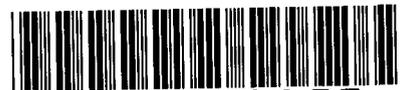


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BEFORE THE ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION  
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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 ITS ANTHEM WATER DISTRICT AND ITS SUN CITY WATER DISTRICT, AND POSSIBLE RATE CONSOLIDATION FOR ALL OF ARIZONA AMERICAN WATER COMPANY'S DISTRICTS.

DOCKET NO. W-01303A-09-0343

Arizona Corporation Commission  
**DOCKETED**

NOV 1 2011

DOCKETED BY

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 ANTHEM / AGUA FRIA WASTEWATER DISTRICT, SUN CITY WASTEWATER DISTRICT, AND SUN CITY WEST WASTEWATER DISTRICT.

DOCKET NO. SW-01303A-09-0343

**NOTICE OF FILING REJOINDER  
TESTIMONY**

1 Arizona-American Water Company hereby files the Rejoinder Testimony of Sandra L.  
2 Murrey.

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BEFORE THE ARIZONA CORPORATION COMMISSION

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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 ITS ANTHEM WATER DISTRICT AND ITS SUN CITY WATER DISTRICT, AND POSSIBLE RATE CONSOLIDATION FOR ALL OF ARIZONA AMERICAN WATER COMPANY' S DISTRICTS.

DOCKET NO. W-01303A-09-0343

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 ANTHEM / AGUA FRIA WASTEWATER DISTRICT, SUN CITY WASTEWATER DISTRICT, AND SUN CITY WEST WASTEWATER DISTRICT.

DOCKET NO. SW-01303A-09-0343

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**REJOINDER TESTIMONY  
OF  
SANDRA L. MURREY  
REGARDING  
CONSIDERATION OF STAND-ALONE REVENUE REQUIREMENTS AND RATE  
DESIGNS FOR THE ANTHEM/AGUA FRIA WASTEWATER DISTRICT  
ON BEHALF OF  
ARIZONA AMERICAN WATER COMPANY  
NOVEMBER 1, 2011**

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1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 A. My name is Sandra L. Murrey. My business address is 2355 West Pinnacle Peak, Suite  
4 300, Phoenix, Arizona 85027.

5 **Q. ARE YOU THE SAME SANDRA L. MURREY WHO PREVIOUSLY**  
6 **SUBMITTED DIRECT TESTIMONY IN THIS DOCKET ON APRIL 1, 2011 AND**  
7 **REBUTTAL TESTIMONY ON SEPTEMBER 13, 2011?**

8 A. Yes.

9 **Q. WHAT IS THE PURPOSE OF YOUR REJOINDER TESTIMONY?**

10 A. The purpose of my rejoinder testimony is to address and clarify various issues that were  
11 raised by other parties in their Surrebuttal testimony.

12 **II. RESPONSE TO FRED BOTHA**

13 **Q. MR. BOTHA IS RECOMMENDING THAT THE COMPANY "PROVIDE**  
14 **DIRECT ACCESS ON THEIR WEBSITE TO THE APPROPRIATE BASIC**  
15 **HISTORICAL WATER AND WASTE WATER INFORMATION, AS WELL AS**  
16 **THE ASSOCIATED CUMULATIVE COST AND REVENUE INFORMATION AS**  
17 **SOON AS AND PRACTICAL AS POSSIBLE." WHAT ARE THE COMPANY'S**  
18 **THOUGHTS ON MR. BOTHA'S RECOMMENDATION?**

19 A. The Company commends Mr. Botha for his interest and initiative in attempting to further  
20 enhance awareness of the rate case process. As Mr. Botha indicated, he had met with  
21 various members of Arizona American Water on several occasions. We informed Mr.  
22 Botha that most of the general information he was seeking could currently be found on  
23 our website or within our Annual Report which is filed with the Commission. We also  
24 provided Mr. Botha with a link to the Water Infrastructure Finance Authority of Arizona

1 as another good source of data, whereas they list various water and wastewater statistics  
2 for utilities in the state. These were very informative meetings in that there was a good,  
3 open exchange of information from both sides; however, the Company was left unsure of  
4 exactly what Mr. Botha was asking for in his broad request of information.

5 **Q. MR. BOTHA CLAIMS THIS IMPROVEMENT CAN BE “EASILY AND**  
6 **INEXPENSIVELY” ACHIEVED AND WOULD TAKE “3 -6 DAYS TO SPECIFY**  
7 **AND MAKE INITIAL, BASIC INFORMATION AVAILABLE”. IS THIS**  
8 **RESULT REALISTIC?**

9 A. No, unfortunately achieving Mr. Botha’s ultimate outcome is not that simple. His broad  
10 request entails summarization of a massive amount of information which is never an easy  
11 task. A project of this size would be very costly. We are unsure where the “3-6 day”  
12 estimate to complete this project arose as the Company never provided any timeline.

13 **Q. SHOULD THIS REQUEST BE CONSIDERED IN THIS FILING?**

14 A. No. Not only is this request inappropriate for the factors previously mentioned, this  
15 request is outside the scope of this compliance filing.

16 **III. RESPONSE TO ANTHEM GOLF AND COUNTRY CLUB (“CLUB”)**

17 **Q. WHAT IS ANTHEM GOLF AND COUNTRY CLUB’S POSITION ON**  
18 **WHETHER THE EFFLUENT RATE SHOULD BE CHANGED?**

19 A. The Club recommends that Effluent Rate authorized in Decision No 72047 should remain  
20 unchanged as a result of this compliance proceeding. Arizona-American agrees with this  
21 recommendation. Other parties such as Staff and DMB White Tanks, LLC, also agree  
22 that the effluent rate should remain unchanged.

1 **Q. DOES THIS CONCLUDE YOUR REJOINDER TESTIMONY?**

2 A. Yes. I am not responding to additional issues raised by the other parties because either  
3 the issue is outside of the scope of this limited compliance proceeding or because no  
4 additional response is needed.