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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

- GARY PIERCE – Chairman
- BOB STUMP
- SANDRA D. KENNEDY
- PAUL NEWMAN
- BRENDA BURNS

2012 FEB 24 P 12: 26

AZ CORP COMMISSION  
DOCKET CONTROL

IN THE MATTER OF THE COMMISSION ON  
ITS OWN MOTION INVESTIGATING THE  
FAILURE OF TRUXTON CANYON WATER  
COMPANY TO COMPLY WITH  
COMMISSION RULES AND REGULATIONS.

DOCKET NO. W-02168A-10-0247

STAFF'S NOTICE OF FILING  
WITNESS SUMMARIES

Staff of the Arizona Corporation Commission ("Staff") hereby files the Witness Summaries of Elijah Abinah, Dorothy Hains and Alfonso Amezcua on behalf of the Utilities Division in the above docket.

RESPECTFULLY SUBMITTED this 24<sup>th</sup> day of February, 2012.

Arizona Corporation Commission

DOCKETED

FEB 24 2012

DOCKETED BY

Kimberly A. Ruht  
Charles H. Hains  
Legal Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007  
(602) 542-3402

Original and thirteen (13) copies  
of the foregoing filed this  
24<sup>th</sup> day of February 2012, with:

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

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28 ...

1 Copies of the foregoing mailed this  
2 24<sup>th</sup> day of February 2012, to:

3 Steve Wene  
4 Moyes Sellers & Hendricks Ltd.  
5 1850 North Central Avenue  
6 Suite 1100  
7 Phoenix, Arizona 85004

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9 Valle Vista Property Owners Association, Inc.  
10 9686 Concho Drive  
11 Kingman, Arizona 86401  
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*Monica A. Marty*

**WITNESS SUMMARY OF ELIJAH ABINAH**  
**RE: TRUXTON CANYON WATER COMPANY**  
**DOCKET NO. W-02168A-10-0247**

**FEBRUARY 24, 2012**

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The Order to Show Cause issued by the Arizona Corporation Commission (“Commission”) alleged violations by Truxton Canyon Water Company (“Truxton” or “Company”) ranging from engineering issues, lack of proper accounting system, issuance of long-term debt without prior Commission authorization, consistent poor quality of service, amongst others. Mr. Elijah Abinah’s testimony incorporates the previous testimony provided by Alexander Igwe as well as information pertinent to the Company’s operation since the previous hearing. Mr. Abinah’s testimony discusses whether, with respect to some of the alleged violations, the Company may now be in a state of current compliance. Mr. Abinah’s testimony includes whether Truxton is charging a Superfund Tax to the Valle Vista Property Owners Association; the assessment of possible fines and /or penalties against Truxton; the commingling of funds and revenues between the Claude K. Neal Family Trust and Truxton; whether the Trust is selling water to any other entities within Truxton’s CC&N; and whether Truxton’s books and records utilize the NARUC system of accounts.

**WITNESS SUMMARY OF DOROTHY HAINS**

**RE: TRUXTON CANYON WATER COMPANY  
DOCKET NO. W-02168A-10-0247**

**FEBRUARY 24, 2012**

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The Testimony of Dorothy Hains addresses engineering issues related to Truxton Canyon Water Company ("Truxton" or "Company"). Ms. Hain's testimony addresses Truxton's on-going maintenance issues, the Company's compliance with Arizona Department of Environmental Quality ("ADEQ") and Arizona Department of Water Resources ("ADWR).

ADEQ has reported that the Company's water system PWS No. 08-035 has major monitoring and reporting deficiencies, due to arsenic, disinfection by-products, and maximum residual disinfection levels. Due to the reported deficiencies, ADEQ cannot determine if the system is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, Chapter 4. Staff recommends that the Company come into compliance with ADEQ.

On January 25, 2012, the Company informed ADEQ, WIFA and Staff that the Company has abandoned its previous arsenic blending plan and will seek ADEQ's approval of a centralized, media arsenic treatment plan instead. According to the Company the proposed bending plan is no longer considered economically viable. A proposed construction plan and design report for centralized, media arsenic treatment has not yet been submitted for ADEQ's approval. Staff expects that this change may result in further delay in the Company's effort to solve its arsenic problem.

**WITNESS SUMMARY OF ALFONSO AMEZCUA**

**RE: TRUXTON CANYON WATER COMPANY  
DOCKET NO. W-02168A-10-0247**

**FEBRUARY 24, 2012**

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Mr. Amezcua testimony discusses Truxton Canyon Water Company's customer service issues, quality of service issues and Main Line Extensions. Concerning customer service issues, Mr. Amezcua discusses the number and type of customer service complaints over the last few years as well as the Company's response to customer inquiries or complaints. Additionally Mr. Amezcua discussed his knowledge of leaks in the Company's system, the timeliness of repair of leaks as well as other issue related to quality of service. Finally, Mr. Amezcua discussed the Arizona Corporation Commission rules pertaining to filing of Main Extension Agreements and the Company's history concerning those. The recommendation included:

1. Requiring Truxton to repair any and all leaks in a timely manner and provide Consumer Services Staff with a monthly status report to be filed as a compliance item.
2. That the Commission order Truxton to comply with A.A.C. R14-2-411(A)(2) on the issue of timely response to its customers and the Commission.
3. That the Commission order Truxton to comply with R14-2-406 on the issue of Main Line Extension Agreement ("MXA").