



RECEIVED  
BEFORE THE ARIZONA CORPORATION COMMISSION

2011 JUN -1 P 4: 34

AZ CORP COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

JUN 7 2011

DOCKETED BY

GARY PIERCE  
Chairman

BOB STUMP  
Commissioner

PAUL NEWMAN  
Commissioner

SANDRA D. KENNEDY  
Commissioner

BRENDA BURNS  
Commissioner

IN THE MATTER OF THE APPLICATION )  
OF ARIZONA-AMERICAN WATER )  
COMPANY, AN ARIZONA )  
CORPORATION, FOR A )  
DETERMINATION OF THE CURRENT )  
FAIR VALUE OF ITS UTILITY PLANT )  
AND PROPERTY AND FOR INCREASES )  
IN ITS RATES AND CHARGES BASED )  
THEREON FOR UTILITY SERVICE BY ITS )  
AGUA FRIA WATER DISTRICT, HAVASU )  
WATER DISTRICT, AND MOHAVE )  
WATER DISTRICT. )

DOCKET NO. W-01303A-10-0448

**RESPONSE TO APPLICATION OF KENNETH HEWITT**

Arizona-American Water Company ("Arizona-American" or "Company") files this response to the Application to Require Arizona-American Water Company's Application to Be Corrected filed on June 3, 2011 by Kenneth Hewitt.

In response to the first issue raised by Mr. Hewitt, attached as Exhibit 1 to this Response is a more recent Compliance Status Report dated April 25, 2011, which properly notes that the water system at issue does utilize surface water.

1 Mr. Hewitt also claims that the Company should revise its testimony to address the  
2 use of wells in the Agua Fria Water District. The Company does not allege in its  
3 testimony that it has taken existing wells out of service as Mr. Hewitt claims. Rather, the  
4 testimony cited by Mr. Hewitt relates to future wells. The production savings in relation  
5 to the existing wells is set forth in Mr. Crooks' direct testimony. Actual production  
6 savings for months since that testimony was filed will be provided in Mr. Crooks' rebuttal  
7 testimony due July 2011.

8 Finally, Mr. Hewitt requests that a second notice be issued based on the possibility  
9 of issues with the Company's notification. The Company provided notification in  
10 accordance with the Commission's procedural order dated January 20, 2011. *See*  
11 Affidavit of Publication dated March 21, 2001. In addition to published notice, the  
12 Company provided bill inserts to affected customers regarding the proposed rate increase  
13 as required by the Commission. As noted in the Procedural Order, this notice is deemed  
14 complete "notwithstanding the failure of an individual customer to read or receive the  
15 notice." Given Mr. Hewitt's concerns regarding notice to customers in Sun City Grand, it  
16 is also important to note that the Sun City Grand Community Association, which claims to  
17 represent residential and commercial customers in that community, is an intervenor in this  
18 matter. For these reasons, it is not appropriate or necessary to order any additional notice  
19 or require the Company to perform the survey recommended by Mr. Hewitt.

20  
21 RESPECTFULLY SUBMITTED this <sup>7<sup>th</sup></sup> day of June, 2011.

22 LEWIS AND ROCA LLP

23 

24 \_\_\_\_\_  
25 Thomas H. Campbell  
26 Michael T. Hallam  
40 North Central Avenue  
Phoenix, AZ 85004  
Attorneys for Arizona-American Water  
Company

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

ORIGINAL and thirteen (13) copies  
of the foregoing filed  
this 7<sup>th</sup> day of June, 2011, with:

The Arizona Corporation Commission  
Utilities Division – Docket Control  
1200 W. Washington Street  
Phoenix, Arizona 85007

Copy of the foregoing hand-delivered  
this 7<sup>th</sup> day of June, 2011, to:

Steve Olea  
Utilities Division  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 85007

Teena Jibilian, Administrative Law Judge  
Hearing Division  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 85007

Janice Alward, Chief Counsel  
Charles Hains  
Legal Department  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 85007

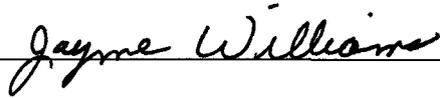
Copy of the foregoing mailed  
this 7<sup>th</sup> day of June 2011, to:

Michelle Wood  
Residential Utility Consumer Office  
1110 W. Washington Street, Suite 220  
Phoenix, AZ 85007

Greg Patterson, Director  
Water Utility Association of Arizona  
916 W. Adams, Suite 3  
Phoenix, AZ 85007

Joan S. Burke  
Law Office of Joan S. Burke  
16150 N. First Ave  
Phoenix, AZ 85003  
Attorney for Corte Bella

1 Kenneth Hewitt  
18729 N. Palmero Court  
2 Surprise, AZ 85387  
David M. Paltzik  
3 Melissa Goldenberg  
Greenberg Traurig, LLP  
4 2375 E. Camelback Rd, Suite 700  
Phoenix, AZ 85016  
5 Michele L. Van Quathem  
Ryley Carlock & Applewhite, P.A.  
6 One North Central, Suite 1200  
Phoenix, AZ 85004-4417  
7 Attorneys for Verrado and DMB

8  
9   
10

11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

**EXHIBIT 1**



**Maricopa County**  
Environmental Services Department

**PUBLIC WATER SYSTEM COMPLIANCE STATUS REPORT**

System Name: AAWC – Agua Fria  
PWS ID#: 07-695

Type of System: Community Number of POE's: 9 Surface Water: Yes  
Number of Service Connections: 22,300 Population Served: 52,400

Assigned Monitoring Dates - Initial: 1/1/93 Phase II: 1/1/93 Phase V: 1/1/93

Does the water system have a Certified Operator? Yes.

Does the system have major treatment plant deficiencies? No  
Please describe: \_\_\_\_\_

Date of last inspection: December 16, 2010

Does the system have major O & M deficiencies? No  
Please describe: \_\_\_\_\_

Does the system have water quality monitoring/reporting deficiencies? No.  
Please describe: \_\_\_\_\_

General Public Water System Compliance Status? Compliant

Date of compliance review: 4/25/11 By: Rob Collins Initials: RC  
Phone: (602) 506-0719

Requested By: AAWC; Roman Diaz Fax Number/ Contact: \_\_\_\_\_ Tracking Number: \_\_\_\_\_