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COMMISSIONERS

GARY PIERCE, Chairman
BOB STUMP
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Arizona Corporation Commission

2011 SEP 21 P 3:45

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SEP 21 2011

AZ CORP COMMISSION
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[Signature]

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION
OF ARIZONA WATER COMPANY TO
EXTEND ITS CERTIFICATE OF
CONVENIENCE AND NECESSITY IN
CASA GRANDE, PINAL COUNTY,
ARIZONA

Docket No. W-01445A-03-0559

**ARIZONA WATER COMPANY'S
MOTION TO COMPEL
RESPONSES TO DATA
REQUESTS AND REQUEST FOR
PROCEDURAL CONFERENCE**

On August 15, 2011, in preparation for the upcoming hearing in this matter, Arizona Water Company served its Third Set of Data Requests (the first set served since the most recent remand of this matter for further hearings) on Cornman Tweedy 560, LLC ("Cornman Tweedy"). On August 29, 2011, Arizona Water Company served follow-up discovery, its Fourth Set of Data Requests, on Cornman Tweedy. After seeking an extension, Cornman Tweedy served its responses to the Third Set of Data Requests on September 2, 2011. Cornman Tweedy's responses to the Fourth Set of Data Requests followed on September 16, 2011.

The responses by Cornman Tweedy were remarkable: Cornman Tweedy refused to answer each and every one of Arizona Water Company's substantive data requests in both sets. Instead, Cornman Tweedy objected to the data requests (refusing to answer Requests 3-1 through 3-31 in the Third Set and 4-1 through 4-35 in the Fourth Set), and answered only Requests 3-32 and 3-33, which simply called for copies of data requests to and from

Bryan Cave LLP
Two North Central Avenue, Suite 2200
Phoenix, Arizona 85004-4406
(602) 364-7000

1 Commission Staff. Copies of the Data Requests and Cornman Tweedy's responses that are
2 the subject of this motion are attached as Exhibits A (September 2 responses to Third Set)
3 and B (September 16 responses to Fourth Set).

4 Accordingly, just days from the September 23, 2011 discovery deadline established
5 in the governing July 21, 2011 Procedural Order (a date that was agreed to by the parties),
6 Arizona Water Company has been completely stonewalled in its efforts to prepare for the
7 hearing in this matter. For the following reason, Arizona Water Company seeks an Order
8 compelling Cornman Tweedy to respond fully to its Data Requests, and requests that the
9 Commission set a Procedural Conference for the purpose of adjusting the time deadlines set
10 in the July 21 order to reflect the delays caused by Cornman Tweedy's conduct.

11 The parties met face-to-face and conferred in an effort to resolve their discovery
12 differences on September 13, 2011, but were unable, despite good faith efforts, to do so. It
13 is apparent that the parties have fundamental differences of opinion over the scope of the
14 remaining issues to be heard in this case. The parties need guidance from the Commission
15 as to the appropriate course of discovery and presentation of testimony going forward. At
16 the meeting, the parties agreed that it would be most efficient if they simultaneously filed
17 motions to compel stating their positions with regard to each others' discovery requests on
18 September 21, 2011, and this motion is Arizona Water Company's filing as agreed.

19 As the Administrative Law Judge and Commission Staff are aware, this case has
20 been before the Commission since 2003. In that time, the Commission has twice (at least)
21 determined that Arizona Water Company is the fit and proper water utility service provider
22 for the property owned by Cornman Tweedy. Cornman Tweedy nonetheless seeks to
23 relitigate issues that have been settled since the entry of Decision No. 66893 on April 6,
24 2004 and Decision No. 69722 on July 30, 2007. To Cornman Tweedy, preparation for the
25 upcoming hearing is a one-way street: Arizona Water Company should respond to Cornman
26 Tweedy's data requests, but Cornman Tweedy need not respond to Arizona Water
27 Company's requests.
28

1 **I. PROCEDURAL BACKGROUND**

2 **A. Arizona Water Company's CC&N Is Not Subject to Collateral Challenge.**

3 Arizona Water Company filed its application to extend its CC&N to the area at issue
4 approximately eight years ago, on August 12, 2003. No parties sought to intervene and no
5 members of the public attended the public hearing on February 17, 2004; in particular,
6 Cornman Tweedy and its parent, Robson Communities, were conspicuously absent and
7 raised no objection. See Decision No. 66893 at 2-3. The Arizona Corporation Commission
8 granted Arizona Water Company an extension of its CC&N to provide water utility service
9 in the area at issue in Decision No. 66893 (April 6, 2004). *Id.* at 6. No party sought a
10 rehearing of Decision No. 66893 or challenged it in the courts. By failing to appear,
11 intervene, or to seek rehearing of Decision No. 66893, Cornman Tweedy, its sister
12 companies, Picacho Water Company ("Picacho Water") and Picacho Sewer Company
13 ("Picacho Sewer") and their parent, Robson Communities, waived any right under A.R.S. §
14 40-253 to raise objections concerning the grant of the CC&N extension to Arizona Water
15 Company.

16 After Decision No. 66893 became final and immune to collateral attack, Cornman
17 Tweedy (but not Picacho) was allowed to intervene in the proceeding to address whether or
18 not Arizona Water Company had complied with the conditions contained in Decision No.
19 66893.

20 On July 30, 2007, the Commission issued Decision No. 69722. In that decision, the
21 Commission held that Cornman Tweedy itself had created the circumstances preventing
22 Arizona Water Company from strictly complying with the CC&N extension conditions,
23 Decision No. 69722, ¶ 94, and that "for purposes of compliance, the conditions placed on
24 Arizona Water's CC&N extension in Decision No. 66893 have been fulfilled." *Id.*, ¶ 98.
25 However, the Commission directed that the matter be remanded to "develop a record to
26 consider the overall public interest underlying service to the Cornman property that is
27 included in the extension area granted by Decision No. 66893." *Id.*, ¶ 104. Because the
28

1 Commission had held that Arizona Water Company was a fit and proper entity to hold the
2 CC&N, *id.*, Conclusions of Law, ¶ 3, the Commission made no provision for any further
3 hearings on the fitness of Arizona Water Company or whether Picacho or some other entity
4 should hold the CC&N instead, nor did it grant intervention to Picacho, Robson
5 Communities, or any other party.

6 Pursuant to A.R.S. § 40-253, Cornman Tweedy filed an application for a rehearing
7 and reconsideration of Decision No. 69722 on August 17, 2007. Cornman Tweedy
8 conceded that James P. Paul Water Co. v. Arizona Corp. Comm'n, 137 Ariz. 426, 671 P.2d
9 404 (1983) limited the issues in the remand proceeding to whether Arizona Water Company
10 “can provide adequate service to the Cornman Tweedy property at reasonable rates.”
11 Cornman Tweedy’s Application for Rehearing at 1. Cornman Tweedy further conceded that
12 “if the [remand] proceeding is limited to the narrow issue of whether AWC can provide
13 adequate service at reasonable rates, it would be pointless to even proceed with the remand
14 proceeding.” *Id.* at 3 n.5. Cornman Tweedy asked the Commission to modify Decision No.
15 69722 to defer any decision on whether the conditions subsequent in the prior decision had
16 been fulfilled. *Id.* at 4. The Commission denied Cornman Tweedy’s Application for
17 Rehearing by refusing to act on it within 20 days under A.R.S. § 40-253(A). Cornman
18 Tweedy then failed to seek any further relief from Decision No. 69722 in the superior court,
19 and accordingly that Decision is final as to the issues of public convenience and necessity
20 for Arizona Water Company’s CC&N extension, and Cornman Tweedy is precluded as a
21 matter of law from asserting that Arizona Water Company is unfit to serve.

22 **B. The Issues On Remand.**

23 Following the submission of additional written testimony, due to grave health issues
24 faced by one of Cornman Tweedy’s witnesses, Arizona Water Company and Cornman
25 Tweedy requested that the Commission decide the issues on remand on the submitted
26 record. In a Recommended Opinion and Order (“ROO”) issued November 29, 2010, ALJ
27 Dwight Nodes determined, among other things, that (1) the Commission’s prior
28

1 determination that Arizona Water Company was an appropriate service provider for the
2 extension area was final, (2) that Arizona Water Company's CC&N could only be
3 challenged in a deletion proceeding in accordance with the standards established in James P.
4 Paul, and (3) that Cornman Tweedy had failed to demonstrate that Arizona Water Company
5 was not willing and able to provide water service at reasonable rates to the Cornman
6 Tweedy property. ROO (11/29/2011), ¶¶ 154-156. ALJ Nodes further noted that, as in the
7 present instance, Cornman Tweedy "relies primarily on a host of factors that may be
8 relevant to consideration of competing requests for an initial CC&N, but not for a
9 determination regarding the deletion from an existing CC&N." ROO (11/29/2011), ¶ 157.
10 Among those factors was the lack of integration between Arizona Water Company's water
11 system and a wastewater provider. [Id.]

12 When considering the ROO at the Open Meeting on February 1, 2011, the
13 Commission again remanded this matter, but not for rehearing of any of the issues tried
14 previously. Instead, the case was remanded for the specifically delineated purpose of
15 determining the following issue:

16 "whether a public service corporation, like Arizona Water
17 Company, in this water challenged area and under the
18 circumstances presented in this case, is providing reasonable
19 service if it is not able or not willing to provide integrated water
20 and wastewater service."
21

22 Procedural Order (2/10/2011) at 2 (quoting the Commission). By its own terms, the
23 issue on remand is not limited, as Cornman Tweedy apparently believes, solely to an
24 analysis of Arizona Water Company's operations. Rather, the proper scope of inquiry
25 relates to all Arizona public service corporations, including but not limited to Arizona Water
26 Company, as well as the Robson Communities' captive affiliated utilities. Just as Cornman
27 Tweedy has previously presented evidence on the supposed public benefits of so-called
28 "integrated" water and wastewater service providers (and appears to be seeking to do so

1 again in the upcoming hearing), an analysis of the reasonableness of service provided by the
2 utilities affiliated with Cornman Tweedy's parent, Robson Communities, is relevant.
3 Having refused to cease its efforts to delete Arizona Water's Company's CC&N area,
4 Cornman Tweedy and Robson Communities has brought upon themselves an open inquiry
5 as to whether their so-called "integrated" model of service by entities focused on land
6 development as opposed to public utility service promotes water conservation and is good
7 public policy, and specifically whether a ruling that Arizona Water Company cannot
8 provide "reasonable" service within its CC&N is supportable or justified, either factually or
9 legally.

10 **II. ARGUMENT**

11 Discovery in preparation for the upcoming hearing should not be a one-way street.
12 By arguing that only an "integrated" utility can provide reasonable service (and by inference
13 that Arizona Water Company must lose its CC&N), Cornman Tweedy and its parent,
14 Robson Communities, have "opened the door" into a full analysis of their own track record
15 regarding water conservation and water use in their Arizona land developments. At the
16 upcoming hearing, not only will Arizona Water Company show that it is able and willing to
17 provide water and wastewater services, but Arizona Water Company intends to demonstrate
18 that the theory underlying Cornman Tweedy's continued arguments—that only "integrated"
19 providers can provide reasonable service—is fundamentally flawed, especially when applied
20 to a business focused on land development as opposed to the long term provision of public
21 utility services to Arizona customers.

22 Arizona Water Company's Third and Fourth Sets of Data Requests are narrowly
23 tailored to discover facts that are directly relevant to that issue. They seek information
24 designed to test the issue framed by the most recent remand order, including:

- 25
- 26 ● Is Robson Communities, as a so-called "integrated
27 provider" through its wholly-owned subsidiary utilities, in as
28 good a position as Arizona Water Company to provide water
service to the Cornman Tweedy property in a manner that is

1 consistent with maximizing efficient use of groundwater
2 resources?

3 • What is the service and conservation track record of the
4 Robson Communities' family of utility companies?

5 • Are the Robson Communities utility companies truly
6 "integrated" in every way?

7 • Do the Robson Communities' affiliated utilities work
8 with the development and home sales entities to minimize the
9 use of groundwater and maximize the use of treated wastewater
10 throughout its developments, including the golf courses that are
11 the centerpieces of those land developments?

12 • Has Robson Communities been a good steward of
13 Arizona's water challenged areas and long-term Arizona water
14 supplies?

15 • Are there circumstances where so-called "integrated"
16 providers in the land development business employ the
17 regulatory framework governing water use in a manner that
18 reduces the use of treated wastewater and increases the use of
19 groundwater resources?

20 Simply stated, the issue on remand includes an analysis of whether so-called
21 "integrated" utility providers, especially in the land development context, provide the best
22 model of water conservation in "water challenged areas." Arizona Water Company's Third
23 and Fourth Data Requests are appropriate and relevant to this inquiry, and the Commission
24 should order that they be answered.

25 **III. CONCLUSION**

26 For the foregoing reasons, the Commission should enter an order compelling
27 Cornman Tweedy to respond to Arizona Water Company's Third and Fourth Data Requests,
28 and related follow-up discovery requests that may be necessary, including depositions of
relevant witnesses. Further, a Procedural Conference should be held to discuss revisions to
the time schedule established in the July 21, 2011 Procedural Order, including continuation
of the September 23 discovery deadline to allow for briefing and a resolution of these

1 discovery issues, and adjustments that may be necessary to the filing deadlines and hearing
2 schedule established in that Order that have been necessitated by Cornman Tweedy's refusal
3 to timely respond to Arizona Water Company's requests.

4 RESPECTFULLY SUBMITTED this 21st day of September, 2011.

5 BRYAN CAVE LLP

6
7 By 

8 Steven A. Hirsch, #006360
9 Stanley B. Lutz, #021195
10 Two N. Central Avenue, Suite 2200
11 Phoenix, AZ 85004-4406
12 Attorneys for Arizona Water Company

13 ORIGINAL and 17 copies filed this
14 21st day of September, 2011, with:

15 Docket Control
16 Arizona Corporation Commission
17 1200 W. Washington Street
18 Phoenix, AZ 85007

19 A copy of the foregoing hand-delivered
20 this 21st day of September, 2011, to:

21 Lyn A. Farmer, Esq.
22 Chief Administrative Law Judge
23 Hearing Division
24 Arizona Corporation Commission
25 1200 W. Washington Street
26 Phoenix, AZ 85007

27 Steve Olea
28 Director, Utilities Division
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007

1 Janice Alward, Chief Counsel
2 Legal Division
3 Arizona Corporation Commission
4 1200 W. Washington Street
5 Phoenix, AZ 85007

6 And copies mailed and e-mailed this date, to:

7 Jeffrey W. Crockett, Esq.
8 Brownstein Hyatt Farber Schreck LLP
9 40 North Central Avenue, 14th Floor
10 Phoenix, Arizona 85004

11 Peter M. Gerstman
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14 9532 E. Riggs Road
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Exhibit A

September 2, 2011

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VIA E-MAIL AND U.S. MAIL

Robert W. Geake
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Steven A. Hirsch, Esq.
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Re: *Responses and Objections of Cornman Tweedy 560 to Arizona Water Company's Third Set of Data Requests (Docket W-01445A-03-0559)*

Dear Bob and Steve:

Enclosed are the responses and objections of Cornman Tweedy 560 LLC to Arizona Water Company's Third Set of Data Requests in the above-referenced docket. We believe that substantially all of the data requests exceed the scope of the issue on remand as framed by the Arizona Corporation Commission. However, we would like to hear why Arizona Water Company believes the data requests are relevant to this proceeding. I suggest that we schedule a meeting or call next week to discuss the matter, as well as the objections of Arizona Water Company to certain of Cornman Tweedy's fifth set of data requests.

Sincerely,

BROWNSTEIN HYATT FARBER SCHRECK, LLP



Jeffrey W. Crockett

JWC:jp
Enclosure

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CORNMAN TWEEDY 560'S RESPONSES TO ARIZONA WATER COMPANY'S
THIRD SET OF DATA REQUESTS
DOCKET NO. W-01145A-03-0559

September 2, 2011

- 3-1. Please provide the well registration numbers for all wells of which you are aware that would be, or could be, used to provide water service to the property described in Attachment A to Cornman Tweedy's Fifth Set of Data Requests to Arizona Water Company (the "Cornman Tweedy Property").

Objection: At its February 1, 2011 Open Meeting, the Arizona Corporation Commission voted to send this case back to the Hearing Division for further proceedings to determine "whether a public service corporation, like Arizona Water, in this water challenged area and under the circumstances presented in this case, is providing reasonable service if it is not able or not willing to provide integrated water and wastewater services." This data request is not relevant to the issue on remand framed by the Commission, and it is not calculated to lead to the discovery of evidence that would be relevant or admissible in this proceeding. In addition, the data request is overly broad, unduly burdensome, vague and ambiguous.

- 3-2. Please provide the location, by township, section and range, of each well listed in response to Request No. 3-1 above.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

- 3-3. Please identify the owner of each well listed in response to Request No. 3-1 above and provide a copy of any agreement relating to the provision of water to Cornman Tweedy, Picacho Water Company or any other Robson owned or controlled entity from such well.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

- 3-4. Please identify any source of surface water or surface water rights that are available, or that you believe could be made available, to provide water service to the Cornman Tweedy Property.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

CORNMAN TWEEDY 560'S RESPONSES TO ARIZONA WATER COMPANY'S
THIRD SET OF DATA REQUESTS
DOCKET NO. W-01145A-03-0559

September 2, 2011

- 3-5. Please identify the owner of any surface water or the holder of any surface water rights identified in response to Request No. 3-4 above.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

- 3-6. Please describe any treatment that might be necessary for any of the potential sources of water supply identified in response to Request Nos. 3-1 and 3-4 above.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

- 3-7. Please provide a copy of any agreement related to the provision of surface water to the Cornman Tweedy Property, Picacho Water Company or any other Robson owned or controlled entity.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

- 3-8. Please state whether Picacho Water Company or any other Robson owned or controlled entity has sought an Analysis of Assured Water Supply or a Certificate of Assured Water Supply for the Cornman Tweedy Property.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

- 3-9. Please identify and provide a copy of any Analysis of Assured Water Supply or Certificate of Assured Water Supply applicable to the Cornman Tweedy Property.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

- 3-10. Please provide a copy of any hydrological study related to the sufficiency and suitability of the water supplies identified in response to Request Nos. 3-1 and 3-4, above, to provide water service to the Cornman Tweedy Property.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

CORNMAN TWEEDY 560'S RESPONSES TO ARIZONA WATER COMPANY'S
THIRD SET OF DATA REQUESTS
DOCKET NO. W-01145A-03-0559

September 2, 2011

- 3-11 Please indicate whether any of the sources of water that you identified in response to Request Nos. 3-1 or 3-4, above, are used as sources of supply for any other Robson development or any of Picacho Water Company's certificated area, and provide, by map or otherwise, the legal description for such development(s) and/or certificated area(s).

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

- 3-12 Please provide the Arizona Corporation Commission docket number for each formal complaint to which Picacho Water Company, Picacho Sewer Company and/or any other Robson owned or controlled entity have been a party to from 2003 through the date of your response to this Third Set of Data Requests. Identify, as part of your response, the party making the complaint, the nature of the complaint and the resolution of the complaint.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

- 3-13. For Picacho Water Company and Picacho Sewer Company please identify (1) any persons that are employees of both companies; (2) any persons who are officers of both companies; (3) any ADEQ certified operators that are employed by both Companies, along with the certifications held by such operators; and (4) the boards of directors for each company.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

- 3-14. Please provide a copy of any affiliated interest reports filed with the Arizona Corporation Commission from 2006 to 2010 for any Robson Community affiliates.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

CORNMAN TWEEDY 560'S RESPONSES TO ARIZONA WATER COMPANY'S
THIRD SET OF DATA REQUESTS
DOCKET NO. W-01145A-03-0559

September 2, 2011

3-15. Please provide an organizational chart for all Robson and Robson affiliates showing management and department structure.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

3-16. Please provide a list of any utility assets including, but not limited to, real property, pipelines, storage tanks, booster stations, vehicles or personal property, that are jointly utilized by both Picacho Water Company and Picacho Sewer Company

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

3-17. Please describe how Picacho Water Company's and Picacho Sewer Company's administrative functions are integrated.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

3-18. Please describe how Picacho Water Company's and Picacho Sewer Company's accounting and/or rate structures are integrated.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

3-19. Please provide a list of all developments for which Picacho Water Company (or any Robson affiliated water entity) provides water service but Picacho Sewer Company (or any Robson affiliated wastewater entity) does not provide sewer service, and provide the name of the entity providing sewer service, a description and map of any area so affected.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

CORNMAN TWEEDY 560'S RESPONSES TO ARIZONA WATER COMPANY'S
THIRD SET OF DATA REQUESTS
DOCKET NO. W-01145A-03-0559

September 2, 2011

- 3-20. Please provide a list of all developments for which Picacho Sewer Company (or any Robson affiliated wastewater entity) provides sewer service but Picacho Water Company (or any Robson affiliated water entity) does not provide water service, and provide the name of the entity providing water service, a description and map of any area so affected.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

- 3-21. Please provide a list of any Arizona Department of Water Resources and Arizona Department of Environmental Quality inquiry, complaint, notice of violation or investigation concerning Picacho Water Company or Picacho Sewer Company, or any other Robson entity's provision of non-potable water, effluent, or treated effluent to any golf course, common area, or any other part of any Robson development.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

- 3-22. Please provide a list of all underground storage facility permits held by Picacho Water Company, Picacho Sewer Company or any other Robson Communities affiliate in the State of Arizona. Also, please provide a copy of any such permit.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

- 3-23. Please provide a list of all groundwater savings facilities permits held by Picacho Water Company, Picacho Sewer Company or any other Robson Communities affiliate in the State of Arizona. Also, please provide a copy of any such permit.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

- 3-24. Please provide a list of all water storage permits held by Picacho Water Company, Picacho Sewer Company or any other Robson Communities affiliate in the State of Arizona. Also, please provide a copy of any such permit.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

CORNMAN TWEEDY 560'S RESPONSES TO ARIZONA WATER COMPANY'S
THIRD SET OF DATA REQUESTS
DOCKET NO. W-01145A-03-0559

September 2, 2011

- 3-25. Please provide a list of all recovery well permits held by Picacho Water Company, Picacho Sewer Company or any other Robson Communities affiliate in the State of Arizona. Also, please provide a copy of any such permit.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

- 3-26. For the years 2006-2010, please provide an accounting for all water stored or recovered pursuant to the permits listed in response to requests 3-20 through 3-23 above, including the source of any such stored water, quantities stored or recovered, the entity storing such water and the entity receiving such stored water by year.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

- 3-27. Please provide a copy of any and all agreements that relate to the storage or recovery of stored water between any Robson affiliate.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

- 3-28. Please provide copies of any and all agreements that exist between any Robson affiliate concerning the integration of water and wastewater services, joint use of personnel, sharing of water resources, or equipment.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

- 3-29. For the past ten years, please provide copies of any notice or correspondence received by any Robson affiliate and any responses sent by such Robson affiliate, concerning conservation requirements, water use, annual gallons per capita per day determinations or lost and unaccounted for water.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

CORNMAN TWEEDY 560'S RESPONSES TO ARIZONA WATER COMPANY'S
THIRD SET OF DATA REQUESTS
DOCKET NO. W-01145A-03-0559

September 2, 2011

- 3-30. Please provide copies of any correspondence from any Robson affiliate concerning the acquisition of Central Arizona Project water ("CAP") or any other type of surface water supplies.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

- 3-31. Please indicate whether or not Robson Communities or any of its affiliates has ever sought to secure a long-term contract for CAP or other type of surface water supplies and if so, what person or persons within such affiliate were involved in such efforts.

Objection: See the objection to Data Request 3-1 above, which is incorporated herein by this reference.

- 3-32. Please provide a copy of any data requests from Cornman Tweedy, Picacho Water Company or Picacho Sewer Company to Utilities Division Staff in Docket No. W-01445A-03-0559 and a copy of the responses of the Utilities Division Staff to any such data requests.

Response: Attached hereto as Attachment 1 are the first and second sets of data requests from Cornman Tweedy 560 LLC to Utilities Division Staff in Docket No. W-01445A-03-0559 and the answers of Staff to the data requests.

- 3-33. Please provide a copy of any data requests from the Utilities Division Staff to Cornman Tweedy, Picacho Water Company or Picacho Sewer Company in Docket No. W-01445A-03-0559 and a copy of the responses of Picacho Water Company, Picacho Sewer Company or Cornman Tweedy to any such data requests.

Response: See response to Data Request 3-32 above.

Attachment 1

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ORANGE COUNTY
PHOENIX
SALT LAKE CITY
TUCSON

May 11, 2006

VIA E-MAIL AND FIRST CLASS MAIL

David Ronald, Staff Attorney
Legal Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

**Re: *Cornman Tweedy 560, L.L.C.'s First Set of Data Requests to Utilities
Division Staff in Docket No. W-01445A-03-0559***

Dear David:

Attached is Cornman Tweedy 560, L.L.C.'s First Set of Data Requests to Utilities Division Staff in the above-referenced docket. For each answer, please identify by name each person providing the information that forms the basis for the response provided. Additionally, please consider these data requests as continuing, and modify or supplement your answers and any documents provided with any response in the event Staff obtains additional or updated information which is responsive to any data request. Please provide Staff's responses within ten calendar days of the date of this letter, or by close of business Monday, May 22, 2006.

Respectfully yours,

SNELL & WILMER



Jeffrey W. Crockett

JWC:kp
Enclosure

**CORNMAN TWEEDY 560, L.L.C.'S
FIRST SET OF DATA REQUESTS
TO UTILITIES DIVISION STAFF IN
DOCKET NO. W-01445A-03-0559
MAY 11, 2006**

- CMT 1.1 Did Staff send any data requests to Arizona Water Company in response to the Company's Request for Additional Time to Comply with Filing Requirement dated March 30, 2005, and filed in Docket W-01445A-03-0559? If the answer to this data request is "yes," please provide a copy of the data requests and any responses received from Arizona Water Company.
- CMT 1.2 In its Request for Additional Time to Comply with Filing Requirement dated March 30, 2005, and filed in this docket, Arizona Water Company stated that "*Harvard Investments and Core Group Consultants, Ltd., the developers for the expansion areas, have informed the Company that development in the areas they propose to develop will be delayed for another year.*" Please describe what actions Staff has taken to investigate the truth of Arizona Water Company's statement that Harvard Investments and Core Group Consultants, Ltd., informed Arizona Water Company that development in the areas they propose to develop will be delayed for another year.
- CMT 1.3 Decision 66893 conditionally approved the extension of Arizona Water Company's CC&N to include eleven (11) additional sections of land, or approximately 7,040 acres. Exhibit "3" to Arizona Water Company's Application to Extend Existing Certificate of Convenience and Necessity to Include Additional Territory (the "Application") depicts the property of Harvard Investments as approximately 480 acres and the property of Core Group Consultants, Ltd., as approximately 320 acres, for a combined total of approximately 800 acres. Please answer the following questions:
- (a) Does Staff have any information on the status of development on the approximately 6,240 acres of land that is not being developed by Harvard Investments or Core Group Consultant's, Ltd., but which is within the extension area?
 - (b) If the answer to data request CMT 1.3(a) is "yes," please provide such information.
- CMT 1.4 At the hearing held February 17, 2004, in this docket, the Staff witness recommended that Arizona Water Company be required to file a main extension agreement associated with the extension area within 365 days of a decision in the case. *Decision 66893 at FOF 29.*

**CORNMAN TWEEDY 560, L.L.C.'S
FIRST SET OF DATA REQUESTS
TO UTILITIES DIVISION STAFF IN
DOCKET NO. W-01445A-03-0559
MAY 11, 2006**

- (a) What constituted the "extension area" as that phrase was used in this recommendation?
- (b) At the time Staff made this recommendation, was Staff aware that the properties to be developed by Harvard Investments and Core Group Consultants, Ltd., comprised only about 800 acres of the approximately 7,040 acres included in the requested extension area?
- (c) Was it Staff's intent that Arizona Water Company be required to file copies of executed main extension agreements covering all of the 11 sections comprising the requested extension area in order to comply with this recommendation?

CMT 1.5 Decision 66893 orders that "Arizona Water Company shall file a main extension agreement associated with the extension area more fully described in Exhibit A with the Commission within 365 days of this Decision." *Decision 66893 at page 7, lines 4-6.* In Staff's opinion (as the originator of the recommendation which led to this requirement), what must Arizona Water Company do in order to fully comply with this ordering paragraph?

CMT 1.6 In the Staff Report dated January 9, 2004, in this docket, Staff recommended that Arizona Water Company be required to file a copy of the developers' Certificate of Assured Water Supply related to the proposed extension area within 365 days of the effective date of any decision in this matter. Staff Report dated January 9, 2004 (Docket W-01445A-03-0559) at page 4.

- (a) What constituted the "proposed extension area" as that phrase was used in this recommendation?
- (b) As used in this recommendation, was the term "developers" limited to Harvard Investments and Core Group Consultants, Ltd.?
- (c) If the answer to data request CMT 1.6(b) is "no," then how did Staff define "developers" as that term was used in this recommendation?

**CORNMAN TWEEDY 560, L.L.C.'S
FIRST SET OF DATA REQUESTS
TO UTILITIES DIVISION STAFF IN
DOCKET NO. W-01445A-03-0559
MAY 11, 2006**

- (d) At the time Staff made this recommendation, was Staff aware that the properties to be developed by Harvard Investments and Core Group Consultants, Ltd., comprised only about 800 acres of the approximately 7,040 acres included in the requested extension area?
- (e) Was it Staff's intent that Arizona Water Company be required to file copies of Certificates of Assured Water Supply covering all of the 11 sections comprising the requested extension area in order to comply with this recommendation?

CMT 1.7 Decision 66893 orders that "Arizona Water Company shall file a copy of the Developers' Assured Water Supply for each respective development with the Commission within 365 days of this Decision." *Decision 66893 at page 7, lines 1-3.* In Staff's opinion (as the originator of the recommendation which led to this requirement), what must Arizona Water Company do in order to fully comply with this ordering paragraph?

CMT 1.8 How many written requests for water service have been received by Arizona Water Company for lands located within the area described in Exhibit A to Arizona Corporation Commission Decision 66893?

CMT 1.9 Has Staff ever asked Arizona Water Company to provide written requests for water service for lands located within the area described in Exhibit A to Arizona Corporation Commission Decision 66893?

CMT 1.10 Does Staff know whether any water infrastructure (including but not limited to wells, water storage tanks, booster stations, water transmission mains, service lines, fire hydrants and water treatment facilities) has been constructed within the area described in Exhibit A to Arizona Corporation Commission Decision 66893?

CMT 1.11 Has Arizona Water Company provided to the Arizona Corporation Commission a copy of an executed main extension agreement for any development within the area described in Exhibit A to Arizona Corporation Commission Decision 66893?

**CORNMAN TWEEDY 560, L.L.C.'S
FIRST SET OF DATA REQUESTS
TO UTILITIES DIVISION STAFF IN
DOCKET NO. W-01445A-03-0559
MAY 11, 2006**

- CMT 1.12 Has Arizona Water Company provided to the Arizona Corporation Commission a copy of a certificate of assured water supply for any development located within the area described in Exhibit A to Arizona Corporation Commission Decision 66893.
- CMT 1.13 Please explain why Staff recommended a one-year time period as the appropriate time period for Arizona Water Company to comply with the conditions set forth in Arizona Corporation Commission Decision 66893.
- CMT 1.14 Staff recommended that Arizona Water Company file, within one year of a decision in the docket, a copy of the developers' Certificate of Assured Water Supply related to the proposed extension area and a main extension agreement associated with the extension area. Is one reason that Staff made these two recommendations to ensure that Arizona Water Company is making progress toward providing water service in an area where the public convenience and necessity requires water service?
- CMT 1.15 Please provide a copy of any data requests received by the Staff from Arizona Water Company in this docket (Docket No. W-01445A-03-0559) since March 30, 2005.
- CMT 1.16 Please provide a copy of the responses of Staff to any data requests received from Arizona Water Company in this docket (Docket W-01445A-03-0559) since March 30, 2005.

Crockej\PHX\1831963.1

COMMISSIONERS
JEFF HATCH-MILLER- Chairman
WILLIAM A. MUNDELL
MARC SPITZER
MIKE GLEASON
KRISTIN K. MAYES



BRIAN C. MCNEIL
Executive Secretary

ARIZONA CORPORATION COMMISSION

May 18 2006

RECEIVED

MAY 22 2006

SNELL & WILMER

Jeffrey W. Crockett
One Arizona Center
400 East Van Buren Street
Phoenix, Arizona 85004-2202

Re: Staff's Responses to Cornman Tweedy 560, L.L.C.'s First Data Request
Docket No. W-01445A-03-0559

Dear Mr. Crockett:

Enclosed is Staff's response to Cornman Tweedy 560, L.L.C.'s **first** set of data requests to the Arizona Corporation Commission Utilities Division Staff in the above-referenced matter.

Please do not hesitate to contact me if you have any questions regarding the attached.

Sincerely,

David M. Ronald

David M. Ronald
Attorney, Legal Division
(602) 541-3402

DMR:sab
Enclosure

cc: Steven Olea

**ARIZONA CORPORATION COMMISSION STAFF'S
RESPONSE TO CORNMAN TWEEDY 560, L.L.C.'S
FIRST SET OF DATA REQUESTS
DOCKET NO. W-01445A-03-0559
MAY 17, 2006**

It should be noted that the Utilities Division Staff ("Staff") member that worked on this docket initially and also on the April 30, 2005 request for extension of time, is no longer employed at the Commission. The responses provided below are being provided based on what Staff could glean from its files and Staff's institutional knowledge.

CMT 1.1 Did Staff send any data requests to Arizona Water Company in response to the Company's Request for Additional Time to Comply with Filing Requirement dated March 30, 2005, and filed in Docket W-01445A-03-0559? If the answer to this data request is "yes," please provide a copy of the data requests and any responses received from Arizona Water Company.

Response by Steven Olea, Utilities Division:

Staff could find no record of any and cannot recall any.

CMT 1.2 In its Request for Additional Time to Comply with Filing Requirement dated March 30, 2005, and filed in this docket, Arizona Water Company stated that "*Harvard Investments and Core Group Consultants, Ltd., the developers for the expansion areas, have informed the Company that development in the areas they propose to develop will be delayed for another year.*" Please describe what actions Staff has taken to investigate the truth of Arizona Water Company's statement that Harvard Investments and Core Group Consultants, Ltd., informed Arizona Water Company that development in the areas they propose to develop will be delayed for another year.

Response by Steven Olea, Utilities Division:

None.

**ARIZONA CORPORATION COMMISSION STAFF'S
RESPONSE TO CORNMAN TWEEDY 560, L.L.C.'S
FIRST SET OF DATA REQUESTS
DOCKET NO. W-01445A-03-0559
MAY 17, 2006**

CMT 1.3 Decision 66893 conditionally approved the extension of Arizona Water Company's CC&N to include eleven (11) additional sections of land, or approximately 7,040 acres. Exhibit "3" to Arizona Water Company's Application to Extend Existing Certificate of Convenience and Necessity to Include Additional Territory (the "Application") depicts the property of Harvard Investments as approximately 480 acres and the property of Core Group Consultants, Ltd., as approximately 320 acres, for a combined total of approximately 800 acres. Please answer the following questions:

- (a) Does Staff have any information on the status of development on the approximately 6,240 acres of land that is not being developed by Harvard Investments or Core Group Consultant's, Ltd., but which is within the extension area?

Response by Steven Olea, Utilities Division:

No.

- (b) If the answer to data request CMT 1.3(a) is "yes," please provide such information.

CMT 1.4 At the hearing held February 17, 2004, in this docket, the Staff witness recommended that Arizona Water Company be required to file a main extension agreement associated with the extension area within 365 days of a decision in the case. *Decision 66893 at FOF 29.*

- (a) What constituted the "extension area" as that phrase was used in this recommendation?

Response by Steven Olea, Utilities Division:

The two proposed developments discussed in the Staff Report.

**ARIZONA CORPORATION COMMISSION STAFF'S
RESPONSE TO CORNMAN TWEEDY 560, L.L.C.'S
FIRST SET OF DATA REQUESTS
DOCKET NO. W-01445A-03-0559
MAY 17, 2006**

- (b) At the time Staff made this recommendation, was Staff aware that the properties to be developed by Harvard Investments and Core Group Consultants, Ltd., comprised only about 800 acres of the approximately 7,040 acres included in the requested extension area?

Response by Steven Olea, Utilities Division:

Based on the information in the Staff Report, it seems that Staff was aware that the two proposed developments did not cover the entire 11 sections being requested.

- (c) Was it Staff's intent that Arizona Water Company be required to file copies of executed main extension agreements covering all of the 11 sections comprising the requested extension area in order to comply with this recommendation?

Response by Steven Olea, Utilities Division:

Based on the two responses above – no.

- CMT 1.5 Decision 66893 orders that "Arizona Water Company shall file a main extension agreement associated with the extension area more fully described in Exhibit A with the Commission within 365 days of this Decision." *Decision 66893 at page 7, lines 4-6.* In Staff's opinion (as the originator of the recommendation which led to this requirement), what must Arizona Water Company do in order to fully comply with this ordering paragraph?

Response by Steven Olea, Utilities Division:

File main extension agreements for each of the two developments discussed in the Staff Report.

- CMT 1.6 In the Staff Report dated January 9, 2004, in this docket, Staff recommended that Arizona Water Company be required to file a copy of the developers' Certificate of Assured Water Supply related to the proposed extension area within 365 days of the effective date of any decision in this matter. Staff Report dated January 9, 2004 (Docket W-01445A-03-0559) at page 4.

**ARIZONA CORPORATION COMMISSION STAFF'S
RESPONSE TO CORNMAN TWEEDY 560, L.L.C.'S
FIRST SET OF DATA REQUESTS
DOCKET NO. W-01445A-03-0559
MAY 17, 2006**

- (a) What constituted the "proposed extension area" as that phrase was used in this recommendation?

Response by Steven Olea, Utilities Division:

The two proposed discussed in the Staff Report.

- (b) As used in this recommendation, was the term "developers" limited to Harvard Investments and Core Group Consultants, Ltd.?

Response by Steven Olea, Utilities Division:

It was limited to the two developments discussed in the Staff Report, regardless of who owned them.

- (c) If the answer to data request CMT 1.6(b) is "no," then how did Staff define "developers" as that term was used in this recommendation?

Response by Steven Olea, Utilities Division:

See previous response.

- (d) At the time Staff made this recommendation, was Staff aware that the properties to be developed by Harvard Investments and Core Group Consultants, Ltd., comprised only about 800 acres of the approximately 7,040 acres included in the requested extension area?

Response by Steven Olea, Utilities Division:

Based on the information in the Staff Report, it seems that Staff was aware that the two proposed developments did not cover the entire 11 sections being requested.

- (d) Was it Staff's intent that Arizona Water Company be required to file copies of Certificates of Assured Water Supply covering all of the 11 sections comprising the requested extension area in order to comply with this recommendation?

Response by Steven Olea, Utilities Division:

No (see previous responses).

**ARIZONA CORPORATION COMMISSION STAFF'S
RESPONSE TO CORNMAN TWEEDY 560, L.L.C.'S
FIRST SET OF DATA REQUESTS
DOCKET NO. W-01445A-03-0559
MAY 17, 2006**

CMT 1.7 Decision 66893 orders that "Arizona Water Company shall file a copy of the Developers' Assured Water Supply for each respective development with the Commission within 365 days of this Decision." *Decision 66893 at page 7, lines 1-3.* In Staff's opinion (as the originator of the recommendation which led to this requirement), what must Arizona Water Company do in order to fully comply with this ordering paragraph?

Response by Steven Olea, Utilities Division:

File Certificates of Assured Water Supply for each of the two developments discussed in the Staff Report.

CMT 1.8 How many written requests for water service have been received by Arizona Water Company for lands located within the area described in Exhibit A to Arizona Corporation Commission Decision 66893?

Response by Steven Olea, Utilities Division:

Staff does not have that information.

CMT 1.9 Has Staff ever asked Arizona Water Company to provide written requests for water service for lands located within the area described in Exhibit A to Arizona Corporation Commission Decision 66893?

Response by Steven Olea, Utilities Division:

Not since Decision No. 66893 was issued.

CMT 1.10 Does Staff know whether any water infrastructure (including but not limited to wells, water storage tanks, booster stations, water transmission mains, service lines, fire hydrants and water treatment facilities) has been constructed within the area described in Exhibit A to Arizona Corporation Commission Decision 66893?

Response by Steven Olea, Utilities Division:

No.

**ARIZONA CORPORATION COMMISSION STAFF'S
RESPONSE TO CORNMAN TWEEDY 560, L.L.C.'S
FIRST SET OF DATA REQUESTS
DOCKET NO. W-01445A-03-0559
MAY 17, 2006**

CMT 1.11 Has Arizona Water Company provided to the Arizona Corporation Commission a copy of an executed main extension agreement for any development within the area described in Exhibit A to Arizona Corporation Commission Decision 66893?

Response by Steven Olea, Utilities Division:

No.

CMT 1.12 Has Arizona Water Company provided to the Arizona Corporation Commission a copy of a certificate of assured water supply for any development located within the area described in Exhibit A to Arizona Corporation Commission Decision 66893.

Response by Steven Olea, Utilities Division:

No.

CMT 1.13 Please explain why Staff recommended a one-year time period as the appropriate time period for Arizona Water Company to comply with the conditions set forth in Arizona Corporation Commission Decision 66893.

Response by Steven Olea, Utilities Division:

To help ensure that timely progress was being made to provide water service and that if water service was being provided that there was adequate water to do so.

CMT 1.14 Staff recommended that Arizona Water Company file, within one year of a decision in the docket, a copy of the developers' Certificate of Assured Water Supply related to the proposed extension area and a main extension agreement associated with the extension area. Is one reason that Staff made these two recommendations to ensure that Arizona Water Company is making progress toward providing water service in an area where the public convenience and necessity requires water service?

Response by Steven Olea, Utilities Division:

Yes.

**ARIZONA CORPORATION COMMISSION STAFF'S
RESPONSE TO CORNMAN TWEEDY 560, L.L.C.'S
FIRST SET OF DATA REQUESTS
DOCKET NO. W-01445A-03-0559
MAY 17, 2006**

CMT 1.15 Please provide a copy of any data requests received by the Staff from Arizona Water Company in this docket (Docket No. W-01445A-03-0559) since March 30, 2005.

Response by Steven Olea, Utilities Division:

Staff did not receive any data requests.

CMT 1.16 Please provide a copy of the responses of Staff to any data requests received from Arizona Water Company in this docket (Docket W-01445A-03-0559) since March 30, 2005.

Response by Steven Olea, Utilities Division:

Staff did not respond to any data requests.

COMMISSIONERS
JEFF HATCH-MILLER- Chairman
WILLIAM A. MUNDELL
MARC SPITZER
MIKE GLEASON
KRISTIN K. MAYES



BRIAN C. MCNEIL
Executive Secretary

ARIZONA CORPORATION COMMISSION

June 26, 2006

RECEIVED

JUN 27 2006

SNELL & WILMER

Jeffrey W. Crockett
One Arizona Center
400 East Van Buren Street
Phoenix, Arizona 85004-2202

Re: Staff's Responses to Cornman Tweedy 560, L.L.C.'s Second Data Request
Docket No. W-01445A-03-0559

Dear Mr. Crockett:

Enclosed is Staff's response to Cornman Tweedy 560, L.L.C.'s **second** set of data requests to the Arizona Corporation Commission Utilities Division Staff in the above-referenced matter.

Please do not hesitate to contact me if you have any questions regarding the attached.

Sincerely,

David Ronald

David M. Ronald
Attorney, Legal Division
(602) 541-3402

DMR:sab
Enclosure
cc: Steven Olea

**ARIZONA CORPORATION COMMISSION STAFF'S
RESPONSE TO CORNMAN TWEEDY 560, L.L.C.'S
SECOND SET OF DATA REQUESTS
DOCKET NO. W-01445A-03-0559
JUNE 26, 2006**

It should be noted that the Utilities Division Staff ("Staff") member that worked on this docket initially and also on the April 30, 2005 request for extension of time, is no longer employed at the Commission. The responses provided below are being provided based on what Staff could glean from its files and Staff's institutional knowledge.

CMT 2.1 In Staff's response to CMT 1.7 of Cornman Tweedy's First Set of Data Requests to Staff, Staff responds that it has not asked Arizona Water Company to provide written requests for water service for lands located within the area described in Exhibit A to Decision 66893 "since Decision No. 66893 was issued." Did Staff ask Arizona Water Company for written requests for service for the lands located within the area described in Exhibit A to Decision 66893 at any time prior to the issuance of Decision 66893?

Response by Steven Olea, Utilities Division:

Based on the second section of the January 9, 2004 Staff Report (section - The Extension Request) for this docket, it appears that Arizona Water Company ("AWC") had at least two requests for service for this case. Staff does not know whether the Staff analyst working the case asked AWC for those two requests or whether AWC supplied those two requests as part of its application in this case.

CMT 2.2 When a public utility applies to extend its certificate of convenience and necessity ("CC&N"), is it important that the utility receive a request for service from the owner of the property whose land is included in the extension area? Please explain.

Response by Steven Olea, Utilities Division:

It is important that there be a request for service for the area for which a water utility is requesting a CC&N. However, it is not necessary that the entire area be covered by the request for service. In the case where only certain portions of a CC&N are covered by requests for service, it is up to Staff to determine if additional requests for service should be provided or whether from a planning and design perspective it makes sense to recommend approval without the additional requests for service.

**ARIZONA CORPORATION COMMISSION STAFF'S
RESPONSE TO CORNMAN TWEEDY 560, L.L.C.'S
SECOND SET OF DATA REQUESTS
DOCKET NO. W-01445A-03-0559**

JUNE 26, 2006

CMT 2.3 Under what circumstances would Staff recommend the extension of a certificate of convenience and necessity to the property of a person or entity which has not requested utility service from the public utility?

Response by Steven Olea, Utilities Division:

Possible reasons to recommend approval of CC&NS in areas with no requests for service:

- 1. When a Company is planning its infrastructure, in many cases it is helpful for a company to know that it will be serving an area, even though no request for service has been made, so that the location of wells, storage tanks, and major water main loops can be placed in strategic locations that would provide the company with an increased efficiency of service and increased reliability for its existing customers and future customers. The ability of the company to develop a master plan may benefit the customers. In the case of wastewater facilities, if a company knows for sure it will serve a certain area, it can size major wastewater interceptors, lift stations and treatment facilities in a much more efficient manner.**
- 2. There are times when it may be in the public interest for a company to extend its CC&N into an area that is near to or contiguous to its existing CC&N so that the company has some assurance that it can grow its customer base in the future to create a company that is of a size that can provide more efficient service due to economies of scale.**
- 3. There are times when there is an area which is surrounded by an existing CC&N or some other physical obstacle that would preclude any entity except an existing, adjacent company from serving the area.**
- 4. Public health and environmental reasons may also be reasons to approve areas beyond that for which service requests have been made. For example, in areas that exceed maximum contaminant levels ("MCL"), it may be most practical to have one company of an appropriate size serve an area so that the cost for meeting the MCL may be lessened because of the economies of scale.**

**ARIZONA CORPORATION COMMISSION STAFF'S
RESPONSE TO CORNMAN TWEEDY 560, L.L.C.'S
SECOND SET OF DATA REQUESTS
DOCKET NO. W-01445A-03-0559
JUNE 26, 2006**

CMT 2.4 Does Staff recommend that the Commission approve Arizona Water Company's request to extend the deadlines for compliance with the conditions contained in Decision 66893?

Response by Steven Olea, Utilities Division:

See Staff's April 11, 2005 Memorandum in this docket.

CMT 2.5 Does Staff have any updates to any of the responses Staff provided under cover letter dated May 18, 2006, to Cornman Tweedy's First Set of Data Requests to Staff?

Response by David Ronald, Legal Division:

See Attached.

Exhibit B

Brownstein Hyatt
Farber Schreck

RECEIVED SEP 19 2011

September 16, 2011

Jeffrey W. Crockett
Attorney at Law
602.382.4062 tel
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VIA E-MAIL AND U.S. MAIL

Robert W. Geake
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Phoenix, Arizona 85015-9006

Steven A. Hirsch, Esq.
BRYAN CAVE LLP
One Renaissance Square
Two North Central Ave., Suite 2200
Phoenix, Arizona 85004-4406

**Re: Responses and Objections of Cornman Tweedy 560, LLC to Arizona
Water Company's Fourth Set of Data Requests (Docket W-01445A-03-
0559)**

Dear Bob and Steve:

Enclosed are the responses and objections of Cornman Tweedy 560, LLC to Arizona Water Company's Fourth Set of Data Requests in the above-referenced docket.

Sincerely,

BROWNSTEIN HYATT FARBER SCHRECK, LLP



Jeffrey W. Crockett

JWC:jp
Enclosure

14776\1\1586859.1

RESPONSES OF CORNMAN TWEEDY 560 LLC TO ARIZONA WATER
COMPANY'S FOURTH SET OF DATA REQUESTS
DOCKET NO. W-01145A-03-0559

August 29, 2011

- 4-1. Please provide a list of all Irrigation Grandfathered Rights ("IGFRs") and all non-IGFRs for all properties owned by Robson Communities ("Robson") or any Robson affiliate (defined as any entity wholly or partially owned or controlled by Robson or its principals) ("Robson Affiliate") related to any or all of the following projects/developments, and for each such listing provide a copy of any certificate issued by the Arizona Department of Water Resources ("ADWR"):
- a. Pebblecreek
 - b. Quail Creek
 - c. Saddlebrooke
 - d. SaddleBrooke Ranch
 - e. Sun Lakes
 - f. Robson Ranch – Eloy
 - g. Red River and any other lands within the Certificate of Convenience and Necessity for Santa Rosa Water Company.

Objection: Cornman Tweedy 560, LLC, objects to this data request for multiple reasons. First, the data request is improperly directed at entities which are not parties to this proceeding; namely, Robson Communities and affiliates of Robson Communities. Data requests in this proceeding must be limited to Cornman Tweedy 560, LLC. Second, at its February 1, 2011 Open Meeting, the Arizona Corporation Commission voted to send this case back to the Hearing Division for further proceedings to determine "whether a public service corporation, like Arizona Water, in this water challenged area and under the circumstances presented in this case, is providing reasonable service if it is not able or not willing to provide integrated water and wastewater services." This data request is not relevant to the issue on remand framed by the Commission, and it is not calculated to lead to the discovery of evidence that would be relevant or admissible in this proceeding. Third, the data request is overly broad, unduly burdensome, vague and ambiguous.

- 4-2. Please provide a list of all General Industrial Use ("GIU") permits issued by the ADWR to Robson or any Robson Affiliate that were in effect during any period of time from 2000-2011.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

RESPONSES OF CORNMAN TWEEDY 560 LLC TO ARIZONA WATER
COMPANY'S FOURTH SET OF DATA REQUESTS
DOCKET NO. W-01145A-03-0559

August 29, 2011

- 4-3. Please provide a copy of any annual report filed by Robson or any Robson Affiliate for any GIU permit listed in response to Data Request 4-2 for the period of time from 2000-2010.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-4. Please provide a copy of all documents (defined as writings of every type and description and every other instrument by which, through which or on which information has been recorded and/or preserved, including but not limited to agreements, memoranda, notes, correspondence, communications, statements, accounts, files, records, portfolios, contracts, logs, ledgers, computer records, e-mails, video and audio tapes, printouts, and other data compilations, and every other device or medium by which, on which, or through which information of any type is transmitted, recorded or preserved ("Documents") from Robson or any Robson Affiliate to any homeowners association or similar entity established within any of the developments listed in Data Request 4-1 that involves, concerns or references any water rights, whether IGFRs, Type 1 non-IGFRs, Type 2 or other water rights.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-5. Please provide a copy of all Documents that address, relate to or concern conversion of an IGFR to a Type 1 non-IGFR between Robson or any Robson Affiliate, property owner or homeowners association or similar entity within any of the developments listed in Data Request No. 4-1.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-6. Please provide a copy of any certificate issued by ADWR to Robson or any Robson Affiliate or homeowners association or similar entity established by the conversion of any IGFR to a Type 1 non-IGFR.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

RESPONSES OF CORNMAN TWEEDY 560 LLC TO ARIZONA WATER
COMPANY'S FOURTH SET OF DATA REQUESTS
DOCKET NO. W-01145A-03-0559

August 29, 2011

- 4-7. Please provide copies of all Documents that address, relate to or concern extinguishment of any IGFR, Type 1 non-IGFR, Type 2 or other water right between Robson or any Robson Affiliate, property owner, homeowners association or similar entity within any of the developments listed in Data Request No. 4-1.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-8. Please provide a copy of all certificates of Extinguishment of Grandfathered Groundwater Right issued in the name of Robson or any Robson Affiliate that involve any property owner, homeowners association, or similar entity for any of the developments listed in Data Request No. 4-1.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-9. Please provide the name of any person or individual employed or under contract by Robson or any Robson Affiliate that was involved in any way in the establishment, transfer, or extinguishment of any water right, or in the preparation or execution terms of acquiring any such water right for any of the developments listed in Data Request No. 4-1.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-10. Please provide the name of any person or individual employed by, under contract with, or serving as an officer or on any board of directors of Robson or any Robson Affiliate that had any role in developing, proposing, applying for, or authorizing the application to the Commission for approval of the water rates approved by the Commission for any of the developments listed in Data Request No. 4-1.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

RESPONSES OF CORNMAN TWEEDY 560 LLC TO ARIZONA WATER
COMPANY'S FOURTH SET OF DATA REQUESTS
DOCKET NO. W-01145A-03-0559

August 29, 2011

- 4-11. For any person or individual listed in response to Data Request No. 4-10, please describe the role or decision making authority each such person or individual had in developing, proposing, applying for or authorizing the submittal of any such water rate.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-12. Please provide the name of any person or individual employed by, under contract with, or serving as an officer or on any board of directors of Robson or any Robson Affiliate that had any role in developing, proposing, applying for or authorizing any application to the Commission for the approval of any sewer service rates in any of the developments listed in Data Request No. 4-1.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-13. Please provide a copy of all Documents transmitted in any manner between Robson or any Robson Affiliate that addresses water rates, sewer rates or reclaimed water rates for any of the developments listed in Data Request No. 4-1.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-14. Please provide a copy of all Documents transmitted in any manner between Robson or any Robson Affiliate that addresses the provision or delivery of reclaimed water for any of the developments listed in Data Request No. 4-1.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-15. Please identify the source of funds used to manage or operate any underground storage facility, groundwater savings facility, water storage facility or water recovery facility related to or located in any of the developments listed in Data Request No. 4-1.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

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- 4-16. For any expense or cost incurred by Robson or any Robson Affiliate water or wastewater utility, provide a detailed schedule of any such costs or expenses incurred by such entities from 2006-2010 and the amount of such cost or expense charged or booked to each account of any Robson Affiliated water or wastewater utility.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-17. Please provide the name of any person or individual employed by, under contract with, or serving as an officer or on any board of directors of Robson or any Robson Affiliate that had any role in developing, proposing, applying for or authorizing for submittal to the Commission any application for approval of any water, wastewater or reclaimed water rates for any turf facility located within any of the developments listed in Data Request No. 4-1.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-18. Please provide a list of and describe any financial terms related to conveyances of any water credits held, leased or owned by Robson or any Robson Affiliate that may be pledged or have been pledged to another Robson Affiliate or any of the developments listed in Data Request No. 4-1 for the period of time from 2000-2010.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-19. Please provide a copy of all Documents transmitted in any manner between Robson or any Robson Affiliate that address, relate to or concern the application of any water credit used to offset any actual or potential groundwater replenishment obligation for any real property owned by Robson or any Robson Affiliate in any of the developments listed in Data Request No. 4-1.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

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- 4-20. Please provide the name of any person or individual employed by, under contract with, or serving as an officer or on any board of directors of Robson or any Robson Affiliate that had any role in establishing the use of any water credit used to offset any actual or potential groundwater replenishment obligation for any real property owned by Robson or any Robson Affiliate in any of the developments listed in Data Request No. 4-1.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-21. Please describe and provide the details of any modification, whether planned or completed, to any turf facility within any of the developments listed in Data Request No. 4-1 made in order to accommodate any restriction or limitation on the use of groundwater imposed by the Arizona Corporation Commission as part of any Commission decision or order for the period of time from 2000-2010.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-22. Please provide the name of any person or individual employed by, under contract with, or serving as an officer or on any board of directors of Robson or any Robson affiliate that had any role in any such modification listed in response to data Request No. 4-21.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-23. Please provide a copy of all permits or other Documents transmitted in any manner between Robson or any Robson Affiliate and Pima County or any agency of Pima County concerning water reclamation, recharge or water storage for the Quail Creek development.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

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- 4-24. Please provide the name of any person or individual employed by, under contract with, or serving as an officer or on any board of directors of Robson or any Robson Affiliate that had any role in preparing, approving or executing any such permit, agreement, or letter of understanding identified in your response to Data Request No. 4-23.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-25. Please provide a schedule showing all costs incurred in connection with reclaimed water recharge, storage or recovery relating to any permit, agreement or letter of understanding identified in your response to Data Request No. 4-23 for the period of time from 2000-2010, including a description of the costs and the source of payment for such costs.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-26. Please provide a copy of all Documents transmitted in any manner between Robson or any Robson Affiliate and any hydrologist, geologist or similar consultant or expert (whether an individual or entity) employed or retained by Robson or any Robson Affiliate that address, relate to or concern the recovery of stored credits outside the area of the hydrologic impact of the stored credits.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-27. Please provide a copy of any annual report or other Documents filed by Robson or any Robson Affiliate with the Central Arizona Groundwater Replenishment District from 2000-2010 that address, relate to or concern any excess groundwater used by any real property owned by Robson or any Robson Affiliate in any of the developments listed in Data Request No. 4-1.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

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- 4-28. Please provide a copy of all Documents transmitted in any manner between Robson or any Robson Affiliated utility concerning the joint use of facilities in any of the developments listed in Data Request No. 4-1.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-29. Please provide a copy of all Documents transmitted in any manner between Robson or any Robson Affiliate and the ADWR that address, relate to or concern conservation requirements, potential violations of conservation requirements for municipal providers or individual users, and any strategies to comply with such conservation requirements, for any of the developments listed in Data Request No. 4-1.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-30. Please provide a copy of all Documents transmitted in any manner between Robson or any Robson Affiliate and any hydrologist or geologist or similar consultant or expert (whether an individual or entity) employed or retained by Robson or any Robson Affiliate that address, relate to or concern any hydrologic study, analysis of assured water supply or physical availability demonstration for any of the developments listed in Data Request No. 4-1.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-31. Please state whether any hydrologist or geologist or similar consultant or expert (whether an individual or entity) employed or retained by Robson or any Robson Affiliate has conducted any hydrologic study, analysis of assured water supply or physical availability study using Modflow or another numerical model for any of the developments listed in Data Request No. 4-1. If the answer to this question is no, for any of the developments listed in Data Request No. 4-1, describe the type of model or method used in any such study or analysis.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

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- 4-32. Please state whether any such hydrologic study, analysis of assured water supply or physical availability demonstration conducted for all or a portion of any of the developments listed in Data Request No. 4-1 used THWells or another analytical model for such analysis or study. If the answer to this question is yes, please describe the study area boundaries for any such study or analysis.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-33. Please state whether any such hydrologic study, analysis of assured water supply or physical availability demonstration conducted for all or a portion of any of the developments listed in Data Request No. 4-1 relied upon the results or output of any physical availability demonstration conducted by Arizona Water Company for any of its service areas.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-34. If Robson or any Robson Affiliate conducted, or employed the services of a hydrologist or geologist or similar consultant or expert (whether an individual or entity) employed or retained by Robson or any Robson Affiliate to conduct, a hydrologic study, analysis of assured water supply, or physical availability demonstration using THWells or another form of analytical model and not ModFlow or another numerical model, please describe the amount of costs incurred for any such study or analysis.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.

- 4-35. Please state whether Robson or a Robson Affiliate paid for any such analysis or study referred to in Data Request No. 4-34 and describe the amount of costs paid by any such entity for each such study or analysis.

Objection: See the objection to Data Request 4-1 above, which is incorporated herein by this reference.