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BEFORE THE ARIZONA CORPORATION

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IN THE MATTER OF THE APPLICATION OF
UTILITY SYSTEMS, L.L.C., DBA GARDNER
WATER COMPANY FOR A PERMANENT
RATE INCREASE.

DOCKET NO. W-20459A-08-0167

IN THE MATTER OF THE APPLICATION OF
UTILITY SYSTEMS, L.L.C., DBA
CHRISTOPHER CREEK HAVEN WATER
COMPANY FOR A PERMANENT RATE
INCREASE.

DOCKET NO. W-20459A-08-0168

**STAFF'S MOTION FOR AN ORDER
AMENDING DECISION NO. 71446
NUNC PRO TUNC**

The Utilities Division of the Arizona Corporation Commission ("Staff") moves for an order amending Decision No. 71446 (December 23, 2009)("Decision") *nunc pro tunc* so that the Decision accurately reflects Administrative Law Judge's ("ALJ") recommendations and the Commission's Decision. Specifically, Staff is requesting a correction to the Service Line and Meter Installation Charges, the Service Charges, and the Monthly Service Charge for Fire Sprinkler that were adopted by the Commission in the Decision, as amended by procedural orders issued on December 29, 2009 and January 4, 2010.

Utility Systems L.L.C. dba Christopher Creek Haven Water and Gardner Water (the "Company") submitted, as a compliance item, its schedule of approved rates and charges on February 4, 2010. In reviewing the Company's filing Staff noticed that several of the Service Line and Meter Installation Charges in the Decision did not match Staff's recommendations. In addition Staff noticed that the Decision, as corrected by the procedural orders on December 29, 2009, and January 5, 2010, contains several incorrect references for Service Charges and Monthly Service Charge for Fire Sprinkler.

The ALJ, pursuant to July 2, 2009, procedural orders, in both dockets, ordered Staff to submit Supplemental Staff Reports that addressed a number of issues including "whether Christopher Creek Haven Water Company and Gardner Water Company should be consolidated for purposes of setting

1 rates.” The ALJ later consolidated these dockets on July 28, 2009. Staff submitted a Supplemental
 2 Staff Report on September 4, 2009. In the Supplemental Staff Report, Staff provided individual rates
 3 and consolidated rates for Christopher Creek Haven Water and Gardner Water. Staff ultimately
 4 recommended consolidated rates. However, in reviewing the Company’s compliance filing, Staff
 5 noticed that the consolidated rate design schedules in the Supplemental Staff Report contained errors
 6 in the Service Line and Meter Installation Charges for the 3”, 4”, and 6” meters. The ALJ
 7 recommended Staff’s consolidated rate design, and apparently carried Staff’s errors forward from
 8 Staff’s Supplemental Schedule PMC-2 into the Recommended Opinion and Order and ultimately the
 9 Decision. Specifically, in the ordering paragraphs, on page 41 line 14 ½ the Service Line and Meter
 10 Installation Charges should be as follows:

| | <u>Service Line</u> | <u>Meter Installation</u> | <u>Total</u> |
|-------|---------------------|---------------------------|--------------|
| 11 3” | \$1,045.00 | \$1,670.00 | \$2,715.00 |
| 12 4” | \$1,490.00 | \$2,670.00 | \$4,160.00 |
| 13 6” | \$2,210.00 | \$5,025.00 | \$7,235.00 |

14 These are Staff’s recommended charges as set forth in schedules PMC-4 and DRE-4, which
 15 are the individual rate design schedules for Christopher Creek Haven Water Company and Gardner
 16 Water Company. Staff notes that the Company does not currently have any customers with these
 17 meter sizes. Staff has contacted the Company, and the Company has no objection to correcting the
 18 Decision to reflect these charges as set forth above.

19 Regarding Service Charges on page 41, line 20, Staff noticed Deposit Requirement
 20 (Residential) has a reference to “(a)”. In accordance with the ALJ’s January 4, 2010 Procedural
 21 Order, this reference should be to “(b)” which indicates the requirements for residential deposits.
 22 Further, on page 41, line 21, Reestablishment (Within 12 Months) has a reference to “(b)”. In
 23 accordance with the ALJ’s January 4, 2010 Procedural Order, this reference should be to “(c)”, which
 24 provides the calculation for determining a reestablishment charge. On page 41, line 22, Deferred
 25 Payment (Per Month) has a reference to “5.00”. This should reference 1.5% in accordance with
 26 Exhibit A attached to the Decision. Finally, on page 41, line 24, under Monthly Service Charge for
 27 Fire Sprinkler, 4” or Smaller, 6”, 8”, 10”, and Larger than 10” all reference “(c)”, which refers to the
 28

1 calculation for determining reestablishment charges. These lines should reference "(d)" which refers
2 to the calculation for determining fire sprinkler service charges.

3 Staff respectfully requests that the ALJ amend the Decision to reflect the corrections
4 addressed above. Staff has attached a corrected version of Supplemental Schedule PMC-2.

5 RESPECTFULLY SUBMITTED this 10th day of February, 2010.

6
7 
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9 Attorney, Legal Division
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12 **Original and thirteen (13) copies**
13 **of the foregoing filed this**
14 **10th day of February, 2010, with:**

14 Docket Control
15 Arizona Corporation Commission
16 1200 West Washington Street
17 Phoenix, Arizona 85007

17 **Copy of the foregoing mailed this**
18 **10th day of February, 2010, to:**

18 Jeffrey Daniels
19 UTILITY SYSTEMS, L.L.C.
20 dba GARDNER WATER COMPANY
21 HC 2 Box 164-H
22 Payson, Arizona 85541-8380

23 

EXHIBIT A

RATE DESIGN

| Monthly Usage Charge | Christopher Creek's Present Rates | Gardner Present Rates | Company Proposed Rates | Staff Recommended Rates Under Consolidation |
|---|-----------------------------------|-----------------------|------------------------|--|
| 5/8 x 3/4" Meter - All Classes | \$ 17.75 | \$ 19.95 | \$ 33.00 | \$ 18.80 |
| 3/4" Meter - All Classes | 33.56 | 29.95 | 43.00 | 33.56 |
| 1" Meter - All Classes | 63.39 | 49.99 | 63.00 | 63.39 |
| 1 1/2" Meter - All Classes | 105.26 | 99.98 | 113.00 | 105.26 |
| 2" Meter - All Classes | 167.96 | 159.96 | 173.00 | 167.96 |
| 3" Meter - All Classes | 301.59 | 299.93 | N/A | 301.59 |
| 4" Meter - All Classes | 485.58 | 499.98 | N/A | 499.98 |
| 6" Meter - All Classes | 727.73 | 999.75 | N/A | 999.75 |
| Gallons in Minimum | - | - | - | - |
| Commodity Rates | | | | |
| All Meters: | | | | |
| From 0 to 4,000 Gallons | \$ 4.00 | N/A | N/A | N/A |
| From 4,001 to 12,000 Gallons | \$ 4.75 | N/A | N/A | N/A |
| Over 12,000 Gallons | \$ 6.50 | N/A | N/A | N/A |
| From 0 to 10,000 Gallons | N/A | 5.00 | N/A | N/A |
| Over 10,000 Gallons | N/A | 7.00 | N/A | N/A |
| From 0 to 5,000 Gallons | N/A | N/A | 10.00 | N/A |
| From 5,001 to 10,000 Gallons | N/A | N/A | 12.00 | N/A |
| Over 10,000 Gallons | N/A | N/A | 15.00 | N/A |
| From 0 to 2,000 Gallons | N/A | N/A | N/A | 4.00 |
| From 2,001 to 8,000 Gallons | N/A | N/A | N/A | 5.00 |
| Over 8,001 Gallons | N/A | N/A | N/A | 7.00 |
| Bulk Haulers Per 1,000 Gallons | N/A | N/A | N/A | 7.00 |
| | | | | Staff Recommendation¹ |
| Service Line and Meter Installation Charges | | | | Line Meter Total |
| 5/8" x 3/4" Meter | \$ 480 | \$ 480 | \$ 600 | \$ 445 \$ 465 ² \$ 910 ² |
| 3/4" Meter | 550 | 550 | 700 | 445 565 ² 1010 ² |
| 1" Meter | 630 | 630 | 810 | 495 315 810 |
| 1 1/2" Meter | 800 | 800 | 1,075 | 550 525 1,075 |
| 2" Meter | 1,450 | 1,450 | 1,875 | 830 1,045 1,875 |
| 3" Meter | 1,975 | 1,975 | N/A | 1,045 1,670 2,715 |
| 4" Meter | 3,040 | 3,040 | N/A | 1,490 2,670 4,160 |
| 6" Meter | 5,795 | 5,795 | N/A | 2,210 5,025 7,235 |
| Note 1: Plus road cuts at cost, when road crossing is required. Note 2: Charge includes Sensus Touch Read Meter. | | | | |
| Service Charges | | | Chris Crk | Gardner |
| Establishment | \$ 30.00 | \$ 25.00 | \$ 75.00 | \$ 30.00 |
| Establishment (After Hours) | 40.00 | 40.00 | - | 40.00 |
| Reconnection (Delinquent) | 30.00 | 50.00 | 50.00 | 50.00 |
| Reconnection (Delinquent and After Hours) | 40.00 | N/A | 50.00 | 60.00 |
| Meter Test | 20.00 | 35.00 | 25.00 | 100.00 |
| Deposit Requirement (Residential) | (b) | (b) | (b) | (b) |
| Deposit Interest | (a) | (a) | 1.50% | 1.50% |
| Re-Establishment (Within 12 Months) | (c) | (c) | (c) | (c) |
| NSF Check | \$ 15.00 | \$ 25.00 | 35.00 | \$ 25.00 |
| Deferred Payment, Per Month | 1.00% | 1.50% | 5.00% | 1.50% |
| Meter Re-Read (If correct) | 10.00 | 5.00 | 10.00 | 10.00 |
| Late Fee | 3.00 | 5.00 | 10.00 | 5.00 |
| NT = No Tariff | | | | |
| Monthly Service Charge for Fire Sprinkler | | | | |
| 4" or Smaller | N/A | (d) | N/A | N/A (d) |
| 6" | N/A | (d) | N/A | N/A (d) |
| 8" | N/A | (d) | N/A | N/A (d) |
| 10" | N/A | (d) | N/A | N/A (d) |
| Larger than 10" | N/A | (d) | N/A | N/A (d) |

(a) Per Commission Rules (R14-2-403 B)
 (b) Residential - two times the average bill. Non-residential - two and one-half times the average bill.
 (c) Minimum charge times number of months disconnected.
 (d) 1.00 % of Monthly Minimum for a Comparable Sized Meter Connection, but no less than \$5.00 per month. The Service Charge for Fire Sprinklers is only applicable for service lines separate and distinct from the primary water service line.