

OPEN MEETING AGENDA ITEM



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**BEFORE THE ARIZONA CORPORATION COMMISSION
RECEIVED**

COMMISSIONERS

KRISTIN K. MAYES, CHAIRMAN
GARY PIERCE
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SANDRA D. KENNEDY
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2010 NOV 19 P 3:21

AZ CORP COMMISSION
DOCKET CONTROL

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IN THE MATTER OF THE APPLICATION OF LITCHFIELD PARK SERVICE COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANTS AND PROPERTY AND FOR INCREASES IN ITS WATER AND WASTEWATER RATES AND CHARGES FOR UTILITY SERVICE BASED THEREON.

DOCKET NO. SW-01428A-09-0103

IN THE MATTER OF THE APPLICATION OF LITCHFIELD PARK SERVICE COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANTS AND PROPERTY AND FOR INCREASES IN ITS WATER RATES AND CHARGES FOR UTILITY SERVICE BASED THEREON.

DOCKET NO. W-01427A-09-0104

IN THE MATTER OF THE APPLICATION OF LITCHFIELD PARK SERVICE COMPANY, AN ARIZONA CORPORATION, FOR AUTHORITY (1) TO ISSUE EVIDENCE OF INDEBTEDNESS IN AN AMOUNT NOT TO EXCEED \$1,755,000 IN CONNECTION WITH (A) THE CONSTRUCTION OF TWO RECHARGE WELL INFRASTRUCTURE IMPROVEMENTS AND (2) TO ENCUMBER ITS REAL PROPERTY AND PLANT AS SECURITY FOR SUCH INDEBTEDNESS.

DOCKET NO. W-01427A-09-0116

Arizona Corporation Commission
DOCKETED

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1 IN THE MATTER OF THE APPLICATION OF
2 LITCHFIELD PARK SERVICE COMPANY,
3 AN ARIZONA CORPORATION, FOR
4 AUTHORITY (1) TO ISSUE EVIDENCE OF
5 INDEBTEDNESS IN AN AMOUNT NOT TO
6 EXCEED \$1,170,000 IN CONNECTION WITH
7 (A) THE CONSTRUCTION OF ONE 200 KW
8 ROOF MOUNTED SOLAR GENERATOR
9 INFRASTRUCTURE IMPROVEMENTS AND
10 (2) TO ENCUMBER ITS REAL PROPERTY
11 AND PLANT AS SECURITY FOR SUCH
12 INDEBTEDNESS.

DOCKET NO. W-01427A-09-0120

**CITY OF LITCHFIELD PARK'S
NOTICE OF FILING SUBSTITUTE
PROPOSED AMENDMENT TO
RECOMMENDED OPINION AND
ORDER**

9 The City of Litchfield Park (the "City") hereby files a Substitute Proposed
10 Amendment to the Recommended Opinion and Order relating to rate design and withdraws
11 its proposed amendment filed October 20, 2010 in the above-referenced dockets.

12
13 After reviewing the alternative rate designs submitted by Staff on November 1,
14 2010 and the information on bill impacts filed by the Company on November 15, 2010, the
15 City believes the rate designs reflected by JMM-G-1 and JMM-F-1 (40,000 and 30,000 gallon
16 tier breaks respectively for residential 1" meters and providing a 7.5% return on fair value
17 rate base)¹ are the most appropriate of the rate designs that have presented in this matter. The
18 City prefers JMM-G-1, with a break point of 40,000 gallons for the third tier of 1" meters.

19
20 By lowering the monthly minimums and adjusting the gallonage rates from that
21 set forth in the Staff's original alternative rates presented at hearing (and recommended by
22 Administrative Law Judge Nodes), the rate design provides a reasonable balance between the
23 impacts on small and large users, while still promoting conservation.
24

25

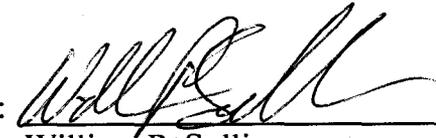
¹ In the event the Commission approves an 8.7 rate of return, then the City supports Staff schedules JMM-C-1 (40,000 gallons break point) or JMM B-1 (30,000 gallon break point).

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Attached as Exhibit A is a proposed amendment to adopt these rates in lieu of those contained in the Recommended Opinion and Order. This proposed amendment substitutes for the proposed amendment filed by the City on October 20, 2010.

DATED this 19th day of November, 2010.

CURTIS, GOODWIN, SULLIVAN,
UDALL & SCHWAB, P.L.C.

By: 

William P. Sullivan
Susan D. Goodwin
Larry K. Udall
501 East Thomas Road
Phoenix, Arizona 85012-3205
Attorneys for the City of Litchfield Park

1 **PROOF OF AND CERTIFICATE OF MAILING**

2 I hereby certify that on this 19th day of November, 2010, I caused the foregoing
3 document to be served on the Arizona Corporation Commission by delivering the original and thirteen
4 (13) copies of the above to:

5 Docket Control
6 Arizona Corporation Commission
7 1200 West Washington
8 Phoenix, Arizona 85007

9 COPY of the foregoing e-mailed and
10 hand delivered this 19th day of
11 November, 2010 to:

12 Janice Alward, Esq.
13 Legal Division
14 Arizona Corporation Commission
15 1200 West Washington
16 Phoenix, Arizona 85007

17 Dwight D. Nodes
18 Administrative Law Judge
19 Hearing Divisions
20 Arizona Corporation Commission
21 1200 West Washington
22 Phoenix, Arizona 85007

23 Steve Olea, Director
24 Utilities Division
25 Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

COPY of the foregoing e-mailed
and mailed this 19th day of
November, 2010 to:

Jay L. Shapiro
Todd C. Wiley
FENNEMORE CRAIG PC
3003 N. Central Ave., Suite 2600
Phoenix, Arizona 85012
Attorneys for Litchfield Park Service Co.

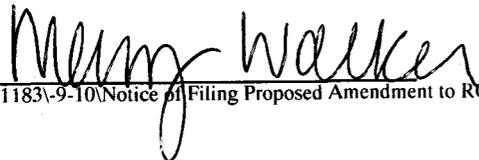
1 Michelle Wood, Counsel
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2 1110 West Washington Street, Suite 220
Phoenix, Arizona 85007-2958

3
4 Martin Aronson
Robert J. Moon
Morrill & Aronson, PLC
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Phoenix, Arizona 85012-0000

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7 Craig A. Marks
Craig A. Marks PLC
10645 North Tatum Blvd., Ste 200-676
8 Phoenix, Arizona 85028

9 Copies of the foregoing mailed this
19th day of November, 2010 to:

10 Chad & Jessica Robinson
15629 W. Meadowbrook Ave.
11 Goodyear, Arizona 85395

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13 
14 11831-9-10 Notice of Filing Proposed Amendment to ROO

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EXHIBIT A

AMENDMENT
PROPOSED BY CITY OF LITCHFIELD PARK
(RATE DESIGN)

COMPANY: Litchfield Park Service Company AGENDA ITEM NO. 15

DOCKET NO. SW-0148A-09-0103, OPEN MEETING DATE: 10-19-10
W-01427A-09-0104, W-01427A-09-0116,
W-01427A-09-0120

Page 68, Line 11 INSERT new Paragraph

“During the Commission’s Open Meeting deliberations on October 19th and 20th Commission Staff was asked to provide further rate design options with a third tier break point greater than 13,000 gallons for residential 1” meters. Staff docketed several options on November 1, 2010.”

Page 68, Line 12 after “Staff” INSERT “rate design referenced as JMM-G-1¹ providing a lower monthly minimum, altering the gallonage charges and setting the break point for residential 1” meters at 40,000 gallons”

Page 68, Line 17 between “the” and “Staff” INSERT “selected”

Delete Page 68, Line 20 through Page 69, Line 8.

Page 69, Line 9 after “design” INSERT “JMM-G-1”²

Make all conforming changes, including without limitation, the Discussion at Page 73, Line 17 through Page 75, Line 8, Findings of Fact 42 through 45 and Exhibits B and C.

¹ For this is associated with a 7.5% ROR and a third tier break at 40,000 gallons (preferred by the City). For an 8.7% ROR and a third tier break at 40,000 gallons the reference would be to JMM-C-1. If the Commission were to select a 7.5% ROR and a third tier break at 30,000 gallons, the reference would be to JMM-F-1. And for an 8.7% ROR and a third tier break at 30,000 gallons the reference would be to JMM-B-1.

² Use same rate design reference as above.