079; W-20446A-09-0080; W-02450A-09-0081 AND W-01212A-09-0082)

Summary of Application

On February 20, 2009, Global Water — Palo Verde Utilities Company ("Palo Verde"); Valencia Water Company — Greater Buckeye Division ("Valencia — Buckeye"); Willow Valley Water Company, Inc. ("Willow Valley"); Global Water — Santa Cruz Water Company ("Santa Cruz"); Water Utility of Greater Tonopah, Inc. ("Tonopah"); and Valencia Water Company — Town Division ("Valencia — Town") (collectively "Global Utilities" or "Company") filed with the Arizona Corporation Commission ("Commission") applications in the above-captioned dockets seeking increases in their respective permanent base rates and other associated charges. These dockets have been consolidated for purposes of hearing and consideration by the Commission.

For its **Palo Verde wastewater system**, Global Utilities is seeking an overall gross revenue increase of \$8,493,379 (130 percent) over current operating revenues. Under the Company's proposal, a residential customer served by a 5/8-inch water meter would experience an increase from the current monthly rate of \$33.00 to a rate of \$71.11 per month (\$38.11 monthly increase or 115 percent). **The actual percentage rate increase for individual customers would vary depending on the type of service provided.**

These examples are for illustrative purposes only, and the actual dollar and percentage increases for individual customers would vary depending on the type of customer served, and the quantity consumed for water service.

The Commission's Utilities Division Staff ("Staff") is in the process of auditing and analyzing the application, and has not yet made any recommendations regarding Global Utilities' proposed rate increase. The Residential Utility Consumer Office is also a party to this proceeding and will analyze the application and make recommendations to the Commission. The Commission will determine the appropriate relief to be granted based on the evidence presented by the parties. **The Commission is not bound by the proposals made by Global Utilities, Staff, or any other intervenors; therefore, the final rates approved by the Commission may differ from the rates requested by the Company.**

How You Can View or Obtain a Copy of the Rate Proposal

Copies of the application and proposed rates are available from **Global Utilities Offices, 21410 N. 19th Avenue, Suite 201, Phoenix, AZ 85027 (623) 580-9600** and at the Commission's Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours and on the Internet via the Commission's website (www.azcc.gov) using the e-Docket function.

Arizona Corporation Commission Public Hearing Information

The Commission will hold a hearing on this matter beginning on December 14, 2009, at 10:00 a.m., at the Commission's offices, Hearing Room #1, 1200 West Washington Street, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. Written public comments may be submitted by mailing a letter referencing Docket Nos. SW-20445A-09-0077; W-02451A-09-0078; W-01732A-09-0079; W-20446A-09-0080; W-02450A-09-0081; and W-01212A-09-0082 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by e-mail.

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The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than **October 12, 2009**, and send a copy of the motion to Global Utilities or its counsel and to all parties of record. Your motion to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any party upon whom service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of Global Utilities, a shareholder of Global Utilities, etc.); and
3. A statement certifying that you have mailed a copy of the motion to intervene to Global Utilities or its counsel and to all parties of record in the case.

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 **October 12, 2009**. If representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme Court, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. For information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>. The granting of intervention, among other things, entitles a party to present sworn evidence at 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.

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TO OUR VALUED GLOBAL WATER – SANTA CRUZ WATER COMPANY AND GLOBAL WATER – PALO VERDE UTILITIES COMPANY CUSTOMERS:

Do the simple math and Arizona's water future will shock you: 5.6 million new people by 2030, each using an average of 135 gallons per day, for a total increase in water demand of 276 billion gallons annually. Where will all of that water come from?

In the arid southwest where growth is a certainty and water resources are scarce, proper water management is vital to ensure resource sustainability. At Global Water, our mission is to grow an enduring utility whose professional staff is focused on quality in customer service and excellence in utility operations, and we are committed to planning for and managing future water scarcity by investing in and improving the regulated water and wastewater companies we own while preserving our most precious resource through water recycling, conservation programs, and the deployment of sector leading technology for utility optimization.

Global Water has successfully implemented our vision in seven Arizona utilities, including your Santa Cruz Water Company and Palo Verde Utilities Company. To-date, Global Water has invested over \$225 million dollars in Arizona communities to improve their utility service and align them with our water management principles. Preserving our water resources benefits customers, property owners, the communities in which we live, and the environment.

- In Maricopa, AZ, Global Water has saved over 1.65 billion gallons of groundwater by maximizing the use of recycled water. On average, this City uses 40% less groundwater than other communities in the state.
- In Western Maricopa County, Global Water has recharged over 1.9 billion gallons of Colorado River water into the local aquifer.

Global Water acquired Santa Cruz Water Company and Palo Verde Utilities Company in 2004. Since then, we have forged a strong partnership with the City of Maricopa and invested over \$200 million dollars to ensure our community saw improved and reliable integrated utility services, long-range water resource planning, and continued growth and economic development opportunities.

- Global Water completed necessary capacity expansions for water production, storage, and distribution facilities. These projects were necessary to ensure sufficient water availability to accommodate the rapid growth, attractive and affordable housing opportunities, and quality of life improvements our community experienced.
- Simultaneously, Global Water invested heavily to expand wastewater treatment facilities and its recycled water purple pipe network in order to ensure growth occurred in a sustainable fashion. Our City leads other Phoenix-Metro communities in groundwater savings.

In response to the economic downturn, Global Water restructured our organization at the end of 2008. We downsized our workforce by more than 35%, cancelled all pay raises and bonuses, and renegotiated our service and material contracts. Through these and several other measures, we were able to reduce our annual operating budget by \$3.1 million.

Despite this achievement, and only because it is absolutely necessary, Global Water filed an application for a rate increase with the Arizona Corporation Commission (ACC) in February 2009. The current rates were established in 1999, and in addition to the investment that was required to deploy masterplanned, regional infrastructure ahead of growth in your City, the costs of goods and services have increased dramatically since rates were established 10 years ago.



The driving force in our rate application was minimizing the impact on our customers, while supporting our conservation initiatives.

During this recession, we do not take raising rates lightly. We recognize that this is a very unfortunate situation, so we have taken drastic steps to cut costs and minimize our rate request. However, as a regulated entity providing an essential service, we need to ensure that our utilities remain financially viable – it's a matter of protecting the health of our consumers, protecting the environment, and ensuring we have adequate resources for the future.

Global Water has also asked the ACC to approve innovative mechanisms that would allow our residential customers to benefit from conservation. For example, by meeting the conservation threshold on monthly usage, our Santa Cruz Water Company customers would be able to save 65% of the consumptive rate.

In order to further promote water conservation within our utility service area and assist our customers in reducing their consumption *and their monthly bill*, Global Water is planning to hold informational seminars within your community.

YOU ARE INVITED TO ATTEND AND PARTICIPATE

Location: Global Water Center
22590 N. Powers Parkway
Maricopa, AZ 85139

Date: September 24, 2009
Residential Customer Informational Seminar
5:30-6:30pm Tour of Global Water Campus
6:30-7:30pm Seminar

OR

October 1, 2009
Residential Customer Informational Seminar
5:30-6:30pm Tour of Global Water Campus
6:30-7:30pm Seminar

The ACC's review of our rate case is expected to last throughout 2009, and Global Water does not expect a decision until early 2010. You can find more information about Global Water and the rate proceeding on our website at www.gwresources.com/rate-case.php.

Valencia Water Company – Greater Buckeye Division

W-02451A-09-0078

**ING ON THE APPLICA -
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I FOR PERMANENT
FOR WATER SERVICE.
-09-0077; W-02451A-09-
9; W-20446A-09-0080;
-01212A-09-0082)**

Palo Verde Utilities Company ("Palo Verde Utilities Company") Greater Buckeye Division ("Valencia Water Company, Inc. ("Willow Valley"); Global Utilities ("Santa Cruz"); Water Utility of Maricopa and Valencia Water Company - Town and County Utilities" or "Commission") applicants seeking increases in their rates and other associated charges. These purposes of hearing and considera-

(which includes a proposed rate increase for Valencia - Town and Tonopah water utility an overall gross revenue increase in operating revenues. Under the proposal, a Valencia - Town residential water meter, with average usage of 100 gallons per day, will experience an increase from current rates of \$48.13 per month (\$18.49 monthly rate increase for individual customers on the type of service provided. For these purposes only, and the actual dollar amount for individual customers would vary depending on the quantity consumed for water

staff ("Staff") is in the process of auditing the proposed rate increase. The Resolution is a party to this proceeding and will make recommendations to the Commission. The Commission will grant appropriate relief to be granted to the parties. The Commission is not bound by the Global Utilities, Staff, or any other recommendations approved by the Commission may be made by the Company.

of the Rate Proposal. The proposed rates are available from Global Utilities, 1200 West Washington, Phoenix, AZ 85027 (623) 580-9600 and at the Public Inspection Center at 1200 West Washington during regular business hours.

using the e-Docket function. For more information on this matter beginning on December 15, 2009, at the Commission's offices, Hearing Room #1, 1200 West Washington, Phoenix, Arizona. Public comments will be accepted. Written public comments may be filed with the Commission at the following Docket Nos. SW-20445A-09-0079; W-20446A-09-0080; W-20447A-09-0082 to Arizona Corporation Commission, 1200 West Washington, Phoenix, AZ 85027. For more information on how to e-mail comments to the Commission, go to www.azcc.gov.

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Arizona Business Gazette

The business resource

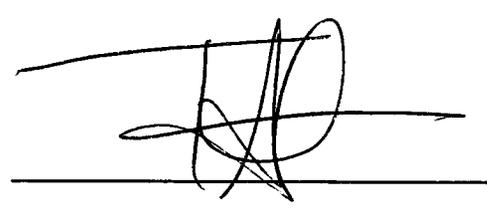
PO BOX 194
Phoenix, Arizona 85001-0194
(602) 444-7315 FAX (602) 444-7364

STATE OF ARIZONA
COUNTY OF MARICOPA

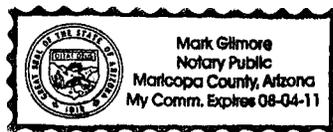
} SS.

Tabitha Antoniadis, being first duly sworn, upon oath deposes and says: That of the Arizona Business Gazette, a newspaper of general circulation in the county of Maricopa, State of Arizona, published weekly at Phoenix, Arizona, and that the copy hereto attached is a true copy of the advertisement published in the said paper on the dates indicated.

8/6/2009



Sworn to before me this
6TH day of
AUGUST 2009



Notary Public

PUBLIC NOTICE OF HEARING ON THE APPLICATIONS OF GLOBAL WATER - PALO VERDE UTILITIES COMPANY; VALENCIA WATER COMPANY - GREATER BUCKEYE DIVISION; WILLOW VALLEY WATER COMPANY; GLOBAL WATER SANTA CRUZ WATER COMPANY; WATER UTILITY OF GREATER TONOPAH, INC.; AND VALENCIA WATER COMPANY - TOWN DIVISION FOR PERMANENT BASE RATE INCREASES FOR WATER SERVICE. (DOCKET NOS. SW-20445A-09-0077; W-02451A-09-0078; W-01732A-09-0079; W-20446A-09-0080; W-02450A-09-0081 AND W-01212A-09-0082)

Summary of Application

On February 20, 2009, Global Water - Palo Verde Utilities Company ("Palo Verde"); Valencia Water Company - Greater Buckeye Division ("Valencia - Buckeye"); Willow Valley Water Company, Inc. ("Willow Valley"); Global Water - Santa Cruz Water Company ("Santa Cruz"); Water Utility of Greater Tonopah, Inc. ("Tonopah"); and Valencia Water Company - Town Division ("Valencia - Town") (collectively "Global Utilities" or "Company") filed with the Arizona Corporation Commission ("Commission") applications in the above-captioned dockets seeking increases in their respective permanent base rates and other associated charges. These dockets have been consolidated for purposes of hearing and consideration by the Commission.

For its Valencia - Buckeye water system (which includes a proposed rate consolidation for the Valencia - Buckeye, Valencia - Town and Tonopah water systems), Global Utilities is seeking an overall gross revenue increase of \$2,519,705 (72 percent) over current operating revenues. Under the Company's rate consolidation proposal, a Valencia - Buckeye residential water customer served by a 5/8-inch water meter, with average usage of 9,068 gallons per month, would experience an increase from current monthly charges of \$40.94 to charges of \$63.28 per month (\$22.34 monthly increase or 55 percent). The actual percentage rate increase for individual customers would vary depending on the type of service provided.

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The Commission's Utilities Division Staff ("Staff") is in the process of auditing and analyzing the application, and has not yet made any recommendations regarding Global Utilities' proposed rate increase. The Residential Utility Consumer Office is also a party to this proceeding and will analyze the application and make recommendations to the Commission. The Commission will determine the appropriate relief to be granted based on the evidence presented by the parties. The Commission is not bound by the proposals made by Global Utilities, Staff, or any other intervenors; therefore, the final rates approved by the Commission may differ from the rates requested by the Company.

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21410 N. 19th Avenue, Suite 201, Phoenix, AZ 85027 (623) 580-9600 and at the Commission's Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours and on the Internet via the

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1. Your name, address, and telephone number, and the name, address, and telephone number of any party upon whom service of documents is to be made, if not yourself;
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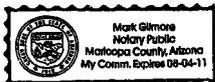
PO BO
Phoenix, Arizona
(602) 444-7315 FA

STATE OF ARIZONA } S
COUNTY OF MARICOPA

Tabitha Antoniadis, being first deposes and says: That of the Gazette, a newspaper of general county of Maricopa, State of Arizona, at Phoenix, Arizona, and that is a true copy of the advertisement paper on the dates indicated.

8/6/2009

Sworn to before me this
6TH day of
AUGUST 2009



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AFFIDAVIT OF PROOF OF MAILING

Docket Nos. SW-20445A-09-0077; W-02451A-09-0078;
W-01732A-09-0079; W-20446A-09-0080;
W-02450A-09-0081 AND W-01212A-09-0082

STATE OF ARIZONA)

) ss.

County of Maricopa)

I, Graham Symmonds, states as follows:

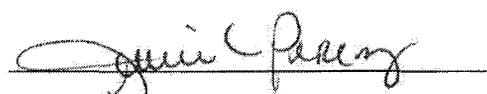
1. I am the Senior Vice President Regulatory Affairs & Compliance for Global Water Resources.

2. I certify that a copy of the attached notice, pursuant to Procedural Order issued May 28, 2009 in SW-20445A-09-0077; W-02451A-09-0078; W-01732A-09-0079; W-20446A-09-0080; W-02450A-09-0081 and W-01212A-09-0082 was enclosed as a bill insert to each customer of the Valencia Water – Greater Buckeye Division on August 5, 2009 through direct mail or via e-mail on July 17, 2009 (for those customers currently enrolled in Global's E-Bill system.



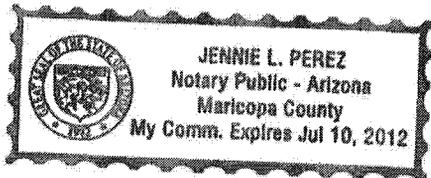
Graham Symmonds

SUBSCRIBED AND SWORN to before me by Graham Symmonds, this 27th day of August, 2009.



Notary Public

My Commission Expires: 7/10/2012



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Do the simple math and Arizona's water future will shock you: 5.6 million new people by 2030, each using an average of 135 gallons per day, for a total increase in water demand of 276 billion gallons annually. Where will all of that water come from?

In the arid southwest where growth is a certainty and water resources are scarce, proper water management is vital to ensure resource sustainability. At Global Water, our mission is to grow an enduring utility whose professional staff is focused on quality in customer service and excellence in utility operations, and we are committed to planning for and managing future water scarcity by investing in and improving the regulated water and wastewater companies we own while preserving our most precious resource through water recycling, conservation programs, and the deployment of sector leading technology for utility optimization.

Global Water has successfully implemented our vision in seven Arizona utilities, including your Valencia Water Company. To-date, Global Water has invested over \$225 million dollars in Arizona communities to improve their utility service and align them with our water management principles. Preserving our water resources benefits customers, property owners, the communities in which we live, and the environment.

- In Maricopa, AZ, Global Water has saved over 1.65 billion gallons of groundwater by maximizing the use of recycled water. On average, this City uses 40% less groundwater than other communities in the state.
- In Western Maricopa County and within the Town of Buckeye's municipal planning boundary, Global Water has recharged over 1.9 billion gallons of Colorado River water into the local aquifer.

Global Water acquired Valencia Water Company in July 2006. In just 3 short years, we have formed strong partnerships with local governments and invested over \$20 million dollars to ensure our community saw improved utility services and long-range water resource planning.

- Global Water has completed necessary capacity expansions for water production, water storage, and water distribution facilities, including a required expansion of the water pipeline network. These projects were required to ensure sufficient water availability. Improvements were also made to existing infrastructure to guarantee reliable service.
- Simultaneously, Global Water was required to construct water treatment facilities in order to meet new federally mandated water quality standards.

In response to the economic downturn, Global Water restructured our organization at the end of 2008. We downsized our workforce by more than 30%, cancelled all pay raises and bonuses, and renegotiated our service and material contracts. Through these and several other measures, we were able to reduce our annual operating budget by \$3.1 million. We have also elected to postpone several capital improvement projects.

Despite this achievement, and only because it is absolutely necessary, Global Water filed an application for a rate increase with the Arizona Corporation Commission (ACC) in February 2009. The current Valencia Water Company rates were established in 1997, and in addition to the investment that was required to bring the Utility up to Global Water's standards, the costs of goods and services have increased dramatically since our rates were established 12 years ago.

The driving force in our rate application was minimizing the impact on our customers, while supporting our conservation initiatives.



During this recession, we do not take raising rates lightly. We recognize that this is a very unfortunate situation so we have taken drastic steps to cut costs and minimize our rate request. However, as a regulated entity providing an essential service, we need to ensure that our utilities remain financially viable – it's a matter of protecting the health of our consumers, protecting the environment and ensuring we have adequate resources for the future.

Global Water has also asked the ACC to approve innovative mechanisms that would allow our customers to benefit from conservation. For example, by meeting the conservation threshold on monthly usage, our Valencia Water customers would be able to save 50% of the consumptive rate.

In order to further promote water conservation within our Utilities and assist our customers in reducing their consumption *and their monthly bill*, Global Water is planning to hold informational seminars within your community.

YOU ARE INVITED TO ATTEND AND PARTICIPATE

Location: Buckeye Chamber of Commerce
508 E Monroe Ave
Buckeye, AZ 85326

Date: September 10, 2009
Residential Customer Seminar
6:00-7:00pm

OR

October 8, 2009
Residential Customer Seminar
6:00-7:00pm

The ACC's review of our rate case is expected to last throughout 2009 and Global Water does not expect a decision until early 2010. You can find more information about Global Water and the rate proceeding on our website at www.gwresources.com/rate-case.php.

Willow Valley Water Company

W-01732A-09-0079

Proof of Publication

STATE OF ARIZONA)
County of Mohave) ss

LINDA DELANO, being first duly sworn, says that during the publication of the notice, as herein mentioned, he/she was and now is the LEGAL CLERK of the MOHAVE VALLEY DAILY NEWS, six times weekly newspaper published on Sunday, Monday, Tuesday, Wednesday, Thursday and Friday of each and every week at the city of Bullhead City, in said county.

That said newspaper was printed and published as aforesaid on the following dates, to-wit:

August 05, 2009

That the PUBLIC NOTICE OF HEARING ON THE APPICATIONS OF GLOBAL WATER PALO VERDE UTILITIES COMPANY;

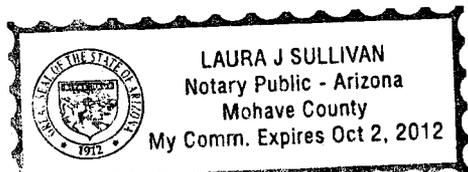
Of which the annex copy is a printed and true copy, was printed and inserted in each and every copy of said newspaper printed and published on the dates aforesaid, and in the body of said newspaper and not in a supplement thereto.

L. Delano (CLERK)

Subscribed and sworn to before me this 6 day
of August, 2009

Laura J. Sullivan
Notary Public

(My commission expires 10-2-2012)



**PUBLIC NOTICE OF HEARING ON
THE APPLICATIONS OF GLOBAL
WATER PALO VERDE
UTILITIES COMPANY; VALENCIA
WATER COMPANY GREATER
BUCKEYE DIVISION; WILLOW
VALLEY WATER COMPANY;
GLOBAL WATER - SANTA CRUZ
WATER COMPANY; WATER
UTILITY OF GREATER TONOPAH,
INC.; AND VALENCIA WATER
COMPANY TOWN DIVISON FOR
PERMANENT BASE RATE
INCREASES FOR WATER
SERVICE. (DOCKET NOS.
SW-20445A-09-0077;
W-02451A-09-0078;
W-01732A-09-0079;
W-20446A-09-0080;
W-02450A-09-0081 AND
W-01212A-09-0082)**

Summary of Application

On February 20, 2009, Global Water Palo Verde Utilities Company ("Palo Verde"); Valencia Water Company Greater Buckeye Division ("Valencia Buckeye"); Willow Valley Water Company, Inc. ("Willow Valley"); Global Water Santa Cruz Water Company ("Santa Cruz"); Water Utility of Greater Tonopah, Inc. ("Tonopah"); and Valencia Water Company Town Division ("Valencia Town") (collectively "Global Utilities" or "Company") filed with the Arizona Corporation Commission ("Commission") applications in the above-captioned dockets seeking increases in their respective permanent base rates and other associated charges. These dockets have been consolidated for purposes of hearing and consideration by the Commission.

For its Willow Valley water system, Global Utilities is seeking an overall gross revenue increase of \$499,228 (105 percent) over current operating revenues. Under the Company's proposal, a Willow Valley residential

Proof of Publication

STATE OF ARIZONA)
County of Mohave) ss

LINDA DELANO, being first duly sworn, says that during the publication of the notice, as herein mentioned, he/she was and now is the LEGAL CLERK of the MOHAVE VALLEY DAILY NEWS, six times weekly newspaper published on Sunday, Monday, Tuesday, Wednesday, Thursday and Friday of each and every week at the city of Bullhead City, in said county.

That said newspaper was printed and published as aforesaid on the following dates, to-wit:

August 05, 2009

That the PUBLIC NOTICE OF HEARING ON THE APPLICATIONS OF GLOBAL WATER PALO VERDE UTILITIES COMPANY;

Of which the annex copy is a printed and true copy, was printed and inserted in each and every copy of said newspaper printed and published on the dates aforesaid, and in the body of said newspaper and not in a supplement thereto.

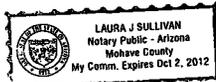
L. Delano (CLERK)

Subscribed and sworn to before me this 6 day

of August, 2009

Laura J. Sullivan
Notary Public

(My commission expires 10-2-2012)



**PUBLIC NOTICE OF HEARING ON
THE APPLICATIONS OF GLOBAL
WATER PALO VERDE
UTILITIES COMPANY; VALENCIA
WATER COMPANY GREATER
BUCKEYE DIVISION; WILLOW
VALLEY WATER COMPANY;
GLOBAL WATER - SANTA CRUZ
WATER COMPANY; WATER
UTILITY OF GREATER TONOPAH,
INC.; AND VALENCIA WATER
COMPANY TOWN DIVISION FOR
PERMANENT BASE RATE
INCREASES FOR WATER
SERVICE. (DOCKET NOS.**

SW-20445A-09-0077;

W-02451A-09-0078;

W-01732A-09-0079;

W-20446A-09-0080;

W-02450A-09-0081 AND

W-01212A-09-0082.)

Summary of Application

On February 20, 2009, Global Water, Palo Verde Utilities Company ("Palo Verde"), Valencia Water Company, Greater Buckeye Division ("Valencia Buckeye"), Willow Valley Water Company, Inc. ("Willow Valley"), Global Water - Santa Cruz Water Company ("Santa Cruz"), Water Utility of Greater Tonopah, Inc. ("Tonopah"), and Valencia Water Company - Town Division ("Valencia Town") (collectively "Global Utilities" or "Company") filed with the Arizona Corporation Commission ("Commission") applications in the above-captioned dockets seeking increases in their respective permanent base rates and other associated charges. These dockets have been consolidated for purposes of hearing and consideration by the Commission.

For its Willow Valley water system, Global Utilities is seeking an overall gross revenue increase of \$499,228 (105 percent) over current operating revenues. Under the Company's proposal, a Willow Valley residential water customer served by a 5/8-inch water meter, with average usage of 5,142 gallons per month, would experience an increase from current monthly charges of \$21.91 to charges of \$37.64 per month (\$15.73 monthly increase or 72 percent). The actual percentage rate increase for individual customers would vary depending on the type of service provided.

These examples are for illustrative purposes only, and the actual dollar and percentage increases for individual customers would vary depending on the type of customer served, and the quantity consumed for water service.

The Commission's Utilities Division Staff ("Staff") is in the process of auditing and analyzing the application, and has not yet made any recommendations regarding Global Utilities' proposed rate increase. The Residential Utility Consumer Office is also a party to this proceeding and will analyze the application and make recommendations to the Commission. The Commission will determine the appropriate relief to be granted based on the evidence presented by the parties. The Commission is not bound by the proposals made by Global Utilities, Staff, or any other intervenors; therefore, the final rates approved by the Commission may differ from the rates requested by the Company.

How You Can View or Obtain a Copy of the Rate Proposal

Copies of the application and proposed rates are available from Global Utilities Offices, 21410 N. 19th Avenue, Suite 201, Phoenix, AZ 85027 (623) 580-9600 and at the Commission's Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours and on the Internet via the Commission's website (www.azcc.gov) using the e-Docket function.

Arizona Corporation Commission Public Hearing Information

The Commission will hold a hearing on this matter beginning on December 14, 2009, at 10:00 a.m., at the Commission's offices, Hearing Room #1, 1200 West Washington Street, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. Written public comments may be submitted by mailing a letter referencing Docket Nos. SW-20445A-09-0077; W-02451A-09-0078; W-01732A-09-0079; W-20446A-09-0080; W-02450A-09-0081; and W-01212A-09-0082 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by e-mail. For a form to use and instructions on how to e-mail comments to the Commission, go to the Commission, go to http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf. If you require assistance, you may contact the Consumer Services Section at 602-542-4251 or 1-800-222-7000.

About Intervention

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than October 13, 2009, and send a copy of the motion to Global Utilities or its counsel and to all parties of record. Your motion to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any party upon whom service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of Global Utilities, a shareholder of Global Utilities, etc.); and
3. A statement certifying that you have mailed a copy of the motion to intervene to Global Utilities or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.C. R(4)-105, except that all motions to intervene must be filed on or before October 12, 2009. If representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme Court, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. For information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/intervenor.pdf>. The granting of intervention, among other things, entitles a party to present sworn evidence at 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.

ADA/Equal Access Information

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 the ADA Coordinator, Shaylin Bernal, E-mail Shaylin@azcc.gov, voice phone number 602-542-0931. Requests should be made as early as possible to allow time to arrange the accommodation.

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AFFIDAVIT OF PROOF OF MAILING

Docket Nos. SW-20445A-09-0077; W-02451A-09-0078;
W-01732A-09-0079; W-20446A-09-0080;
W-02450A-09-0081 AND W-01212A-09-0082

STATE OF ARIZONA)

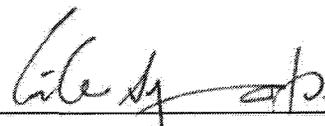
) ss.

County of Maricopa)

I, Graham Symmonds, states as follows:

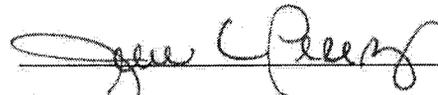
1. I am the Senior Vice President Regulatory Affairs & Compliance for Global Water Resources.

2. I certify that a copy of the attached notice, pursuant to Procedural Order issued May 28, 2009 in SW-20445A-09-0077; W-02451A-09-0078; W-01732A-09-0079; W-20446A-09-0080; W-02450A-09-0081 and W-01212A-09-0082 was enclosed as a bill insert to each customer of the Willow Valley Water Company on July 21, 2009 through direct mail or via e-mail on July 24, 2009 (for those customers currently enrolled in Global's E-Bill system.



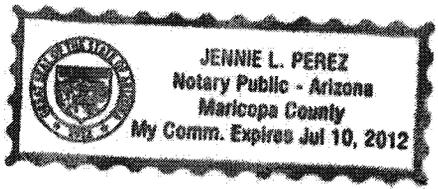
Graham Symmonds

SUBSCRIBED AND SWORN to before me by Graham Symmonds, this 27th day of August, 2009 .



Notary Public

My Commission Expires: 7/10/2012



PUBLIC NOTICE OF HEARING ON THE APPLICATIONS OF GLOBAL WATER — PALO VERDE UTILITIES COMPANY; VALENCIA WATER COMPANY — GREATER BUCKEYE DIVISION; WILLOW VALLEY WATER COMPANY; GLOBAL WATER - SANTA CRUZ WATER COMPANY; WATER UTILITY OF GREATER TONOPAH, INC.; AND VALENCIA WATER COMPANY — TOWN DIVISION FOR PERMANENT BASE RATE INCREASES FOR WATER SERVICE.
(DOCKET NOS. SW-20445A-09-0077; W-02451A-09-0078; W-01732A-09-0079; W-20446A-09-0080; W-02450A-09-0081 AND W-01212A-09-0082)

Summary of Application

On February 20, 2009, Global Water — Palo Verde Utilities Company ("Palo Verde"); Valencia Water Company — Greater Buckeye Division ("Valencia — Buckeye"); Willow Valley Water Company, Inc. ("Willow Valley"); Global Water — Santa Cruz Water Company ("Santa Cruz"); Water Utility of Greater Tonopah, Inc. ("Tonopah"); and Valencia Water Company — Town Division ("Valencia — Town") (collectively "Global Utilities" or "Company") filed with the Arizona Corporation Commission ("Commission") applications in the above-captioned dockets seeking increases in their respective permanent base rates and other associated charges. These dockets have been consolidated for purposes of hearing and consideration by the Commission.

For its **Willow Valley water system**, Global Utilities is seeking an overall gross revenue increase of \$499,228 (105 percent) over current operating revenues. Under the Company's proposal, a Willow Valley residential water customer served by a 5/8-inch water meter, with average usage of 5,142 gallons per month, would experience an increase from current monthly charges of \$21.91 to charges of \$37.64 per month (\$15.73 monthly increase or 72 percent). **The actual percentage rate increase for individual customers would vary depending on the type of service provided.**

These examples are for illustrative purposes only, and the actual dollar and percentage increases for individual customers would vary depending on the type of customer served, and the quantity consumed for water service.

The Commission's Utilities Division Staff ("Staff") is in the process of auditing and analyzing the application, and has not yet made any recommendations regarding Global Utilities' proposed rate increase. The Residential Utility Consumer Office is also a party to this proceeding and will analyze the application and make recommendations to the Commission. The Commission will determine the appropriate relief to be granted based on the evidence presented by the parties. **The Commission is not bound by the proposals made by Global Utilities, Staff, or any other intervenors; therefore, the final rates approved by the Commission may differ from the rates requested by the Company.**

How You Can View or Obtain a Copy of the Rate Proposal

Copies of the application and proposed rates are available from **Global Utilities Offices, 21410 N. 19th Avenue, Suite 201, Phoenix, AZ 85027 (623) 580-9600** and at the Commission's Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours and on the Internet via the Commission's website (www.azcc.gov) using the e-Docket function.

Arizona Corporation Commission Public Hearing Information

The Commission will hold a hearing on this matter beginning on December 14, 2009, at 10:00 a.m., at the Commission's offices, Hearing Room #1, 1200 West Washington Street, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. Written public comments may be submitted by mailing a letter referencing Docket Nos. SW-20445A-09-0077; W-02451A-09-0078; W-01732A-09-0079; W-20446A-09-0080; W-02450A-09-0081; and W-01212A-09-0082 to Arizona Corporation Commission,

Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by e-mail. For a form to use and instructions on how to e-mail comments to the Commission, go to the Commission, go to http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf. If you require assistance, you may contact the Consumer Services Section at 602-542-4251 or 1-800-222-7000.

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The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than **October 12, 2009**, and send a copy of the motion to Global Utilities or its counsel and to all parties of record. Your motion to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any party upon whom service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of Global Utilities, a shareholder of Global Utilities, etc.); and
3. A statement certifying that you have mailed a copy of the motion to intervene to Global Utilities or its counsel and to all parties of record in the case.

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 **October 12, 2009**. If representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme Court, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. For information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>. The granting of intervention, among other things, entitles a party to present sworn evidence at 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.

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TO OUR VALUED WILLOW VALLEY WATER COMPANY CUSTOMERS:

Do the simple math and Arizona's water future will shock you: 5.6 million new people by 2030, each using an average of 135 gallons per day, for a total increase in water demand of 276 billion gallons annually. Where will all of that water come from?

In the arid southwest where growth is a certainty and water resources are scarce, proper water management is vital to ensure resource sustainability. At Global Water, our mission is to grow an enduring utility whose professional staff is focused on quality in customer service and excellence in utility operations, and we are committed to planning for and managing future water scarcity by investing in and improving the regulated water and wastewater companies we own while preserving our most precious resource through water recycling, conservation programs, and the deployment of sector leading technology for utility optimization.

Global Water has successfully implemented our vision in seven Arizona utilities. To-date, Global Water has invested over \$225 million dollars in Arizona communities to improve their utility service and align them with our water management principles. Preserving our water resources benefits customers, property owners, the communities in which we live, and the environment.

- In Maricopa, AZ, Global Water has saved over 1.65 billion gallons of groundwater by maximizing the use of recycled water. Per capita, this City uses 40% less groundwater than other communities in the state.
- In Western Maricopa County, Global Water has recharged over 1.9 billion gallons of Colorado River water into the local aquifer.

Global Water acquired Willow Valley Water Company in July 2006. In just 3 short years, we have invested over \$2 million dollars in the region to ensure our community saw improved utility services and long-range water resource planning.

- Global Water completed the Unit 17 Water Distribution Center (WDC) Improvement Project. The project included a new iron and manganese removal system along with a new water well, plus complete rebuilds of the electrical and mechanical systems. These new facilities have improved water clarity and reliability of service.
- Global Water completed the King Street WDC Improvement Project. The project included general site improvements and upgrades to the existing iron and manganese removal system. The site is used as support for the Unit 17 WDC in the King Street area and has also improved water clarity and reliability of service.
- Global Water completed the Cimmaron WDC Improvement Project. The project included complete site improvements and upgrades to the existing iron and manganese removal systems and upgrades to the electrical and mechanical systems. These rehabilitated facilities will improve water clarity and service reliability for the Cimmaron Development.
- Global Water installed new chlorine injection systems that help ensure water is properly disinfected.
- Global Water installed auto-dialer alarm systems that notify our staff in the event there are operational issues at our facilities. This helps prevent and/or shorten service outages.
- Global Water installed additional flushing devices and operates an active flushing program to reduce the buildup of iron and manganese in the water pipelines.
- Waterline Distribution System Projects will remain ongoing. WVWC has installed new control valves in strategic areas to improve our ability to re-direct water, isolate line breaks, and reduce the number of customers affected by failures. WVWC will continue to install new water mains, water line loops, and new valves where needed to improve water pressure and service reliability.



In response to the economic downturn, Global Water restructured our organization at the end of 2008. We downsized our workforce by more than 30%, cancelled all pay raises and bonuses, and renegotiated our service and material contracts. Through these and several other measures, we were able to reduce our annual operating budget by \$3.1 million. We have also elected to postpone several capital improvement projects.

Despite this achievement, and only because it is absolutely necessary, Global Water filed an application for a rate increase with the Arizona Corporation Commission (ACC) in February 2009. The current Willow Valley Water Company rates were established in 2001, and in addition to the investment that was required to bring the Utility to an acceptable condition, the costs of goods and services have increased dramatically since our rates were established 8 years ago.

The driving force in our rate application was minimizing the impact on our customers, while supporting our conservation initiatives.

During this recession, we do not take raising rates lightly. We recognize that this is a very unfortunate situation so we have taken drastic steps to cut costs and minimize our rate request. However, as a regulated entity providing an essential service, we need to ensure that our utilities remain financially viable – it's a matter of protecting the health of our consumers, protecting the environment and ensuring we have adequate resources for the future.

Global Water has also asked the ACC to approve innovative mechanisms that would allow our customers to benefit from conservation. For example, by meeting the conservation threshold on monthly usage, our Willow Valley Water Company customers would be able to save 45% of the consumptive rate.

In order to further promote water conservation within our Utilities and assist our customers in reducing their consumption *and their monthly bill*, Global Water is planning to hold informational seminars within your community.

YOU ARE INVITED TO ATTEND AND PARTICIPATE

Location: Willow Valley Club House
549 Gordon Street
Mohave Valley AZ, 86440

Date: September 17, 2009
Residential Customer Seminar
6:00-7:00pm

The ACC's review of our rate case is expected to last throughout 2009 and Global Water does not expect a decision until early 2010. You can find more information about Global Water and the rate proceeding on our website at www.gwresources.com/rate-case.php.

Water Utility of Greater Tonopah

W-02450A-09-0081

**ARING ON THE APPLICA -
TER - PALO VERDE UTILIT -
CIA WATER COMPANY -
VISION; WILLOW VALLEY
BAL WATER SANTA CRUZ
TER UTILITY OF GREATER
ALENCIA WATER COMPA -
ON FOR PERMANENT
S FOR WATER SERVICE.
5A-09-0077; W-02451A-09-
179; W-20446A-09-0080;
ND W-01212A-09-0082)**

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Arizona Business Gazette

The business resource

PO BOX 194
Phoenix, Arizona 85001-0194
(602) 444-7315 FAX (602) 444-7364

- Palo Verde Utilities Company ("Palo Verde Utilities Company"); Greater Buckeye Division ("Valencia Water Company, Inc. ("Willow Valley"); Global Utilities Company ("Santa Cruz"); Water Utility of Maricopa County ("Water Utility of Maricopa County"); and Valencia Water Company - Town and County of Maricopa ("Global Utilities" or "Commission") ap dockets seeking increases in their re and other associated charges. These dockets are for the purposes of hearing and considera-

STATE OF ARIZONA
COUNTY OF MARICOPA

} SS.

ch includes a proposed rate consolidation for the Palo Verde Utilities Company, the Greater Buckeye Division, the Willow Valley Water Company, the Santa Cruz Water Company, the Water Utility of Maricopa County, and the Valencia Water Company. The proposed rate increase for the Palo Verde Utilities Company is an overall gross revenue increase of 1.5% for 2009. Under the Commission's proposed rate increase, the Palo Verde Utilities Company's residential water customers with average usage of 7,346 gallons per month will see a monthly increase of \$11.01, or a 23% increase for individual customers for the service provided.

Tabitha Antoniadis, being first duly sworn, upon oath deposes and says: That of the Arizona Business Gazette, a newspaper of general circulation in the county of Maricopa, State of Arizona, published weekly at Phoenix, Arizona, and that the copy hereto attached is a true copy of the advertisement published in the said paper on the dates indicated.

purposes only, and the actual dollar value of the services provided to individual customers would vary depending on the quantity consumed for water service.

8/6/2009

Staff ("Staff") is in the process of auditing the proposed rate increase. The Commission is a party to this proceeding and will receive and will consider all recommendations to the Commission. The Commission will grant the appropriate relief to be granted by the parties. The Commission is not bound by the recommendations of Global Utilities, Staff, or any other party. The Commission may approve or disapprove the proposed rate increase.

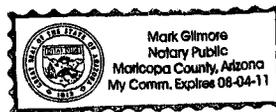
of the Rate Proposal. The proposed rates are available from Global Utilities.

Phoenix, AZ 85027 (623) 580-9600 and at the Public Hearing Control Center at 1200 West Washington, Phoenix, Arizona. Public inspection during regular business hours.

(v) using the e-Docket function. For more information, visit the Public Hearing Information page on the Commission's website.

on this matter beginning on December 1, 2009, at the Commission's offices, Hearing Room #1, 1200 West Washington, Phoenix, Arizona. Public comments will be accepted through the e-Docket function. Written public comments may be filed by visiting the e-Docket function at the following docket numbers: SW-20445A-09-0079; W-20446A-09-0080; W-20446A-09-0082 to Arizona Corporation Commission, 1200 West Washington, Phoenix, AZ 85027. For more information, visit the Commission's website at www.azcc.gov or go to the Commission's website at www.azcc.gov/ties/forms/public_comment.pdf. If you have any questions, please contact the Consumer Services Section at (602) 444-7315.

Sworn to before me this
6TH day of
AUGUST 2009



Notary Public

PUBLIC NOTICE OF HEARING ON THE APPLICATIONS OF GLOBAL WATER - PALO VERDE UTILITIES COMPANY; VALENCIA WATER COMPANY - GREATER BUCKEYE DIVISION; WILLOW VALLEY WATER COMPANY; GLOBAL WATER SANTA CRUZ WATER COMPANY; WATER UTILITY OF GREATER TONOPAH, INC.; AND VALENCIA WATER COMPANY - TOWN DIVISION FOR PERMANENT BASE RATE INCREASES FOR WATER SERVICE. (DOCKET NOS. SW-20445A-09-0077; W-02451A-09-0078; W-01732A-09-0079; W-20446A-09-0080; W-02450A-09-0081 AND W-01212A-09-0082)

Summary of Application

On February 20, 2009, Global Water - Palo Verde Utilities Company ("Palo Verde"); Valencia Water Company - Greater Buckeye Division ("Valencia - Buckeye"); Willow Valley Water Company, Inc. ("Willow Valley"); Global Water - Santa Cruz Water Company ("Santa Cruz"); Water Utility of Greater Tonopah, Inc. ("Tonopah"); and Valencia Water Company - Town Division ("Valencia - Town") (collectively "Global Utilities" or "Company") filed with the Arizona Corporation Commission ("Commission") applications in the above-captioned dockets seeking increases in their respective permanent base rates and other associated charges. These dockets have been consolidated for purposes of hearing and consideration by the Commission.

For its Tonopah water system (which includes a proposed rate consolidation for the Valencia - Buckeye, Valencia - Town and Tonopah water systems), Global Utilities is seeking an overall gross revenue increase of \$2,519,705 (72 percent) over current operating revenues. Under the Company's rate consolidation proposal, a Tonopah residential water customer served by a 5/8-inch water meter, with average usage of 7,346 gallons per month, would experience an increase from current monthly charges of \$47.62 to charges of \$58.63 per month (\$11.01 monthly increase or 23 percent). The actual percentage rate increase for individual customers would vary depending on the type of service provided.

These examples are for illustrative purposes only, and the actual dollar and percentage increases for individual customers would vary depending on the type of customer served, and the quantity consumed for water service.

The Commission's Utilities Division Staff ("Staff") is in the process of auditing and analyzing the application, and has not yet made any recommendations regarding Global Utilities' proposed rate increase. The Residential Utility Consumer Office is also a party to this proceeding and will analyze the application and make recommendations to the Commission. The Commission will determine the appropriate relief to be granted based on the evidence presented by the parties. The Commission is not bound by the proposals made by Global Utilities, Staff, or any other intervenors; therefore, the final rates approved by the Commission may differ from the rates requested by the Company.

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21410 N. 19th Avenue, Suite 201, Phoenix, AZ 85027 (623) 580-9600 and at the Commission's Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours and on the Internet via the

Commission's website (www.azcc.gov) using the e-Docket function.

Arizona Corporation Commission Public Hearing Information

The Commission will hold a hearing on this matter beginning on December 14, 2009, at 10:00 a.m., at the Commission's offices, Hearing Room #1, 1200 West Washington Street, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. Written public comments may be submitted by mailing a letter referencing Docket Nos. SW-20445A-09-0077; W-02451A-09-0078; W-01732A-09-0079; W-20446A-09-0080; W-02450A-09-0081; and W-01212A-09-0082 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by e-mail. For a form to use and instructions on how to e-mail comments to the Commission, go to the Commission, go to http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf. If you require assistance, you may contact the Consumer Services Section at 602-542-4251 or 1-800-222-7000.

About Intervention

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than October 12, 2009, and send a copy of the motion to Global Utilities or its counsel and to all parties of record. Your motion to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any party upon whom service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of Global Utilities, a shareholder of Global Utilities, etc.); and
3. A statement certifying that you have mailed a copy of the motion to intervene to Global Utilities or its counsel and to all parties of record in the case.

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 October 12, 2009. If representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme Court, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. For information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>. The granting of intervention, among other things, entitles a party to present sworn evidence at 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.

ADA/Equal Access Information

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AFFIDAVIT OF PROOF OF MAILING

Docket Nos. SW-20445A-09-0077; W-02451A-09-0078;
W-01732A-09-0079; W-20446A-09-0080;
W-02450A-09-0081 AND W-01212A-09-0082

STATE OF ARIZONA)

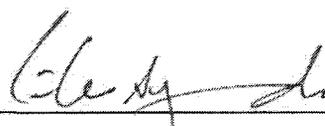
) ss.

County of Maricopa)

I, Graham Symmonds, states as follows:

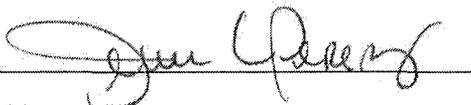
1. I am the Senior Vice President Regulatory Affairs & Compliance for Global Water Resources.

2. I certify that a copy of the attached notice, pursuant to Procedural Order issued May 28, 2009 in SW-20445A-09-0077; W-02451A-09-0078; W-01732A-09-0079; W-20446A-09-0080; W-02450A-09-0081 and W-01212A-09-0082 was enclosed as a bill insert to each customer of the Water Utility of Great Tonopah on August 12, 2009 through direct mail or via e-mail on July 17, 2009 (for those customers currently enrolled in Global's E-Bill system.



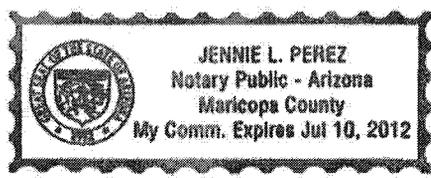
Graham Symmonds

SUBSCRIBED AND SWORN to before me by Graham Symmonds, this 27th day of August, 2009 .



Notary Public

My Commission Expires: 7/10/2012



PUBLIC NOTICE OF HEARING ON THE APPLICATIONS OF GLOBAL WATER — PALO VERDE UTILITIES COMPANY; VALENCIA WATER COMPANY — GREATER BUCKEYE DIVISION; WILLOW VALLEY WATER COMPANY; GLOBAL WATER - SANTA CRUZ WATER COMPANY; WATER UTILITY OF GREATER TONOPAH, INC.; AND VALENCIA WATER COMPANY — TOWN DIVISION FOR PERMANENT BASE RATE INCREASES FOR WATER SERVICE.
(DOCKET NOS. SW-20445A-09-0077; W-02451A-09-0078; W-01732A-09-0079; W-20446A-09-0080; W-02450A-09-0081 AND W-01212A-09-0082)

Summary of Application

On February 20, 2009, Global Water — Palo Verde Utilities Company ("Palo Verde"); Valencia Water Company — Greater Buckeye Division ("Valencia — Buckeye"); Willow Valley Water Company, Inc. ("Willow Valley"); Global Water — Santa Cruz Water Company ("Santa Cruz"); Water Utility of Greater Tonopah, Inc. ("Tonopah"); and Valencia Water Company — Town Division ("Valencia — Town") (collectively "Global Utilities" or "Company") filed with the Arizona Corporation Commission ("Commission") applications in the above-captioned dockets seeking increases in their respective permanent base rates and other associated charges. These dockets have been consolidated for purposes of hearing and consideration by the Commission.

For its **Tonopah water system** (which includes a proposed rate consolidation for the Valencia — Buckeye, Valencia — Town and Tonopah water systems), Global Utilities is seeking an overall gross revenue increase of \$2,519,705 (72 percent) over current operating revenues. Under the Company's rate consolidation proposal, a Tonopah residential water customer served by a 5/8-inch water meter, with average usage of 7,346 gallons per month, would experience an increase from current monthly charges of \$47.62 to charges of \$58.63 per month (\$11.01 monthly increase or 23 percent). **The actual percentage rate increase for individual customers would vary depending on the type of service provided.**

These examples are for illustrative purposes only, and the actual dollar and percentage increases for individual customers would vary depending on the type of customer served, and the quantity consumed for water service.

The Commission's Utilities Division Staff ("Staff") is in the process of auditing and analyzing the application, and has not yet made any recommendations regarding Global Utilities' proposed rate increase. The Residential Utility Consumer Office is also a party to this proceeding and will analyze the application and make recommendations to the Commission. The Commission will determine the appropriate relief to be granted based on the evidence presented by the parties. **The Commission is not bound by the proposals made by Global Utilities, Staff, or any other intervenors; therefore, the final rates approved by the Commission may differ from the rates requested by the Company.**

How You Can View or Obtain a Copy of the Rate Proposal

Copies of the application and proposed rates are available from **Global Utilities Offices, 21410 N. 19th Avenue, Suite 201, Phoenix, AZ 85027 (623) 580-9600** and at the Commission's Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours and on the Internet via the Commission's website (www.azcc.gov) using the e-Docket function.

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SW-20445A-09-0077; W-02451A-09-0078; W-01732A-09-0079; W-20446A-09-0080; W-02450A-09-0081; and W-01212A-09-0082 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by e-mail. For a form to use and instructions on how to e-mail comments to the Commission, go to the Commission, go to http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf. If you require assistance, you may contact the Consumer Services Section at 602-542-4251 or 1- 800-222-7000.

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TO OUR VALUED WATER UTILITY OF GREATER TONOPAH CUSTOMERS:

Do the simple math and Arizona's water future will shock you: 5.6 million new people by 2030, each using an average of 135 gallons per day, for a total increase in water demand of 276 billion gallons annually. Where will all of that water come from?

In the arid southwest where growth is a certainty and water resources are scarce, proper water management is vital to ensure resource sustainability. At Global Water, our mission is to grow an enduring utility whose professional staff is focused on quality in customer service and excellence in utility operations, and we are committed to planning for and managing future water scarcity by investing in and improving the regulated water and wastewater companies we own while preserving our most precious resource through water recycling, conservation programs, and the deployment of sector leading technology for utility optimization.

Global Water has successfully implemented our vision in seven Arizona utilities, including your Water Utility of Greater Tonopah. To-date, Global Water has invested over \$225 million dollars in Arizona communities to improve their utility service and align them with our water management principles. Preserving our water resources benefits customers, property owners, the communities in which we live, and the environment.

- In Maricopa, AZ, Global Water has saved over 1.65 billion gallons of groundwater by maximizing the use of recycled water. Per capita, this City uses 40% less groundwater than other communities in the state.
- In Western Maricopa County, Global Water has recharged over 1.9 billion gallons of Colorado River water into the local aquifer.

Global Water acquired Water Utility of Greater Tonopah in July 2006. In just 3 short years, we have formed strong partnerships with local agencies and invested over \$20 million dollars in the region to ensure our community saw improved utility services and long-range water resource planning.

- Global Water has completed necessary capacity expansions for water production, water storage, and water distribution facilities, including required expansions of water pipeline networks. These projects were required to ensure sufficient water availability.
- Improvements were also made to existing infrastructure to guarantee reliable service.
- Simultaneously, Global Water was required to construct water treatment facilities in order to meet new federally mandated water quality standards.

In response to the economic downturn, Global Water restructured our organization at the end of 2008. We downsized our workforce by more than 30%, cancelled all pay raises and bonuses, and renegotiated our service and material contracts. Through these and several other measures, we were able to reduce our annual operating budget by \$3.1 million. We have also elected to postpone several capital improvement projects.

Despite this achievement, and only because it is absolutely necessary, Global Water filed an application for a rate increase with the Arizona Corporation Commission (ACC) in February 2009. The current Water Utility of Greater Tonopah rates were established in 1999, and in addition to the investment that was required to bring the Utility up to Global Water's standards, the costs of goods and services have increased dramatically since our rates were established 10 years ago.

The driving force in our rate application was minimizing the impact on our customers, while supporting our conservation initiatives.



During this recession, we do not take raising rates lightly. We recognize that this is a very unfortunate situation so we have taken drastic steps to cut costs and minimize our rate request. However, as a regulated entity providing an essential service, we need to ensure that our utilities remain financially viable – it's a matter of protecting the health of our consumers, protecting the environment and ensuring we have adequate resources for the future.

Global Water has also asked the ACC to approve innovative mechanisms that would allow our customers to benefit from conservation. For example, by meeting the conservation threshold on monthly usage, our Water Utility of Greater Tonopah customers would be able to save 50% of the consumptive rate.

In order to further promote water conservation within our Utilities and assist our customers in reducing their consumption *and their monthly bill*, Global Water is planning to hold informational seminars within your community.

YOU ARE INVITED TO ATTEND AND PARTICIPATE

Location: Ruth Fisher Elementary School - Cafeteria
38201 W. Indian School Road
Tonopah, AZ 85354

Date: August 31, 2009
Residential Customer Seminar
6:00-7:00pm

The ACC's review of our rate case is expected to last throughout 2009 and Global Water does not expect a decision until early 2010. You can find more information about Global Water and the rate proceeding on our website at www.gwresources.com/rate-case.php.

Valencia Water Company – Town Division

W-01212A-09-0082

**F GLOBAL WATER -
COMPANY; VALENCIA WA -
TER BUCKEYE DIVISION;
2 COMPANY; GLOBAL WA -
TER COMPANY; WATER
ONOPAH, INC.; AND VA -
NY - TOWN DIVISON FOR
INCREASES FOR WATER
S. SW-20445A-09-0077;
W-01732A-09-0079;
-02450A-09-0081 AND
-09-0082)**

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Arizona Business Gazette

The business resource

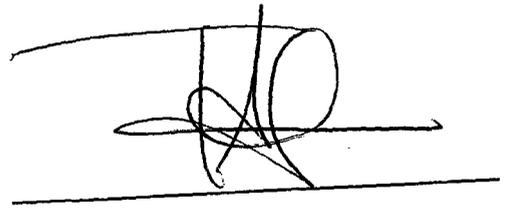
PO BOX 194
Phoenix, Arizona 85001-0194
(602) 444-7315 FAX (602) 444-7364

STATE OF ARIZONA
COUNTY OF MARICOPA

} SS.

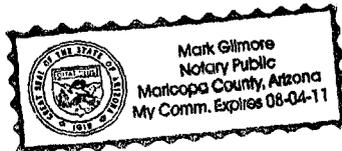
Tabitha Antoniadis, being first duly sworn, upon oath deposes and says: That of the Arizona Business Gazette, a newspaper of general circulation in the county of Maricopa, State of Arizona, published weekly at Phoenix, Arizona, and that the copy hereto attached is a true copy of the advertisement published in the said paper on the dates indicated.

8/6/2009



Notary Public

Sworn to before me this
6TH day of
AUGUST 2009



Palo Verde Utilities Company ("Palo Verde Greater Buckeye Division ("Valencia Company, Inc. ("Willow Valley"); Globominy ("Santa Cruz"); Water Utility of and Valencia Water Company - Towns respectively "Global Utilities" or "Company Commission ("Commission") applicants seeking increases in their rate other associated charges. These purposes of hearing and consideration (which includes a proposed rate eye, Valencia - Town and Tonopah eking an overall gross revenue incurrent operating revenues. Under proposal, a Valencia - Buckeye residence water meter, with average use experience an increase from current charges of \$63.28 per month (\$22.34 actual percentage rate increase for iding on the type of service provided purposes only, and the actual dollar al customers would vary dependd the quantity consumed for water f ("Staff") is in the process of audnd has not yet made any recomproposed rate increase. The Resiparty to this proceeding and will mndations to the Commission. ppropriate relief to be granted e parties. The Commission is not bal Utilities, Staff, or any other pproved by the Commission may mpany. e Rate Proposal rates are available from Global , AZ 85027 (623) 580-9600 and at t Control Center at 1200 West : inspection during regular busi- ng the e-Docket function. aring Information is matter beginning on Decemson's offices, Hearing Room #1, rizona. Public comments will be itten public comments may be ig Docket Nos. SW-20445A-09-0079; W-20446A-09-0080; W-) Arizona Corporation Commis-

Arizona Business Gazette

The business resource

PO BOX 194
Phoenix, Arizona 85001-0194
(602) 444-7315 FAX (602) 444-7364

STATE OF ARIZONA
COUNTY OF MARICOPA } SS.

Tabitha Antoniadis, being first duly sworn, upon oath deposes and says: That of the Arizona Business Gazette, a newspaper of general circulation in the county of Maricopa, State of Arizona, published week at Phoenix, Arizona, and that the copy hereto attached is a true copy of the advertisement published in the sa paper on the dates indicated.

8/6/2009

Sworn to before me this
6TH day of
AUGUST 2009

Notary Public



PUBLIC NOTICE OF HEARING ON THE APPLICATIONS OF GLOBAL WATER - PALO VERDE UTILITIES COMPANY; VALENCIA WATER COMPANY - GREATER BUCKEYE DIVISION; WILLOW VALLEY WATER COMPANY; GLOBAL WATER SANTA CRUZ WATER COMPANY; WATER UTILITY OF GREATER TONOPAH, INC. AND VALENCIA WATER COMPANY - TOWN DIVISION FOR PERMANENT BASE RATE INCREASES FOR WATER SERVICE.
(DOCKET NOS. SW-20445A-09-0077; W-02451A-09-0078; W-01732A-09-0079; W-20446A-09-0080; W-02450A-09-0081 AND W-01212A-09-0082)

On this day, 20th of August, 2009, Global Water - Palo Verde Utilities Company ("Palo Verde"), Valencia Water Company - Greater Buckeye Division ("Valencia Buckeye"), Willow Valley Water Company, Inc. ("Willow Valley"), Global Water - Santa Cruz Water Company ("Santa Cruz"), Water Utility of Greater Tonopah, Inc. ("Tonopah"), collectively ("Global Utilities" or "Companies"), Valencia - Town Division ("Town"), collectively ("Town Division") or "Applicants" in the above-captioned dockets seeking increases in their respective permanent base rates and other associated charges. These dockets have been consolidated for purposes of hearing and consideration by the Commission.

For its Valencia - Town water system (which includes a proposed rate component for the Valencia - Town system), the Commission is seeking an overall gross revenue increase of \$2,519,705 (72 percent) over current operating revenues. Under the Company's rate consolidation proposal, a Valencia - Town residential water customer served by a 5/8-inch water meter, with average usage of 5,817 gallons per month, would experience an increase from current monthly charges of \$29.94 to charges of \$48.13 per month (\$18.48 monthly billable charges, plus a \$3.00 monthly service charge). Individual billable charges would vary depending on the type of service provided. These examples are for illustrative purposes only, and the actual dollar and percentage increases for individual customers would vary depending on the type of customer served, and the quantity consumed for water service.

The Commission's Utilities Division Staff ("Staff") is in the process of analyzing the proposed rate increases and has not yet made any recommendations regarding Global Utilities' proposed rate increases. The Residential Utility Consumer Office is also a party to this proceeding and will analyze the application and make recommendations to the Commission. The Commission will determine the appropriate relief to be granted based on the evidence presented by the parties. The Commission is not bound by the proposed rate increases. The Staff on any other dockets filed with the Commission may be approved by the Commission may differ from the rates requested by the Company.

How You Can View or Obtain a Copy of the Rate Proposal
Copies of the application and proposed rates are available from Global Utilities' Offices,

21410 N. 19th Avenue, Suite 201, Phoenix, AZ 85027 (602) 560-9500 and at the Arizona Consumer Office, 1001 North Central Expressway, Suite 100, Phoenix, Arizona, for public inspection during regular business hours and on the internet via the Commission's website (www.azcc.gov) using the e-Docket function.

The Commission will hold a hearing on this matter beginning on December 15, 2009, at 10:00 a.m. at the Commission's Public Hearing Room, 1200 West Washington, Suite 550, Phoenix, Arizona. Public comments may be submitted by mailing a letter, referencing Docket Nos. SW-20445A-09-0077; W-02451A-09-0078; W-01732A-09-0079; W-20446A-09-0080; W-02450A-09-0081; and W-01212A-09-0082 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85001, by the date of the hearing, or by e-mail to the Commission at publiccomment@azcc.gov. If you require assistance, you may contact the Consumer Services Section at 602-542-4251 or 1-800-222-7000.

About Intervention
The law provides for an open public hearing at which, under appropriate circumstances, interested parties may be permitted to intervene. Parties to the matter will be permitted to intervene and a direct and substantial interest in the matter must be shown. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than October 12, 2009, and send a copy of the motion to Global Utilities or its counsel and to all parties of record. Your motion to intervene must contain the following information:
1. Your name, address, telephone number, and the name, address, and telephone number of any party upon whom service of documents is to be made, if not yourself;

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3. A statement certifying that you have mailed a copy of the motion to intervene to Global Utilities or its counsel and to all parties of record in the case.

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 October 12, 2009. If representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme Court, intervention will be conditioned upon the intervenor obtaining counsel to represent one intervenor. For information on the Commission's rules, visit our website at <http://www.azcc.gov/divisions/utilities/forms/intervenor>. The granting of intervention, among other things, entitles a party to present sworn evidence at 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. All intervenor written comments in the record of the case.

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AFFIDAVIT OF PROOF OF MAILING

Docket Nos. SW-20445A-09-0077; W-02451A-09-0078;
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STATE OF ARIZONA)

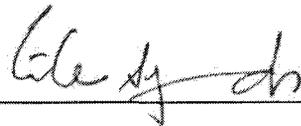
) ss.

County of Maricopa)

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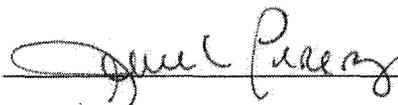
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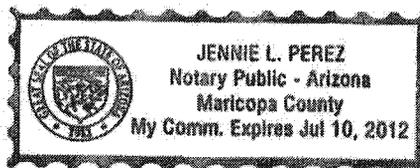
Graham Symmonds

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My Commission Expires: 7/10/2012



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About Intervention

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than **October 12, 2009**, and send a copy of the motion to Global Utilities or its counsel and to all parties of record. Your motion to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any party upon whom service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of Global Utilities, a shareholder of Global Utilities, etc.); and
3. A statement certifying that you have mailed a copy of the motion to intervene to Global Utilities or its counsel and to all parties of record in the case.

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 **October 12, 2009**. If representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme Court, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. For information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>. The granting of intervention, among other things, entitles a party to present sworn evidence at 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.

ADA/Equal Access Information

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 the ADA Coordinator, Shaylin Bernal, E-mail Sbernal@azcc.gov, voice phone number 602/542/3931. Requests should be made as early as possible to allow time to arrange the accommodation.



TO OUR VALUED VALENCIA WATER COMPANY CUSTOMERS:

Do the simple math and Arizona's water future will shock you: 5.6 million new people by 2030, each using an average of 135 gallons per day for a total increase in demand of 756 million gallons per day. Where will all of that come from?

In the arid southwest where growth is a certainty and water resources are scarce, proper water management is vital to ensure resource sustainability. At Global Water, our mission is to grow an enduring utility whose professional staff is focused on quality in customer service and excellence in utility operations, and we are committed to planning for and managing future water scarcity by investing in and improving the regulated water and wastewater companies we own while preserving our most precious resource through water recycling, conservation programs, and the deployment of sector leading technology for utility optimization.

Global Water has successfully implemented our vision in seven Arizona utilities, including your Valencia Water Company. To-date, Global Water has invested over \$225 million dollars in Arizona communities to improve their utility service and align them with our water management principles. Preserving our water resources benefits customers, property owners, the communities in which we live, and the environment.

- In Maricopa, AZ, Global Water has saved over 1.65 billion gallons of groundwater by maximizing the use of recycled water. On average, this community uses 40% less groundwater than other communities within the state.
- In Western Maricopa County and within the Town of Buckeye's municipal planning boundary, Global Water has recharged over 1.9 billion gallons of Colorado River water into the local aquifer.

Global Water acquired Valencia Water Company in July 2006. In just 3 short years, we have formed strong partnerships with local governments and invested over \$20 million dollars to ensure our community saw improved utility services and long-range water resource planning.

- Global Water has completed necessary capacity expansions for water production, water storage, and water distribution facilities, including a required expansion of the water pipeline network. These projects were required to ensure sufficient water availability. Improvements were also made to existing infrastructure to guarantee service reliability.
- Simultaneously, Global Water was required to construct water treatment facilities in order to meet new federally mandated water quality standards.

In response to the economic downturn, Global Water restructured our organization at the end of 2008. We downsized our workforce by more than 30%, cancelled all pay raises and bonuses, and renegotiated our service and material contracts. Through these and several other measures, we were able to reduce our annual operating budget by \$3.1 million.

Despite this achievement, and only because it is absolutely necessary, Global Water filed an application for a rate increase with the Arizona Corporation Commission (ACC) in February 2009. The current Valencia Water Company rates were established in 1997, and in addition to the investment that was required to bring the Utility to an acceptable condition, the costs of goods and services have increased dramatically since our rates were established 12 years ago.

The driving force in our rate application was minimizing the impact on our customers, while supporting our conservation initiatives.



During this recession, we do not take raising rates lightly. We recognize that this is a very unfortunate situation so we have taken drastic steps to cut costs and minimize our rate request. However, as a regulated entity providing an essential service, we need to ensure that our utilities remain financially viable – it's a matter of protecting the health of our consumers, protecting the environment and ensuring we have adequate resources for the future.

Global Water has also asked the ACC to approve innovative mechanisms that would allow our customers to benefit from conservation. For example, by meeting the conservation threshold on monthly usage, our Valencia Water customers would be able to save 50% of the consumptive rate.

In order to further promote water conservation within our Utilities and assist our customers in reducing their consumption *and their monthly bill*, Global Water is planning to hold educational seminars within your community.

YOU ARE INVITED TO ATTEND AND PARTICIPATE

Location: Buckeye Chamber of Commerce
508 E Monroe Ave
Buckeye, AZ 85326

Date: September 10, 2009
Residential Customer Meeting
6:00-7:00pm

OR

October 8, 2009
Residential Customer Meeting
6:00-7:00pm

The ACC's review of our rate case is expected to last throughout 2009 and Global Water does not expect a decision until early 2010. You can find more information about Global Water and the rate proceeding on our website at www.gwresources.com/rate-case.php.