

Michael Saunders & Co

Licensed Real Estate Broker



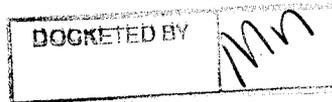
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Arizona Corporation Commission
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ARIZONA CORPORATION
COMMISSION
DOCKET CONTROL

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Honorable Dwight Nodes
Assistant Chief Administrative Law Judge
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007

Re: In the matter of the application of CP Water Company and Francisco Grande Utilities Company to transfer their Certificates of Convenience and Necessity and assets to Palo Verde Utilities Company and Santa Cruz Water Company; Docket No. WS-01775A-07-0485, W-03576A-07-0485, SW-03575A-07-0485, W-02442A-07-0485,

Dear Judge Nodes:

I am writing about Global Water's pending request for approval for transfer of Francisco Grande's CC&Ns. See the above docket.

I am the former sole shareholder of Francisco Grande Utilities Company. As noted in Commission filings, I sold my Francisco Grande stock to Global Water in December 2006. Under the terms of the parties' stock purchase agreement, Global must pay me for the stock after the Commission approves the transfer of the Francisco Grande CC&Ns. Because the Commission has not yet done so, Global has not yet paid me for the stock.

I respectfully request that the Commission rule on Global's application as soon as possible. The application is fully briefed and is ripe for decision. No party has objected to the transfer and Commission staff has recommended approval. See Global Utilities' Post-Hearing Brief (filed August 3, 2009).

The need for a prompt ruling is particularly acute given the terms of the Global stock purchase agreement. The agreement provides that the Francisco Grande stock purchase transaction will be unwound if the Commission does not approve the CC&N transfer within thirty-six months of the initiation of this action -- a time period that we assumed would be more than sufficient for the Commission to render a decision. The thirty-six month timeframe is due to expire in August of this year, and Global has indicated that it will not agree to an extension. Thus, if the Commission does not act promptly, the 2006 stock purchase transaction will be unwound, and Global must return the stock to me.

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I also understand that the unwinding of the stock purchase transaction may have an impact on other related matters that are before the Commission, as part of the consolidated docket.

Global's application for transfer of the CC&Ns has been consolidated with additional dockets relating to Global and its affiliates, as well as Arizona Water Company. In order to streamline this process, I request that the Commission promptly issue a separate order approving the (uncontested) transfer of the Francisco Grande CC&Ns.

Thank you for your consideration of this request.

Respectfully,

A handwritten signature in black ink that reads "Michael Saunders". The signature is written in a cursive, slightly slanted style.

Michael Saunders

cc: Counsel of record