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ARIZONA CORPORATION COMMISSION
BEFORE THE ARIZONA CORPORATION COMMISSION

DOCKETED

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-1998351

DOCKETED BY [Signature]

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

DOCKET NO. W-01651A-99-0406

APPLICANT'S REPLY TO MOTION
TO CONSOLIDATE

Vail Water Company (hereinafter "Vail") hereby files to Reply to Staff's Response to Vail's opposition to Staff's Motion to Consolidate.

In an apparent attempt to avoid the preparation of a separate Staff Report, Staff insists that the Company's Rate Case and Financing Application must be processed and heard together because they are related. It is submitted that all regulatory matters for a company before the Commission are "related", be it a rate financing or even certificate hearing. They all impact on plant, rates and customer service. What Staff steadfastly refuses to acknowledge is that there is a orderly sequence to processing these applications that has a practical impact on the Company and its customers needs.

It is evident from the record before this Commission that the Company must add substantial plant to both comply with ADEQ requirements and to serve its customers. The record as developed in the Emergency Rate Case clearly demonstrated the fact that over 700 of Vail's customers are

1 We urge the Hearing Officer to accommodate the Company in its attempt to provide quality
2 service to its customers by assisting in the process of obtaining the WIFA approval necessary to
3 intertie the operating systems of the Company and provide back-up service to the 700 customers
4 totally reliant upon a single well.

5 Respectfully submitted this 12th day of October, 1999.

6 SALLQUIST & DRUMMOND, P.C.

7 By Richard L. Sallquist
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11 Attorney for Vail Water Company

11 Original and ten copies of the
12 foregoing filed this 12th day
13 of October, 1999, with:

13 Docket Control
14 Arizona Corporation Commission
15 1200 West Washington
16 Phoenix, Arizona 85007

15 A copy mailed of the
16 foregoing this 12th day
17 of October, 1999, with:

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22 Phoenix, Arizona 85007

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