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BEFORE THE ARIZONA CORPORATION  
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COMMISSIONERS

Kristin K. Mayes – Chairman  
Gary Pierce  
Paul Newman  
Sandra D. Kennedy  
Bob Stump

2010 NOV -5 A 10: 41  
ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission  
DOCKETED  
NOV -5 2010

DOCKETED BY *[Signature]*

IN THE MATTER OF THE APPLICATION OF  
THE COMMISSION ON ITS OWN MOTION  
INVESTIGATING THE FAILURE OF CARL  
HARVEY DBA GOLDEN CORRIDOR WATER  
COMPANY TO COMPLY WITH COMMISSION  
RULES AND REGULATIONS.

DOCKET NO. W-02497A-06-0580

**CERTIFICATE OF FILING**

The May 23, 2007 Interim Management Agreement entered into by the Staff and Arizona Water Company (the "Company") per Decision No. 69166 required, among other things, that the Company, as Interim Manager of Golden Corridor Water Company ("GCWC") file Progress Reports after taking over the operation, maintenance, and management of GCWC's water system. In response, the Company now files its seventh Progress Report, which is attached hereto as Attachment A.

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RESPECTFULLY SUBMITTED this 5<sup>th</sup> day of November 2010.

**ARIZONA WATER COMPANY**

By:   
Robert W. Geake  
Vice President and General Counsel  
Arizona Water Company  
P. O. Box 29006  
Phoenix, AZ 85038

**ORIGINAL** and 13 **COPIES** of the foregoing filed this 5<sup>th</sup> day of November 2010 with:

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

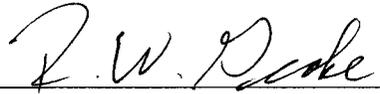
**COPY** of the foregoing mailed this 5<sup>th</sup> day of November 2010 to:

Janice Alward, Chief Counsel  
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Arizona Corporation Commission  
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Manager, Compliance and Enforcement  
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1 Carl Harvey  
2 GOLDEN CORRIDOR WATER COMPANY  
3 2880 East Mopar Drive  
4 Casa Grande, Arizona 85222

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## ATTACHMENT A

### Interim Manager Progress Report Concerning Operation of Golden Corridor Water Company

#### Operations and Environmental Compliance

Arizona Water Company (“the Company”) is currently billing 57 Golden Corridor Water Company customers pursuant to Golden Corridor’s approved tariff. There are currently no formal customer complaints on file with the Arizona Corporation Commission.

No further sampling for nitrate is needed as Golden Corridor Water Company customers are served water produced by the Company's Casa Grande system.

Water delivered to Golden Corridor Water Company is being chlorinated with an average of 0.89 mg/L per month. Chlorination results in better protection against bacteria and protection of public health. The Company takes two chlorine residuals monthly at the same locations as the bacteriological samples. There have been no positive bacteriological tests since chlorination.

The Company filed a Disinfectants and Disinfection Byproduct Plan for Stage 1 and Stage 2 with ADEQ in August 2008. As noted, Golden Corridor’s water is being chlorinated and sampling for TTHM/HAA5s began in August 2008. Two samples were taken annually and all of the results have been below the maximum contaminant level, therefore, ADEQ reduced the monitoring to once every three (3) years.

Lead and Copper samples were taken in June 2008 and all of the results were below the action level. Lead and Copper samples will be taken again in June 2011.

Golden Corridor Water Company  
 Operating Fund Report  
 For the Period April, 2010 - September 2010

|                                       | April | May   | June  | July    | August | September |
|---------------------------------------|-------|-------|-------|---------|--------|-----------|
| Revenues                              | 2,683 | 3,501 | 3,405 | 3,821   | 4,193  | 3,572     |
| Operating Expense:                    |       |       |       |         |        |           |
| Purchased Power                       |       |       |       |         |        |           |
| Purchased Water                       | 1,082 | 1,299 | 1,416 | 1,823   | 1,830  | 1,887     |
| Management Fee                        | 1,000 | 1,000 | 1,000 | 1,000   | 1,000  | 1,000     |
| Repairs:                              |       |       |       |         |        |           |
| Labor                                 | -     | -     |       | 2,668   | 101    |           |
| Materials                             | -     | -     |       | 4,614   |        | 43        |
| Transportation                        | -     | -     |       | 528     | 18     |           |
| Newspaper - Public Notices            | -     | -     |       |         |        |           |
| Outside Services - Operator of Record | -     | -     |       |         |        |           |
| Sales tax on revenues                 | 170   | 222   | 216   | 276     | 303    | 168       |
| Property Taxes                        | 130   | 130   | 130   | 130     | 130    | 130       |
| Total Expenses                        | 2,382 | 2,651 | 2,762 | 11,040  | 3,382  | 3,228     |
| Interest Charges @ 6.32%              |       |       |       |         |        |           |
| Monthly Result                        | 301   | 850   | 643   | (7,219) | 811    | 344       |
| Contract to Date Balance              | 7,500 | 8,350 | 8,993 | 1,774   | 2,585  | 2,929     |