

ORIGINAL



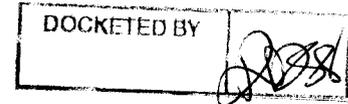
BEFORE THE CORPORATION COMMIS
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Commissioners

GARY PIERCE – Chairman 2012 MAR 13 P 2:05
BOB STUMP
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Arizona Corporation Commission
DOCKETED

MAR 13 2012



IN THE MATTER OF THE APPLICATION OF
MONTEZUMA RIMROCK WATER
COMPANY, LLC FOR APPROVAL OF A
RATE INCREASE

DOCKET NO. W-04254A-08-0361

IN THE MATTER OF THE APPLICATION OF
MONTEZUMA RIMROCK WATER COMPANY,
LLC FOR APPROVAL OF A FINANCING
APPLICATION

DOCKET NO. W-04254A-08-0362

**MOTION TO BAR
EXECUTION OF
ARSENIC TREATMENT
CONTRACT**

BY THE INTERVENER

Dated this 13th Day of March 2012

On February 21, 2012, someone filed in this docket a bundle of documents that appear to be an unexecuted proposal for a contract under which Kevlor Design Group, LLC would build an arsenic treatment system for Ms. Olsen and/or Montezuma Rimrock; an unexecuted "Water Services Agreement" under which Ms. Olsen would construct, install, maintain, and own arsenic treatment facilities to treat the water produced by Montezuma Rimrock's Well #1 and Well #4 for a 20-year period in return for monthly standby fees of \$1,500.00 and treatment fees of \$400.00 per acre foot, and Montezuma Rimrock would be required to purchase the arsenic treatment facilities from Ms. Olsen for \$1.00 at the end of the 20-year period; and an uncompleted and incomplete "Lease Agreement" showing "Financial Pacific Leasing, LLC" as lessor. The bundle of documents was docketed with a cover sheet that was blank except for the docket numbers.

On March 12, 2012, the Commission ordered **Montezuma Rimrock** to file by March 30, 2012 any executed contractual documents related to the purchase, construction, installation, operation, or maintenance of an arsenic treatment facility to treat the water from its Well #1 and/or Well#4.

Given the history of this case, Intervener has legitimate concerns that **Montezuma Rimrock** will sign contracts for the arsenic treatment facilities and begin work *prior* to Intervener and Commission staff formally reviewing and commenting on any proposed contract. In March 2011, for example, **Montezuma Rimrock** improperly installed a 2,500-foot pipeline designed to connect Well#4 to the arsenic treatment facilities, incurring an approximate \$36,000 long-term debt to Rask Construction that has never been approved by the Commission.

Intervener respectfully moves the Commission to bar **Montezuma Rimrock** from entering into any contract in connection with the arsenic treatment facilities until after Intervener and Commission Staff have an opportunity to analyze and comment on any proposed contract(s) **and** formal Commission approval of the proposed contract(s) is obtained.

If **Montezuma Rimrock** has already signed contractual agreements, Intervener respectfully moves the Commission to issue an order barring **Montezuma Rimrock** from implementing any aspect of the contract and barring the company from undertaking any construction related activities, or placing orders, making deposits or in any other way executing any terms of the contract(s), until Intervener and Commission staff have an opportunity to review and comment on the contract(s), **and** formal Commission approval of any contract(s) is first obtained.

Dated this 13th Day of March, 2012



John E. Dougherty III
Intervener

Copies of the foregoing mailed
This 13th day of March, 2012 to:

Todd C. Wiley
Fennemore Criag, P.C.
3003 N. Central Avenue, Suite 2600
Phoenix, AZ 85012

Patricia D. Olsen, Manager
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