

INTERVENTION



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BEFORE THE ARIZONA CORPORATION COMMISSION

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IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS ANTHEM WATER DISTRICT AND ITS SUN CITY WATER DISTRICT, AND POSSIBLE RATE CONSOLIDATION FOR ALL OF ARIZONA AMERICAN WATER COMPANY'S DISTRICTS.

DOCKET NO. W-01303A-09-0343

IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS ANTHEM/AGUA FRIA WASTEWATER DISTRICT AND ITS SUN CITY WEST WASTERWATER DISTRICT, AND POSSIBLE RATE CONSOLIDATION FOR ALL OF ARIZONA AMERICAN WATER COMPANY'S DISTRICTS.

DOCKET NO. SW-01303A-09-0343

CORTE BELLA COUNTRY CLUB ASSOCIATION, INC.'S MOTION / APPLICATION TO INTERVENE

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1 Pursuant to A.A.C. R14-3-105 and the Procedural Order Setting Hearing for
2 Consideration of Compliance Application dated April 27, 2011, Corte Bella Country Club
3 Association, Inc. ("Corte Bella"), hereby respectfully requests that it be given leave to
4 participate as an Intervener in the above-captioned proceeding. This request is supported
5 by the following Memorandum of Points and Authority.
6

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8 **MEMORANDUM OF POINTS AND AUTHORITIES**

9 **I. BACKGROUND**

10 **A. Description of Corte Bella**

11 Corte Bella is an Arizona non-profit corporation that operates as a homeowners'
12 association as defined in the Arizona Planned Community Act – via A.R.S. § 33-1801, *et*
13 *seq.* Corte Bella is an age-restricted community that contains approximately 1,650
14 improved lots within Sun City West, Arizona. Corte Bella is located within the
15 Anthem/Agua Fria Wastewater District that is the subject of the above-captioned
16 application made by Arizona American Water Company (the "Applicant").
17
18

19 **B. The Anthem/Agua Fria District**

20 On or about June 19, 1998, the Arizona Corporation Commission ("ACC") issued
21 decision no. 60975, approving two Certificates of Convenience and Necessity ("CC&N")
22 for water and wastewater management, which were granted to Citizens Water Services
23 Company of Arizona ("Citizens Water") and set initial rates for the Anthem/Agua Fria
24 Wastewater District. By decision no. 63584 entered on or about April 24, 2001, the ACC
25 approved the Applicant's acquisition of Citizens Water; and, consequently, the Applicant's
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purchase of the right to service the Anthem/Agua Fria Wastewater District.

On or about December 28, 2001, by decision no. 64307, the ACC approved an extension of the Anthem/Agua Fria Water District CC&N to include service for the Verrado service area. By virtue of that decision, those ratepayers within the Verrado District paid the same amounts as those ratepayers already within the Anthem/Agua Fria Wastewater District, except for an initial hook-up fee for tying into the utility.

Thereafter, on or about April 17, 2002, by decision no. 64746, the ACC approved an extension of the Anthem/Agua Fria Water District CC&N to include the Russell Ranch service area. Finally, on August 20, 2002, by decision no. 64746, the ACC approved an extension of the Anthem/Agua Fria Water District CC&N to include the Northeast Agua Fria service area, creating the current composition of the Anthem/Agua Fria Wastewater District.

C. The Current Application

Per decision no. 72047, the ACC approved an overall rate increase of 53.98% for the Anthem/Agua Fria Wastewater District. Within that same decision, the ACC requested the Applicant to file an application supporting consideration of a deconsolidation of the Anthem and Agua Fria service areas.

II. ARGUMENT FOR INTERVENTION

Per decision no. 72047, and on April 1, 2011, the Applicant filed its "Compliance Application to Support Consideration of Stand-Alone Revenue Requirements and Rate Designs for the Anthem/Agua Fria Wastewater District." Within that Application, the

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1 Applicant, by and through its expert witness rate analyst, Ms. Sandra L. Murrey, noted that
2 upon deconsolidation, the newly created stand-alone Anthem Wastewater District would
3 experience a rate increase of only 15.5% of those rates paid by its current ratepayers.
4
5 Conversely, in order to meet the increased rate hike approved by the ACC in decision no.
6 72047, the Agua Fria Wastewater District would experience a 139.7% increase in rates
7
8 paid by its current ratepayers.

9 Obviously, such a dramatic and disproportionate rate increase would have long
10 lasting effects upon Corte Bella and its residents. Accordingly, Corte Bella hereby moves
11
12 to intervene in the matter to enable it to have an opportunity to fully examine its position
13 relative to the Applicant's application, and to submit any testimony and/or evidence
14 believed by Corte Bella to be necessary to allow the ACC to issue its decision.

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16 **A. Nature of Corte Bella's Intervention**

17 If granted intervention, Corte Bella will participate in the above-captioned
18 proceeding through a combination of (i) cross-examination of the witnesses and other
19 parties as to matters relevant to Corte Bella's interests and concerns, and (ii) presentation
20
21 of an evidentiary case through witnesses and other parties.

22 **B. Corte Bella's Intervention Will Not Cause Delay**

23
24 Corte Bella's intervention and participation in this matter will not cause delay or
25 broaden the issues to be addressed therein.

26 **C. Applicable Contact Information**

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28 The name, address, telephone number, facsimile number and email address of the

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attorneys for Corte Bella, upon whom service of all documents is to be made, are:

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III. CONCLUSION

Based upon the foregoing, Corte Bella's intervention and participation in the above-captioned matter is appropriate. Corte Bella requests that its Motion / Application to Intervene be granted – such that it can participate as an intervening party of record in this case.

DATED this 21st day of June 2011.

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