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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

GARY PIERCE, Chairman
SANDRA D. KENNEDY
PAUL NEWMAN
BOB STUMP
BRENDA BURNS

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

**Notice of Filing Verrado
Community Association, Inc.'s
Direct Testimony on Rate Design**

Verrado Community Association, Inc., through its undersigned counsel, hereby provides notice of filing the Direct Testimony of Melinda Gulick in the above-referenced matter.

DATED this 5th of July, 2011

RYLEY CARLOCK & APPLEWHITE

By Michele Van Quathem

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Arizona Corporation Commission
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1 ORIGINAL and 13 copies of the foregoing
2 filed this 5th day of July, 2011, with:

3 Docket Control
4 Arizona Corporation Commission
5 1200 W. Washington
6 Phoenix, Arizona 85007

7 COPY of the foregoing mailed this
8 5th day of July, 2011, to:

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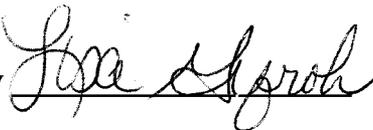
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By 

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 COMMISSIONERS

3 GARY PIERCE, Chairman
4 SANDRA D. KENNEDY
5 PAUL NEWMAN
6 BOB STUMP
7 BRENDA BURNS

Docket No. W-01303A-10-0448

7 IN THE MATTER OF THE APPLICATION
8 OF ARIZONA-AMERICAN WATER
9 COMPANY, AN ARIZONA
10 CORPORATION, FOR A
11 DETERMINATION OF THE CURRENT
12 FAIR VALUE OF ITS UTILITY PLANT
13 AND PROPERTY AND FOR INCREASES
14 IN ITS RATES AND CHARGES BASED
15 THEREON FOR UTILITY SERVICE BY
16 ITS AGUA FRIA WATER DISTRICT,
17 HAVASU WATER DISTRICT, AND
18 MOHAVE WATER DISTRICT

15 **Direct Testimony**

16 **of**

17 **Melinda Gulick**

18 **on behalf of Verrado Community Association, Inc.**

19 **July 5, 2011**

1 **Q. Please state your name, position, business address, and telephone number.**

2 A. My name is Melinda Gulick. I am the current President of Verrado Community
3 Association, Inc. (the "Association"). I am also employed by DMB Associates as Vice
4 President of Community Life. My business address for the Association is 4236 North
5 Verrado Way, Suite A200, Buckeye, Arizona 85396.
6

7 **Q. Have you previously testified before the Commission?**

8 A. I previously provided Direct Testimony on June 27, 2011, in this matter.

9 **Q. What is the purpose of your testimony?**

10 A. As a follow-up to my previous testimony, the purpose of my testimony today is to
11 describe the Association's position regarding rate design.

12 **Q. Does the Association have any position regarding rate tiers for potable irrigation
13 rates?**

14 A. The Association agrees with Arizona-American Water Company's proposed flat rate
15 design for all levels of use under the proposed Agua Fria Irrigation rates, although
16 disagrees that the rates should be raised so high. The Association already has a
17 significant economic incentive to conserve water and reduce its overall water usage under
18 the current rate, and has already taken significant steps in this area. Additional tiers
19 would not encourage further conservation, and instead would simply punish the
20 Association for water use it cannot reasonably stop. The Association is legally obligated
21 under the community's Charter to maintain the landscaping on common area tracts it
22 owns for the benefit of the members of the Association. The Association meets that
23 obligation as efficiently as possible; however, the Association cannot materially change
24 the landscaping palette or design without approval.
25

26 **Q. Does this conclude your testimony in this case?**

27 A. Yes.
28