

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



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ARIZONA CORPORATION COMMISSION

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DATE: MARCH 12, 2012  
DOCKET NO.: W-20541A-11-0199

Arizona Corporation Commission

ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

DOCKETED

MAR 12 2012

TO ALL PARTIES:

DOCKETED BY

Enclosed please find the recommendation of Administrative Law Judge Marc E. Stern. The recommendation has been filed in the form of an Opinion and Order on:

CEDAR GROVE WATER, INC.  
(RATES)

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Administrative Law Judge by filing an original and thirteen (13) copies of the exceptions with the Commission's Docket Control at the address listed below by **4:00** p.m. on or before:

MARCH 21, 2012

The enclosed is NOT an order of the Commission, but a recommendation of the Administrative Law Judge to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Open Meeting to be held on:

MARCH 27, 2012 and MARCH 28, 2012

For more information, you may contact Docket Control at (602) 542-3477 or the Hearing Division at (602) 542-4250. For information about the Open Meeting, contact the Executive Director's Office at (602) 542-3931.

ERNEST G. JOHNSON  
EXECUTIVE DIRECTOR

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 COMMISSIONERS

3 GARY PIERCE - Chairman  
4 BOB STUMP  
5 SANDRA D. KENNEDY  
6 PAUL NEWMAN  
7 BRENDA BURNS

8 IN THE MATTER OF THE APPLICATION OF  
9 CEDAR GROVE WATER, INC. FOR APPROVAL  
10 OF A RATE INCREASE.

DOCKET NO. W-20541A-11-0199

DECISION NO. \_\_\_\_\_

11 OPINION AND ORDER

12 DATE OF HEARING: November 10, 2011  
13 PLACE OF HEARING: Phoenix, Arizona  
14 ADMINISTRATIVE LAW JUDGE: Marc E. Stern  
15 APPEARANCES: Mr. Thomas Grapp, Vice President, Cedar Grove Water,  
16 Inc.; and  
17 Ms. Kimberly Ruht, Staff Attorney, Legal Division, on  
18 behalf of the Utilities Division of the Arizona  
19 Corporation Commission.

20 **BY THE COMMISSION:**

21 On May 17, 2011, Cedar Grove Water, Inc. ("Company" or "Applicant") filed with the  
22 Arizona Corporation Commission ("Commission") an application for an increase in its permanent  
23 rates and charges.

24 On May 20, 2011, the Company filed a letter stating that although the Company had  
25 requested revenues in excess of \$250,000, which will result in the Applicant being classified as a  
26 Class C water utility, the Company requested that its application be processed on the short form  
27 rate application which the Company used in its filing that is normally utilized in rate applications  
28 by Class D and Class E water utilities.

On June 16, 2011, pursuant to A.A.C. R14-3-103, the Commission's Utilities Division  
("Staff") filed a letter indicating the Company's rate application was sufficient, and classifying the  
Company as a Class C utility.

On June 22, 2011, by Procedural Order, certain dates were established for the preparation and  
conduct of this proceeding.

1 On October 3, 2011, Staff filed a request for a seven-day extension of time, until October 14,  
2 2011, to file a Staff Report and/or Direct Testimony instead of October 7, 2011, due to personnel  
3 changes.

4 On October 5, 2011, by Procedural Order, Staff was granted until October 14, 2011, to file the  
5 Staff Report and Respondent was granted a similar seven-day extension, until October 28, 2011, to  
6 file rebuttal.

7 On October 14, 2011, Staff filed its report which recommends approval of a rate increase  
8 using Staff's recommended rates and charges.

9 On October 24, 2011, the Company filed a request for an extension, until November 2, 2011,  
10 to file its rebuttal because Applicant stated that the Staff Report was not received until October 20,  
11 2011. Staff had no objections to the Company's request.

12 On October 25, 2011, by Procedural Order, the Company's request was granted, and the Staff  
13 was granted a similar extension to file surrebuttal, if necessary.

14 On November 1, 2011, the Company filed its exceptions to the Staff Report.

15 On November 7, 2011, Staff filed a request for a 60-day extension of time to file its reply to  
16 the Company's response. Staff stated that it required the extension to evaluate new issues raised in  
17 the Company's response which "contains significantly different or new numbers, as well as changes  
18 in the requested revenue to less than \$250,000"<sup>1</sup> as originally requested in the initial application.  
19 Additionally, Staff described its concerns with the Company's bill counts which Staff alleged do not  
20 support the current case and the Company had not filed new bill counts for its revised case.

21 On November 10, 2011, a full public hearing was convened before a duly authorized  
22 Administrative Law Judge of the Commission at its offices in Phoenix, Arizona. The Company was  
23 represented by its vice-president and Staff was present with counsel. No one appeared to make public  
24 comment. The Company had no objections to Staff's request for a 60-day extension and was willing  
25 to waive a further hearing based on its most recent filing. The Company was advised that if it  
26 disagreed with the revised Staff Report which was to be filed, that it could file exceptions and also

27 \_\_\_\_\_  
28 <sup>1</sup> Pursuant to A.R.S. § 40-250(A), since Staff indicated that Applicant's gross operating revenues including the requested  
rate relief as set forth in the Company's Response will be less than \$250,000, a decision may be made by the Commission  
without a hearing.

1 request a hearing. Additionally, due to the issues raised by the Company's additional filings and the  
2 extension for further review requested by Staff, it was determined that the timeframe should be  
3 suspended.

4 On November 21, 2011, by Procedural Order, Staff was granted until January 9, 2012, to file a  
5 revised Staff Report. The Company was given until January 24, 2012, to file its exceptions, if any, to  
6 the revised Staff Report. Further, the parties were ordered to be on notice that a hearing would not be  
7 scheduled unless requested by a party, and the timeframe was ordered suspended.

8 On January 2, 2012, the Company's vice-president responded to a second set of Data  
9 Requests from Staff.

10 On January 9, 2012, Staff filed its revised Staff Report recommending that Staff's proposed  
11 rates and charges be approved. No comments or objections were filed by the Company to Staff's  
12 revised recommendations, and neither the Company nor Staff requested a hearing.

13 \* \* \* \* \*

14 Having considered the entire record herein and being fully advised in the premises, the  
15 Commission finds, concludes, and orders that:

16 **FINDINGS OF FACT**

17 1. Pursuant to authority granted by the Commission, the Company is an Arizona  
18 corporation engaged in the business of providing water service to an area that is approximately 12  
19 miles northeast of Show Low, Apache County, Arizona.

20 2. Applicant's present rates and charges were approved in Decision No. 70058  
21 (December 4, 2007).

22 3. On May 17, 2011, the Company filed an application requesting authority to increase  
23 its rates and charges for water service.<sup>2</sup>

24 4. The Company provided notice to its customers of its application for a proposed rate  
25

26 <sup>2</sup> With its initial application, the Company had requested revenues projected to result in excess of \$250,000. This resulted  
27 in the Applicant being classified as a Class C water utility for rate making purposes, but on May 20, 2011, the Company  
28 filed a letter in which it stated that its application be processed as a short form rate application which the Company used  
in its filing that is normally utilized in rate applications by Class D and Class E water utilities. Subsequently, in a later  
filing, a Company response contained a lower gross revenue amount which was below the \$250,000 threshold for the  
utility to be classified as a Class C water utility.

1 increase by both first class U.S. mail and by publication in a newspaper of general circulation in its  
2 service area, *The White Mountain Independent*. In response thereto, there were no requests for  
3 intervention; however, the Commission received opinions from 15 customers in opposition to the  
4 proposed rate increase.

5         5.       On June 16, 2011, Staff filed notice that the Company's rate application had met the  
6 Commission's sufficiency requirements pursuant to A.A.C. R14-3-103.

7         6.       On June 22, 2011, by Procedural Order, a hearing was scheduled and other procedural  
8 dates established.

9         7.       On October 14, 2011, Staff filed its initial Staff Report recommending that the  
10 Commission approve Staff's proposed rates and charges.

11        8.       On November 1, 2011, the Company filed exceptions to the initial Staff Report and  
12 sought Staff consideration for certain pro forma adjustments to the test year ended December 31,  
13 2010, ("TY") accounts and revisions to other separate accounts.

14        9.       On November 7, 2011, Staff filed a request for a 60-day extension of time to file its  
15 reply to the Company's response. Staff required the extension to evaluate new issues raised in the  
16 Company's response which contained significantly different or new numbers and changes to the  
17 requested revenue to an amount less than \$250,000 rather than the amount that had been originally  
18 requested in the Company's request for rate relief of approximately \$330,000. Additionally, Staff  
19 found that the Company's bill counts varied from those in its revised filing.

20        10.      On November 10, 2011, a full public hearing was convened pursuant to the  
21 Commission's Procedural Order in this proceeding. No one appeared to make public comment, and  
22 at the outset, the Company indicated that it did not object to Staff's request for a 60-day extension  
23 and was willing to waive a further hearing based on its most recent filing.

24        11.      On November 21, 2011, by Procedural Order, an extension was granted to Staff until  
25 January 9, 2012, to file a revised Staff Report in light of the Company's exceptions. Further, the  
26 Company was provided with additional time to file further exceptions if it wished to, and also either  
27 party was given an opportunity to request a further hearing on the application, if they so desired. The  
28 timeframe was also suspended.

1           12.    On January 2, 2012, the Company filed additional information concerning its revised  
2 application.

3           13.    On January 9, 2012, Staff filed its revised Staff Report recommending that Staff's  
4 proposed rates and charges be approved. Staff also recommended that the Company's service line  
5 and meter installation charges be modified in accordance with Staff's recommendations and  
6 recommended approval of the Applicant's other requested service charges, in conformity with the  
7 Commission's rules.

8           14.    During the TY, Applicant served 368 metered customers who were served by 5/8" x  
9 3/4" meters, and three other customers who were served by somewhat larger meters.

10          15.    Average and median water usage by residential users during the TY were 3,367 and  
11 2,542 gallons per month, respectively.

12          16.    Staff conducted an investigation of Applicant's proposed rates and charges for water  
13 service and filed its initial Staff Report on the Company's rate application request on October 14,  
14 2011, recommending that Staff's proposed rates and charges be approved.

15          17.    The water rates and charges for Applicant at present, as proposed in the application,  
16 and as recommended by Staff in its revised Staff Report are as follows:

	Present Rates	Proposed Rates	
		Company	Staff
<u>MONTHLY USAGE CHARGES:</u>			
5/8" x 3/4" Meter	\$ 20.50	\$ 39.98	\$ 22.50
3/4" Meter	30.78	60.02	33.75
1" Meter	51.28	100.00	56.25
1-1/2" Meter	102.50	199.88	112.50
2" Meter	164.00	319.80	180.00
3" Meter	307.50	599.63	360.00
4" Meter	512.50	999.38	562.50
6" Meter	1,025.00	1,998.75	1,125.00
<u>GALLONS INCLUDED IN MINIMUM:</u>	0	0	0
For All Meter Sizes			
<u>COMMODITY RATES (Per 1,000 Gallons)</u>			
All Meter Sizes			
0 – 3,000 gallons	\$ 2.00	\$ 3.90	N/A
3,001 – 9,000 gallons	3.25	6.34	N/A
Over 50,000	4.90	9.56	N/A
5/8" x 3/4" Meter			
0 – 3,000 gallons	N/A	\$ 3.90	\$ 3.25

1	3,001 – 9,000 gallons	N/A	N/A	5.00
	Over 9,000	N/A	N/A	7.00
2	1" Meter			
3	0 – 13,000 gallons	N/A	N/A	5.00
	Over 13,000 gallons	N/A	N/A	7.00
4	2" Meter			
5	0 – 70,000 gallons	N/A	N/A	5.00
	Over 70,000 gallons	N/A	N/A	7.00
6	Standpipe, Bulk Water	\$ 5.00	\$ 9.75	\$ 7.00

Service Line and Meter Installation Charges:  
(Refundable Pursuant to A.A.C. R14-2-405)

9	<u>Meter Size</u>	<u>Company's Rates</u>		<u>Staff's Recommended Rates</u>		
		<u>Current</u>	<u>Proposed</u>	<u>Service Line</u>	<u>Meter</u>	<u>Total</u>
10	5/8" x 3/4" Meter	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	3/4" Meter	245	320	230	90	320
11	1" Meter	350	370	230	140	370
	1-1/2" Meter	525	545	280	265	545
12	2" Meter	700	750	330	420	750
	3" Meter	980	980	380	600	980
13	4" Meter	1,820	1820	650	1,170	1,820
	6" Meter	3,920	3,920	1,200	2,720	3,920

15	<u>SERVICE CHARGES:</u>	<u>Present</u>	<u>Proposed Rates</u>	
		<u>Rates</u>	<u>Company</u>	<u>Staff</u>
16	Establishment	\$ 20.00	\$ 25.00	\$ 25.00
	Establishment (After Hours)	35.00	40.00	N/A
17	Reconnection (Delinquent)	20.00	50.00	50.00
	Reconnection (Delinquent) (After Hours)	N/A	75.00	N/A
18	Meter Test (If Correct)	50.00	50.00	50.00
	Deposit	*	*	*
	Deposit Interest	*	*	*
19	Re-establishment (Within 12 Months)	**	**	**
	NSF Check	20.00	30.00	30.00
20	Deferred Payment (Per Month)	18.0%	18.0%	18.0%
	Meter Re-read (If Correct)	15.00	15.00	\$ 15.00
21	Late Payment Penalty	1.5%	1.5%	1.5%
22	After Hours Service Charge (added to the service charge when work is performed after regular business hours)	N/A	N/A	25.00

MONTHLY SERVICE CHARGE FOR FIRE SPRINKLERS:

24	4" or Smaller	***	***	****
25	6"	***	***	****
	8"	***	***	****
26	10"	***	***	****
	Larger than 10"	***	***	****

\* Per Commission Rule A.A.C. R14-2-403(B).

\*\* Number of months off system times the monthly minimum per Commission Rule A.A.C. R14-2-403(D).

1 \*\*\* Per Commission Rule A.A.C. R14-2-409(G).

2 \*\*\* 1.0 percent of monthly minimum for a comparable sized meter connection, but no less than \$5 per month. The service charge for fire sprinklers is only applicable for service lines separate and distinct from the primary water service line.

3 \*\*\*\* 2.0 percent of Monthly Minimum for a comparable sized meter connection, but no less than \$10 per month. The service charge for fire sprinklers is only applicable for service lines separate and distinct from the primary water service line.

4  
5 18. Pursuant to the revised Staff Report, Applicant's fair value rate base ("FVRB") is  
6 determined to be \$46,574 which is the same as its original cost rate base. The Company's FVRB  
7 reflects a \$136,049 decrease by Staff to Applicant's proposed FVRB due in large part to a reduction  
8 due to accumulated depreciation of \$229,266 and a significant reduction due to advances and  
9 contributions totaling \$486,432.

10 19. In the initial Staff Report, Staff decreased Applicant's TY operating expenses by a  
11 total of \$30,852 primarily due to adjustments to the Company's repairs and maintenance account due  
12 to the removal of undocumented expenses of \$8,373. However, after considering arguments raised  
13 by the Company in its response, Staff, in the revised Staff Report, allowed approximately \$18,000 for  
14 outside services and only disallowed a total of \$12,760 from TY operating expenses.

15 20. Applicant's present water rates and charges produced adjusted operating revenues of  
16 \$166,438 and adjusted operating expenses of \$178,803 which resulted in an operating loss of \$12,365  
17 for the TY.

18 21. The water rates and charges Applicant proposed would produce operating revenues of  
19 \$329,581 and operating expenses of \$191,563 resulting in net operating income of \$138,018. This  
20 equates to a 75.58 percent rate of return on FVRB or a 41.88 percent operating margin.

21 22. The water rates and charges proposed by Staff in its revised Staff Report would  
22 produce adjusted operating revenues of \$210,021 and adjusted operating expenses of \$178,803  
23 resulting in net operating income of \$31,218. This equates to a 67.03 percent rate of return on FVRB  
24 or a 14.86 percent operating margin.

25 23. Applicant's proposed rate schedule would increase the average monthly customer  
26 water bill by 95 percent from \$28.67 to \$55.91, and the median monthly customer water bill 95  
27 percent, from \$25.58 to \$49.89.

28 24. Staff's recommended rates would increase the average monthly customer water bill by

1 24.1 percent, from \$28.67 to \$35.58, and the median monthly customer water bill by 20.3 percent,  
2 from \$25.58 to \$30.76.

3 25. According to the Engineering Report attached to the revised Staff Report, the  
4 Company had a water loss of 6.1 percent during the TY which is within the acceptable limit of 10  
5 percent as recommended by Staff and the Company's current system has adequate well water  
6 production and storage capacity to serve the present customer base and reasonable growth.  
7 Additionally, the Company's system is delivering water which meets the requirements of the Arizona  
8 Department of Environmental Quality ("ADEQ") and meets the requirement of the Safe Drinking  
9 Water Act.

10 26. Further, the Engineering Report indicates that the Company has no delinquent  
11 compliance items with the Commission and that it has filed appropriate Curtailment and Backflow  
12 Prevention Tariffs with the Commission.

13 27. In addition to recommending approval of its proposed rates and charges, Staff is also  
14 recommending that the Commission order the following:

- 15 • that Applicant notify its customers of the approved water rates and charges and of  
16 their effective date by means of an insert in the monthly billing which precedes the  
17 month in which they become effective and file a copy of the notice sent to its  
18 customers with the Commission's Docket Control as a compliance item in this docket;
- 19 • that Applicant file, within 30 days of the effective date of this Decision, with the  
20 Commission's Docket Control, a copy of the schedule of its approved rates and  
21 charges;
- 22 • that the Company maintain its books and records in accordance with NARUC  
23 Uniform System of Accounts ("USOA");
- 24 • that the Company adopt the depreciation rates delineated in Table H-1 in Section  
25 H of the Engineering Report to the revised Staff Report;
- 26 • that the Company file, within 90 days of the effective date of this Decision, with  
27 the Commission's Docket Control as a compliance item in this docket, at least  
28 three BMPs in the form of tariffs that substantially conform to the templates  
created by Staff for the Commission's review and consideration (they are available  
on the Commission's website); and
- that Applicant, in addition to the collection of its regular rates and charges, collect  
from its customers their proportionate share of any privilege, sales or use tax as  
provided for in A.A.C. R14-2-409(D).

28 28. Because an allowance for the property tax expense of Applicant is included in the  
Company's rates and will be collected from its customers, the Commission seeks assurances from the

1 Company that any taxes collected from ratepayers have been remitted to the appropriate taxing  
2 authority. It has come to the attention of the Commission's attention that a number of water  
3 companies have been unwilling or unable to fulfill their obligation to pay the taxes that were  
4 collected from rate payers, some for as many as 20 years. It is reasonable, therefore, that as a  
5 preventive measure the Company shall annually file, as part of its Annual Report, an affidavit with  
6 the Utilities Division attesting that the Company is current in paying its property taxes in Arizona.

7 29. Under the circumstances, after our review of the application and the revised Staff  
8 Report, we believe that Staff's proposed revised rates are reasonable and should be adopted together  
9 with the remainder of Staff's recommendations as stated hereinabove.

10 **CONCLUSIONS OF LAW**

11 1. The Company is a public service corporation within the meaning of Article XV of the  
12 Arizona Constitution and A.R.S. §§ 40-250, and 40-251.

13 2. The Commission has jurisdiction over the Company and of the subject matter of the  
14 application.

15 3. Notice of the application was provided in the manner prescribed by law.

16 4. Under the circumstances discussed herein, the rates and charges proposed by Staff and  
17 authorized hereinafter are just and reasonable.

18 5. Staff's recommendations, set forth in Findings of Fact No. 27 are reasonable and  
19 should be adopted.

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**ORDER**

IT IS THEREFORE ORDERED that Cedar Grove Water, Inc. is hereby directed to file, with Docket Control, as a compliance item in this docket, on or before April 1, 2012, revised rates schedule setting forth the following rates and charges:

MONTHLY USAGE CHARGES:

5/8" x 3/4" Meter	\$ 22.50
3/4" Meter	33.75
1" Meter	56.25
1-1/2" Meter	112.50
2" Meter	180.00
3" Meter	360.00
4" Meter	562.50
6" Meter	1,125.00

COMMODITY RATES (Per 1,000 Gallons):

5/8" x 3/4" Meter	
0 - 3,000 gallons	\$ 3.25
3,001 - 9,000 gallons	5.00
Over 9,000	7.00
1" Meter	
0 - 13,000 gallons	5.00
Over 13,000 gallons	7.00
2" Meter	
0 - 70,000 gallons	5.00
Over 70,000 gallons	7.00
Standpipe, Bulk Water	7.00

SERVICE LINE AND METER INSTALLATION CHARGES:  
(Refundable Pursuant to A.A.C. R14-2-405)

<u>Meter Size</u>	<u>Service Line</u>	<u>Meter</u>	<u>Total</u>
5/8" x 3/4" Meter	\$ 0	\$ 0	\$ 0
3/4" Meter	230	90	320
1" Meter	230	140	370
1-1/2" Meter	280	265	545
2" Meter	330	420	750
3" Meter	380	600	980
4" Meter	650	1,170	1,820
6" Meter	1,200	2,720	3,920

SERVICE CHARGES:

Establishment	\$ 25.00
Reconnection (Delinquent)	50.00
Meter Test (If Correct)	50.00
Deposit	*
Deposit Interest	*
Re-establishment (Within 12 Months)	**
NSF Check	30.00
Deferred Payment (Per Month)	18.0%

1	Meter Re-read (If Correct)	15.00
	Late Payment Penalty	1.5%
2	After Hours Service Charge (added to regular	25.00
3	service charge when work is performed after	
	regular business hours)	

MONTHLY SERVICE CHARGE FOR FIRE SPRINKLERS:

4	4" or Smaller	****
5	6"	****
	8"	****
6	10"	****
	Larger than 10"	****

- 7 \* Per Commission Rule A.A.C. R14-2-403(B)
- 8 \*\* Number of months off system times the monthly minimum per Commission Rule A.A.C. R14-2-403(D)
- 9 \*\*\*\* 2.0 percent of Monthly Minimum for a comparable sized meter connection, but no less than \$10 per
- 10 month. The service charge for fire sprinklers is only applicable for service lines separate and distinct
- 
- 

11 IT IS FURTHER ORDERED that the above rates and charges shall be effective on April 1,

12 2012, for all water service.

13 IT IS FURTHER ORDERED that Cedar Grove Water, Inc. shall notify its customers of the

14 rates and charges authorized hereinabove and the effective date of same by means of an insert, in a

15 form acceptable to Staff, in the next regular monthly billing and file a copy of the notice when sent to

16 its customers with the Commission's Docket Control as a compliance item in this docket.

17 IT IS FURTHER ORDERED that Cedar Grove Water, Inc. shall comply with each of the

18 recommendations appearing in Findings of Fact No. 27.

19 IT IS FURTHER ORDERED that Cedar Grove Water, Inc. maintain its books and records in

20 compliance with the NARUC USOA.

21 IT IS FURTHER ORDERED that Cedar Grove Water, Inc. in addition to the collection of its

22 regular rates and charges, shall collect from its customers their proportionate share of any privilege,

23 sales or use tax as provided for in A.A.C. R14-2-409(D).

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IT IS FURTHER ORDERED that Cedar Grove Water, Inc. shall annually file as part of its Annual Report an affidavit with the Utilities Division attesting that the Company is current in paying its property taxes in Arizona.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION

CHAIRMAN \_\_\_\_\_ COMMISSIONER \_\_\_\_\_

COMMISSIONER \_\_\_\_\_ COMMISSIONER \_\_\_\_\_ COMMISSIONER \_\_\_\_\_

IN WITNESS WHEREOF, I, ERNEST G. JOHNSON, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

\_\_\_\_\_  
ERNEST G. JOHNSON  
EXECUTIVE DIRECTOR

DISSENT \_\_\_\_\_

DISSENT \_\_\_\_\_

MES:db

1 SERVICE LIST FOR: CEDAR GROVE WATER, INC.

2 DOCKET NO.: W-20541A-11-0199

3  
4 Thomas Grapp, Vice President of Operations  
5 CEDAR GROVE WATER, INC.  
6 P.O. Box 1270  
7 Show Low, AZ 85902-1270

8 Janice Alward, Chief Counsel  
9 Legal Division  
10 ARIZONA CORPORATION COMMISSION  
11 1200 West Washington Street  
12 Phoenix, AZ 85007

13 Steven M. Olea, Director  
14 Utilities Division  
15 ARIZONA CORPORATION COMMISSION  
16 1200 West Washington Street  
17 Phoenix, AZ 85007

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