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# FORMAL COMPLAINT

BEFORE THE ARIZONA CORPORATION COMMISSION

AZ CORP COMMISSION  
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CARL J. KUNASEK  
CHAIRMAN  
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COMMISSIONER  
WILLIAM A. MUNDELL  
COMMISSIONER

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IN THE MATTER OF THE COMPLIANT )  
OF DIVERSIFIED WATER UTILITIES, )  
INC. AGAINST JOHNSON UTILITIES )  
COMPANY AND H2O, INC. FOR )  
POTENTIAL INTERFERENCE WITH THE )  
OPERATIONS OF AN EXISTING LINE, )  
PLANT OR SYSTEM. )

W-02234A-00-0775  
WS-02987A-00-0775

COMPLAINT

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Diversified Water Utilities, Inc. ("Diversified") files its Complaint against Johnson Utilities L.L.C. dba Johnson Utilities Company ("Johnson") and H2O, Inc. ("H2O") pursuant to A.R.S. § 40-281 and in support thereof alleges as follows:

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1. Diversified is an Arizona corporation certificated by this Commission to provide domestic water service in sections 27, 34 and 35 T2S, R8E, and Sections 2, 3, 4, 9, 10, 11 and 12, T3S, R8E, Pinal County, Arizona.

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2. In furtherance of the public interest and in the performance of its obligations as a public service corporation, Diversified has constructed and is constructing lines, plant and system to render water service and is ready, willing and able to serve customers, in accordance with the rules and regulations of the Arizona Corporation Commission ("Commission"), in areas both within and in the vicinity of its certificated area.

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3. Johnson and/or H2O have filed requests to extend their Certificates of Convenience and Necessity to areas either within, contiguous to or in the vicinity of the areas certificated to Diversified including, without limitation, Sections 28, 29, 31, 32, 33 and 34, T2S, R8E and Sections 13, 14, 15 and 16, T3S, R8E, Pinal County, Arizona as more fully set forth in Dockets WS-02987A-99-0583, WS-02987A-00-0618, and W-02234A-00-0371.

LAW OFFICES

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4. Diversified, as an alternative water provider in the area, is ready, willing and able to provide water service to the areas into which Johnson and H2O seek to extend their certificates.

5. Diversified acquired the utility system and has made investments therein, and continues to make investments therein, to enable it to provide reliable water service to its existing and future customers.

6. The applications to extend their Certificates of Convenience and Necessity filed by Johnson and H2O threaten to interfere with the operations of the line, plant and system of Diversified in violation of A.R.S. § 40-281.B. For example, and without limiting the nature of the interference, the certificates, if granted, would preclude Diversified from developing a properly looped system; would preclude Diversified from minimizing the cost of providing water service; and would interfere with Diversified's ability to develop an economically viable water system.

7. In order to fulfill its obligation to Diversified and the customers served by Diversified, the Commission, pursuant to A.R.S. § 40-281.B., must enter such orders as may be necessary to prohibit Johnson and H2O from interfering with the lines, plant and system of Diversified including, without limitation, denying the pending applications of Johnson and H2O to extend their respective certificated areas into the sections set forth in Paragraph 2 hereof.

8. The names, mailing addresses and telephone numbers of the persons upon whom service of all documents is to be made are:

William P. Sullivan, Esq.  
Martinez & Curtis, P.C.  
2712 North Seventh Street  
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**AND**

Diversified Water Utilities, Inc.  
Post Office Box 17357  
Phoenix, Arizona 85011  
(602) 840-9400

WHEREFORE, Diversified Water Utilities, Inc. requests the Arizona Corporation  
Commission:

1. Give notice of this Complaint to Johnson and H2O;
2. Consolidate this matter with Dockets WS-02987A-99-0583, WS-02987A-00-0618, and W-02234A-00-0371;
3. Set this matter for hearing;
4. Enter such orders as may be necessary to halt the potential interference by Johnson and/or H2O with Diversified's lines, plant and system including, without limitation, denying the applications to extend the Certificates of Convenience and Necessity of Johnson and H2O currently pending with the Commission; and
5. Grant such further relief and the Commission deems just and necessary.

Respectfully submitted this 2nd day of October, 2000.

MARTINEZ & CURTIS, P.C.



William P. Sullivan, Esq.  
2712 North Seventh Street  
Phoenix, Arizona 85006-1090  
Attorneys for Diversified Water Utilities, Inc.

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**PROOF OF SERVICE AND  
CERTIFICATE OF MAILING**

I hereby certify that on this 2nd day of October, 2000, I caused the foregoing document to be served on the Arizona Corporation Commission by hand-delivering the original and ten (10) copies of said document to:

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

With copies of the foregoing  
mailed/delivered this 2nd day  
of October, 2000 to:

Karen E. Nally  
Assistant Chief Administrative Law Judge  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

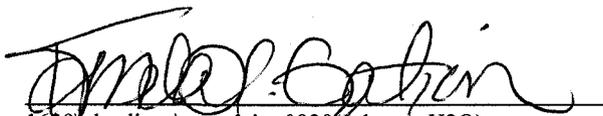
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