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September 21, 2011

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

Arizona Corporation Commission
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AZ CORP COMMISSION
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Re: Goodman Water Company
Docket No. W-02500A-10-0382

To Whom It May Concern:

Enclosed for filing in the above-referenced proceeding are fourteen (14) copies of the Notice of Errata regarding the Proposed Settlement Agreement between Goodman Water Company, and Intervenor James Schoemperlen, Lawrence Wawrzyniak, and Residential Utility Consumer Office, dated September 15, 2011.

Please take notice of the following error and correction:

- On page 2, section 1.9, the Revenue Increase amount for RUCO should read \$8,715, not \$603,174.

We apologize for this inadvertent error and thank you for your assistance in docketing the enclosed correction.

Sincerely,

Robert J. Metli

cc: All parties w/enclosures

1.9 The parties' litigation positions for hearing associated with proposed revenue increase and FVRB were as follows:

	Revenue Increase	% Increase	FVRB
Company	\$260,649	43.85%	\$2,298,376
Staff	\$202,604	34.08%	\$2,077,253
RUCO	\$ 8,715	1.47%	\$1,755,118
Intervenors	\$-77,517	-13.04%	\$1,317,239
Settlement	\$138,000	23.21%	\$1,755,118

1.10 The hearing in this matter commenced on July 26, 2011 and continued through July 28, 2011, but did not conclude. At the end of the third day of the hearing, all parties agreed that the matter would reconvene on September 12 and 13, 2011, at the Arizona Corporation Commission's Tucson offices.

1.11 Shortly after the hearing concluded, representatives of Goodman approached RUCO to inquire as to whether RUCO and the Individual Intervenors would be interested in a possible settlement of the issues contested in the rate case. Given the amount of anger and resentment towards the Company in the Eagle Crest Community resulting from the filing of the rate case, the principals of Goodman decided to reach out to the Intervenors and the community, in an effort to reach an agreement that would be acceptable to all interested parties and begin to heal the rift in the Community.

1.12 Given the relative litigation positions of RUCO and the Individual Intervenors (see, paragraph 1.9 above), the Company decided to first explore settlement with those parties before involving the Commission's Staff ("Staff"). It was the Company's rationale that they did not want to waste Staff resources in pursuing settlement if an agreement could not first be reached with RUCO and the Individual Intervenors.

1.13 The Signatory Parties agree that the negotiation process undertaken in this matter was open to all Intervenors and provided all Intervenors with an equal opportunity to participate. All Intervenors were notified of the settlement process and encouraged to participate.

1.14 On or about August 19, 2011, a settlement conference was scheduled at the offices of RUCO. In attendance were representatives of Goodman, RUCO, Mr. Schoemperlen and Mr. Wawrzyniak. On August 26, 2011, a second settlement meeting was held in the vicinity of Eagle Crest with the same parties in attendance. In addition, both principals of Goodman were present. Staff was not yet a party to the settlement negotiations. Subsequently, the Staff was apprised of the contents of the Settlement Agreement and indicated that it did not intend to become a party to the same.