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7 **BEFORE THE ARIZONA CORPORATION COMMISSION**

Arizona Corporation Commission

DOCKETED

FEB 24 2012

8 **COMMISSIONERS**

9 GARY PIERCE, CHAIRMAN
10 PAUL NEWMAN
11 SANDRA D. KENNEDY
12 BOB STUMP
13 BRENDA BURNS

Arizona Corporation Commission

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FEB 24 2012

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14 **IN THE MATTER OF THE**
15 **COMMISSION ON ITS OWN MOTION**
16 **INVESTIGATING THE FAILURE OF**
17 **TRUXTON CANYON WATER**
18 **COMPANY TO COMPLY WITH**
19 **COMMISSION RULES AND**
20 **REGULATIONS**

Docket No. W-02168A-10-0247

NOTICE OF FILING SUMMARY OF TESTIMONY

21 Pursuant to the applicable procedural order, Truxton Canyon Water Company, Inc.
22 (“Company”) hereby files summary of testimony in this case for both of its witnesses,
23 Rick Neal and Sonn Rowell.

24 Rick Neal will address the following issues raised by in the Complaint and
25 Petition for an Order to Show Cause and related proceedings:

- 26 • System pressure is, and has been, maintained at 20 psi;
- 27 • System operations are safe and reliable, except there is a concern that the
- 28

1 financial impact of the new golf course tariff has required the Company to
2 reduce field staff, causing operational concerns;

- 3
- 4 • Ability of the water system to meet water demands;
- 5 • Ongoing water quality issues with arsenic;
- 6 • Proposed arsenic treatment and potential costs;
- 7
- 8 • The Company repaired the leaks identified by staff and repairs leaks in a
9 reasonable time;
- 10 • Water system evaluation by an engineer has been completed;
- 11
- 12 • Water loss in the system;
- 13 • The Company is following NARUC and GAAP;
- 14 • The current financial condition of the Company is a serious concern due to
15 the new tariff applicable to the golf course;
- 16
- 17 • The Trust has historically paid Company expenses;
- 18 • The Company is responding to customer complaints in a timely manner;
- 19
- 20 • The Company is continuing to refund money to James Bacus;
- 21 • The Company has installed the fire hydrants;
- 22 • The Trust's willingness to transfer wells and pipeline to the Company for
23 fair value, lease the assets to the Company, or wheel water;
- 24
- 25 • The stipulated agreement;
- 26 • The Company's application for new rates and financing; and
- 27
- 28 • The Company's efforts to achieve compliance with ADEQ and ADWR.

1 Rick Neal will also be available to address issues raised by Staff or Intervenors on
2 rebuttal.

3
4 Sonn Rowell will address the following issues raised by in the Complaint and
5 Petition for an Order to Show Cause and related proceedings:

- 6 • The Company's recordkeeping and compliance with NARC and GAAP;
- 7
- 8 • The Trust subsidizing the Company;
- 9 • The impact of the new tariff applicable to the VVPOA on the Company;
- 10 • The new rate application filed in 2011;
- 11
- 12 • Proposed transfer of the Trust wells and pipeline to the Company; and
- 13 • A comparison of the Company to other small water companies.

14
15 Sonn Rowell will also be available to address other issues raised by Staff or the court as
16 appropriate.

17 Dated this 24th day of February, 2012.

18 **MOYES SELLERS & HENDRICKS LTD.**

19
20 
21 Steve Wene

22
23 Original and 13 copies of the foregoing
24 filed on this 24th day of February, 2012 with:

25 Docket Control
26 Arizona Corporation Commission
27 1200 W. Washington Street
28 Phoenix, Arizona 85007

Copy of the foregoing electronically
mailed this 24th day of February, 2012, to:

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