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MEMORANDUM
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2012 APR -9 P 4: 42

TO: Docket Control

FROM: Steven M. Olea
Director
Utilities Division

AZ CORP COMMISSION
DOCKET CONTROL

DATE April 9, 2012

RE: **SUPPLEMENT TO STAFF REPORT FOR SABROSA WATER COMPANY'S APPLICATIONS FOR A RATE INCREASE AND TWO AUTHORIZATIONS FOR FINANCING (DOCKET NOS. W-02111A-11-0272, W-02111A-11-0340 and W-02111A-11-0435)**

On April 5, 2012, the Utilities Division ("Staff") filed its Staff Report for Sabrosa Water Company's ("Sabrosa") applications for a permanent rate increase and authorizations for financing. In that report, Staff indicated that Sabrosa was still not compliant with the requirement in Decision No. 69574 that Sabrosa file a plan describing how it will obtain a Transaction Privilege Tax ("TPT") identification number and become compliant with the state TPT rules.

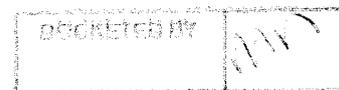
Sabrosa has continued working with the Arizona Department of Revenue and has subsequently provided Staff with documentation confirming that the TPT license under which Sabrosa collects and remits its sales tax is now appropriately associated with Sabrosa's name. Staff concludes that Sabrosa is now compliant with the intended result of the above-mentioned requirement. Therefore, Staff recommends that the requirement for Sabrosa to file a plan to obtain a TPT license be eliminated.

SMO:BCA:tdp

Originator: Brendan C. Aladi

Arizona Corporation Commission
DOCKETED

APR - 9 2012



Service List for: Sabrosa Water Company
Docket Nos. W-02111A-11-0272, et al

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