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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS
KRISTIN K. MAYES, Chairman
GARY PIERCE
PAUL NEWMAN
SANDRA D. KENNEDY
BOB STUMP

IN THE MATTER OF THE APPLICATION OF
PARK WATER COMPANY, INC. FOR AN
EMERGENCY RATE INCREASE.

DOCKET NO. W-02353A-09-0328

IN THE MATTER OF THE APPLICATION OF
PARK WATER COMPANY, INC. FOR
APPROVAL OF A FINANCING
APPLICATION.

DOCKET NO. W-02353A-09-0329

**STAFF'S SUPPLEMENTAL
DOCUMENT DISCUSSING
TIMEFRAME FOR PROCESSING
WIFA LOAN APPLICATION**

On September 4, 2009, the Arizona Corporation Commission ("Commission") Hearing Division issued a Procedural Order in the instant matter directing Commission Utilities Division Staff ("Staff") to file, on or before September 15, 2009, supplemental documentation as follows:

1. The timeframe for processing the WIFA loan application;
2. Analyzing whether the cost of the emergency water hauling services can be included in the WIFA loan;
3. Providing an itemized list of the documents Park Water will need to file with the Commission to apply for the WIFA surcharge;
4. Analyzing Park Water's customers by class;
5. Describing the service area;
6. Setting forth the average and median water usage and monthly bills for Park Water's customers; and;
7. Providing any other relevant information Staff deems appropriate.

Staff hereby provides the requested documentation.

Arizona Corporation Commission

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1 **STAFF'S RESPONSES**

2 **1. The timeframe for processing the WIFA loan application;**

3 Response: The Arizona Administrative Code does not prescribe a timeframe for processing
4 financings (e.g., WIFA loan applications). Nevertheless, Staff works on all financings as quickly
5 as possible. Also, please see response to number 7.

6 **2. Analyzing whether the cost of the emergency water hauling services can be included in
7 the WIFA loan;**

8 Response: Staff witness, Crystal Brown, spoke with Trish Incognito, Senior Loan Officer of the
9 Water Infrastructure Financing Authority, and determined that the water hauling costs could be
10 included in the WIFA loan. However, this inclusion is contingent upon approval of the WIFA
11 board members.

12 **3. Providing an itemized list of the documents Park Water will need to file with the
13 Commission to apply for the WIFA surcharge;**

14 Response: The four calculations that need to be made and filed are shown in the Staff report in
15 the section entitled "Instructions to Calculate the Surcharge on the Loan."

16 **4. Analyzing Park Water's customers by class;**

17 Response: Per discussion with Patricia O'Connor, owner of Park Water, Staff witness, Crystal
18 Brown, determined that the Company only has 5/8-inch x 3/4" metered customers.

19 **5. Describing the service area;**

20 Response: Staff witness, Marlin Scott, Jr., provides the following description of the service area:
21 The Company's Certificate of Convenience and Necessity covers two square miles with the
22 operation of a water system consisting of the following:

- 23 a. North Wellsite: This North Well pumps at 100 gallons per minute ("GPM") into a 15,000
24 gallon storage tank. The water then flows through a 7-1/2 horsepower ("Hp") booster
25 pump and into a 3,000 gallon pressure tank.
- 26 b. South Wellsite: The South Well pumps at 75 GPM into a 25,000 gallon storage tank. The
27 water then flows through two 5-Hp booster pumps and into a 500 gallon pressure tank.
- 28 c. Booster Station #1: The booster station has a 12,000 gallon storage tank, a 5-Hp booster
29 pump and a 2,000 gallon pressure tank.

The distribution system consists of approximately 5-1/2 miles of 2-inch, 3-inch, 4-inch and 6-inch
water mains serving 125 customers all having 5/8 x 3/4-inch meters.

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6. Setting forth the average and median water usage and monthly bills for Park Water's customers;

Response: Staff witness, Crystal Brown, determined that no billcount, average and median usage information is required to be filed with an emergency rate application. However, in preparation for its permanent rate case, the Company has prepared an average water usage and monthly bill as follows:

2008 Average Gallons Sold/Month/Customer = 8,010
2008 Average Bill/Month/Customer = \$44.12

7. Providing any other relevant information Staff deems appropriate.

Response: Attached as Exhibit 1 is the WIFA Loan application process flowchart that Staff obtained from the WIFA website. Staff determined from talking to Ms. Incognito of WIFA that there is no standard processing time and that the average loan takes between three to six months to be processed (although the actual processing time could be shorter or longer than the average).

RESPECTFULLY SUBMITTED this 16th day of September, 2009.



Kevin O. Torrey, Attorney
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Original and thirteen (13) copies of the foregoing filed this 16th day of September, 2009 with:

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

Copy of the foregoing mailed this 16th day of September 2009 to:

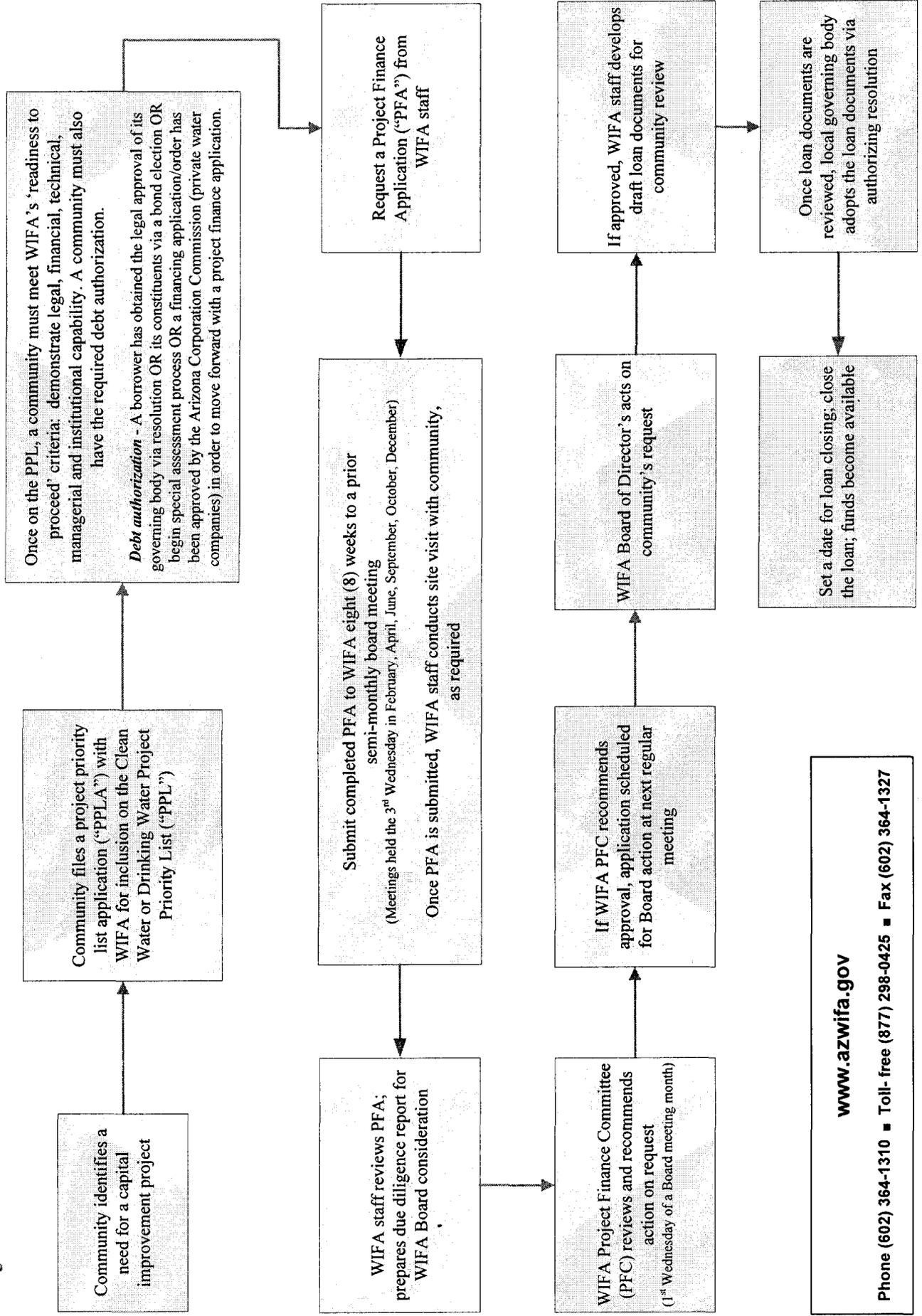
Patricia O'Connor, President
PARK WATER COMPANY, INC.
P.O. Box 16173
Phoenix, Arizona 85011



EXHIBIT 1



An overview of the WIFA Loan Application Process



www.azwifa.gov
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