

ORIGINAL



0000128806

28

BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

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
27
28

CARL J. KUNASEK

Chairman

JIM IRVIN

Commissioner

WILLIAM A. MUNDELL

Commissioner

OCT -5 P 3:59

AZ CORP COMMISSION
DOCUMENT CONTROL

IN THE MATTER OF THE APPLICATION)
OF VAIL WATER COMPANY FOR)
AUTHORITY TO ISSUE PROMISSORY)
NOTE(S) AND OTHER EVIDENCES OF)
INDEBTEDNESS PAYABLE AT PERIODS)
OF MORE THAN TWELVE MONTHS AFTER)
THE DATE OF ISSUANCE)

DOCKET NO. W-01651B-99-0351

Arizona Corporation Commission

DOCKETED

OCT 05 1999

DOCKETED BY [Signature]
DOCKET NO. W-01651A-99-0406

IN THE MATTER OF THE APPLICATION)
OF VAIL WATER COMPANY FOR AN)
INCREASE IN ITS WATER RATES FOR)
CUSTOMERS WITHIN PIMA COUNTY,)
ARIZONA)

STAFF'S RESPONSE TO APPLICANTS OPPOSITION TO MOTION TO CONSOLIDATE.

Vail Water Company (hereinafter "Vail") has filed opposition to Staff's Motion to Consolidate Docket No. W-01651B-99-0351 and No. W-01651A-99-0406 on the grounds that such consolidation will delay needed financing from the Water Infrastructure Finance Authority of Arizona ("WIFA").

According to the Binding Commitment Resolution No. 99-019 attached to the Finance Application, Vail must obtain rate increases sufficient to generate 1.2 times net revenues coverage.

Pursuant to Vail's Emergency Application for an Increase in Rates, at present time, the company is unable to pay its operating costs.

It is Staff's opinion that Vail would be unable to support the proposed increased debt and maintain the net revenue coverage necessary to qualify for the WIFA financing.

10000 - 0000 - 0000

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
27
28

As a result, Staff requests that the finance application and rate application be consolidated.

RESPECTFULLY SUBMITTED this 5th day of October, 1999.

By: *Robert J. Metli*

Robert J. Metli
Attorney, Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007
(602) 542-3402

The original and ten (10) copies
of the foregoing were filed
this 5th day of October, 1999, with:

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

Copies of the foregoing were
mailed this 5th day of
October, 1999, to:

Richard L. Sallquist
2525 East Arizona Biltmore Circle, Suite 117
Phoenix, Arizona 85016
Attorneys for Vail Water Company

Hugh Holub, Esq.
1180 Circulo, Car ario
Rio Rico, Arizona 85648
Attorneys for Vail Water Company

Lawrence V. Robertson
Munger Chadwick, P.L.C.
National Bank Plaza
333 N. Wilmot, Suite 300
Tucson, Arizona 85711
Attorneys for Intervenor Treasure Group, Inc.

Angela Bennett