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ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION
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November 3, 2010

CERTIFIED MAIL

Mr. Lawrence V. Robertson, Jr.
Attorney for Pineview Water Company
PO Box 1448
Tubac, Arizona 85646

Arizona Corporation Commission
DOCKETED

NOV - 3 2010



RE: Pineview Water Company, Inc. - Application for the Sale and Transfer of Water System Assets and for the Cancellation of the Certificate of Convenience and Necessity ("CC&N") for Water Service - Docket No. W-01676A-10-0400

INSUFFICIENCY LETTER

Dear Mr. Robertson:

In reference to the above-mentioned application by Pineview Water Company ("Pineview", "Company" or "Utility") docketed on October 4, 2010, this letter is to inform you that Staff of the Arizona Corporation Commission ("ACC") is still in need of further information to determine sufficiency requirements as outlined in the updated Arizona Administrative Code ("A.A.C") R14-2-402.D. (ACC Water Rules):

1. Provide a complete listing of the Company's assets that are to be sold to the City of Show Low ("City").
2. Provide documentation establishing the utility's financial condition, including at least the utility's current assets and liabilities, and income statement, the utility's revenue and expenses for the most recently completed 12-month accounting period, and the value of the utility's utility plant in service.
3. Provide the legal name, physical address, mailing address (if different), and the telephone number of the City.
4. Describe the City's prior experience in owning and operating a water company.
5. Describe the organizational structure of the City and provide the name and contact information for those individuals that will be primarily responsible for managing and operating Pineview.

6. Provide the name and ADEQ certification number of the person who will be the certified operator of the water system upon the completion of the sale.
7. Describe the effect of the proposed transaction upon the service of the applicant and any benefits that will be realized by customers if the proposed sale is approved. Although some of this information is provided throughout the application, please identify in a single numbered section.
8. Describe in what respect, if any, the proposed transaction will have on any other utility, municipality, district, etc.
9. Describe any change to the operation and maintenance of the system that will occur if the proposed sale is approved.
10. The Application mentions the financial ability of the City to make the upgrades necessary. List the anticipated additional upgrades needed to the water system and estimated cost if available. If such information is not available, please explain.
11. Provide the method by which the proposed transaction will be financed.

Staff would like to use this opportunity to bring the following to your attention:

- Pursuant to the A.A.C. R-14-2-411(C), upon meeting sufficiency requirements, the Commission has 150 days for its substantive review. This includes conducting a hearing and preparing an Opinion and Order to present to the Commission at an Open Meeting; and
- Pursuant to A.A.C. R14-2-411(C)(3), Staff may terminate an application if the applicant does not remedy all deficiencies within 60 calendar days of the notice of deficiency.

If you have any questions, please do not hesitate to contact me at 602-542-0818.

Sincerely,



Vicki Wallace
Executive Consultant

Cc: Docket Control
Marlin Scott, Jr.
Barbara Wells
Lyn Farmer