

ORIGINAL



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BEFORE THE ARIZONA CORPORATION COMMISSION

2012 OCT 12 P 12:36

GARY PIERCE,
Chairman
BOB STUMP,
Commissioner
SANDRA D. KENNEDY
Commissioner
PAUL NEWMAN,
Commissioner
BRENDA BURNS,
Commissioner

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL
DOCKETED

OCT 12 2012

DOCKETED
DM

IN THE MATTER OF THE APPLICATION)
OF VAIL WATER COMPANY FOR A)
DETERMINATION OF THE FAIR VALUE)
OF ITS UTILITY PLANT AND PROPERTY)
AND FOR AN INCREASE IN ITS RATES)
AND CHARGES BASED THEREON)

DOCKET NO. W-01651B-12-0339

NOTICE OF FILING AFFIDAVITS OF PUBLICATION AND MAILING

Attached is the Affidavit of Publication published on September 21, 2012, in the Arizona Daily Star by which the Applicants gave public notice of the Application in this matter. Also attached is an Affidavit of Mailing in relation to the mailing of the Notice on October 1, 2012.

Respectfully submitted this 12th day of October, 2012.

LEWIS AND ROCA

Michael McNulty
Michael Hallam
Lewis and Roca, LLP
40 N. Central Avenue
Phoenix, Arizona 85004
Attorneys for Vail Water Company

1 ORIGINAL and thirteen (13) copies
2 of the foregoing filed this 12th day of
3 October, 2012 with:

4 Arizona Corporation Commission
5 Docket Control – Utilities Division
6 1200 W. Washington Street
7 Phoenix, Arizona 85007

8 Copy of the foregoing hand-delivered
9 this 12th day of October, 2012 to:

10 Lyn Farmer, Esq.
11 Chief Administrative Law Judge
12 Hearing Division
13 Arizona Corporation Commission
14 1200 West Washington Street
15 Phoenix, Arizona 85007

16 Janice Alward, Esq.
17 Chief Counsel, Legal Division
18 Arizona Corporation Commission
19 1200 West Washington Street
20 Phoenix, Arizona 85007

21 Mr. Steven M. Olea
22 Director, Utilities Division
23 Arizona Corporation Commission
24 1200 West Washington Street
25 Phoenix, Arizona 85007

26 

ARIZONA DAILY STAR

Tucson, Arizona

STATE OF ARIZONA)
COUNTY OF PIMA)

Debbie Capanear, being first duly sworn deposes and says: that she is the Legal Advertising Representative of TNI PARTNERS, a General Partnership organized and existing under the laws of the State of Arizona, and that it prints and publishes the Arizona Daily Star, a daily newspaper printed and published in the City of Tucson, Pima County, State of Arizona, and having a general circulation in said City, County, State and elsewhere, and that the attached and was printed and

Legal Notice

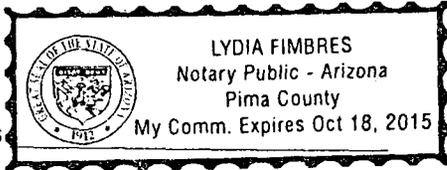
published correctly in the entire issue of the said Arizona Daily Star on each of the following dates, to-wit:

SEPTEMBER 21, 2012

Debbie Capanear (handwritten signature)

Subscribed and sworn to before me this 26 day of September, 2012

Lydia Fimbres (handwritten signature)
Notary Public



My commission expires

AD NO. 7865535

RATE APPLICATION OF
VAIL WATER COMPANY
Docket No. W-01651B-12-0339

On July 27, 2012, Vail Water Company ("VWC" or "Company") filed an application with the Arizona Corporation Commission ("Commission") for an increase in annual revenues of \$44,144, or 1.89 percent over test year revenues. Under the rates as proposed by the Company, a residential water service customer with a 5/8 x 3/4" meter, with an average monthly usage of 6,720 gallons, would expect to see a monthly increase of \$0.52, or 1.29 percent, from \$40.06 to \$40.58. A customer's bill depends on meter size and how much water is used each month. A customer with a larger meter and/or using less or more than the average would experience a smaller or larger increase.

In addition, the Company is proposing a Central Arizona Project ("CAP") surcharge mechanism to recover costs of direct delivery of CAP water to the Company's service territory. The Company proposes that the surcharge collect the costs of depreciation on the CAP project investment, CAP M&I delivery charges, wheeling fees from Tucson Water, a return on investment, income taxes, and other CAP-related costs and credits. The amount of the surcharge would be determined and submitted for approval by the Commission once the planned CAP project pipeline and related equipment is in service and all CAP-related costs components are known and measurable.

If you have any questions concerning how the Company's rate proposal will affect your bill or have other substantive questions about this application, you may contact the Company at:

Vail Water Company, P.O. Box 100, Vail, Arizona 85641, Telephone:520-647-3679, or at operator@vailwater.com

The Commission's Utilities Division Staff has not yet made a recommendation regarding the Company's proposals, and the Commission will determine the appropriate rate relief to be granted based on the evidence of record in this proceeding. The Commission is not bound by the proposals made by the Company, Staff, or any intervenors and, therefore, the final rates approved in this docket may be lower or higher than the rates described above.

How You Can View or Obtain a Copy of the Rate Proposal

Copies of the application and proposed tariffs are available at the Company's offices 14155 E. Via Rancho Del Lago, Vail, AZ 85641 and at the Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona and its Tucson offices, 400 West Congress, Suite 218, Tucson, Arizona, and on the internet via the Commission website (www.azcc.gov) using the e-docket function.

Public Hearing Information

THE COMMISSION WILL HOLD A HEARING ON THIS MATTER BEGINNING MAY 7, 2013, AT 10:00 A.M., AT THE COMMISSION'S OFFICES, ROOM 222, 400 WEST CONGRESS, TUCSON, ARIZONA, 85701.

Public comments will be taken at the beginning of the hearing. Written public comments may be submitted by mailing a letter referencing Docket No. W-01651B-12-0339 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by email. For a form to use and instructions on how to e-mail comments to the Commission, go to http://www.azcc.gov/divisions/utilities/forms/PublicCommentForm.pdf. If you require assistance, you may contact the Consumer Services Section at 1-800-222-7000 or (520) 628-6550.

About Intervention

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than April 15, 2013, and send a copy of the motion to VWC or its counsel and to all parties of record. Your motion must contain the following:

- 1. Your name, address, and telephone number and the name, address and telephone number of any party upon whom service of documents is to be made, if not yourself.
2. A short statement of your interest in the proceeding (e.g., a customer of the Company, etc.).
3. A statement certifying that you have mailed a copy of the motion to intervene to the Company or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before April 15, 2013. If representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme Court, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. For information about requesting intervention, visit the Commission's website at http://www.azcc.gov/divisions/utilities/forms/interven.pdf. The granting of intervention, among other things, entitles a party to present sworn evidence at the hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any interested person or entity from appearing at the hearing, and providing public comment on the application or from filing written comments in the record of the case.

ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator Shaylin Bernal, E-mail SABernal@azcc.gov, voice phone number 602/542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2
3 GARY PIERCE,
 Chairman
4 BOB STUMP,
 Commissioner
5 SANDRA D. KENNEDY,
 Commissioner
6 PAUL NEWMAN,
 Commissioner
7 BRENDA BURNS,
 Commissioner

8
9 IN THE MATTER OF THE APPLICATION)
10 OF VAIL WATER COMPANY FOR A)
11 DETERMINATION OF THE FAIR VALUE)
12 OF ITS UTILITY PLANT AND PROPERTY)
 AND FOR AN INCREASE IN ITS RATES)
 AND CHARGES BASED THEREON)
)
)

DOCKET NO. W-01651B-12-0339

13 **AFFIDAVIT OF MANUEL OROS**

- 14 1. My name is Manuel Oros and I am employed by Vail Water Company as its
15 Operator. My business address is 1010 N. Finance Center Drive, Suite 200, Tucson, Az.
16 85715.
- 17 2. I am submitting this affidavit on behalf of Vail Water Company, the applicant in
18 the above-captioned docket.
- 19 3. I supervised the mailing of the Notice of Hearing to the customers of Vail Water
20 Company as required by the Procedural Order dated September 7, 2012.
- 21 4. On October 1, 2012, the Notice of Hearing was mailed to all customers of Vail
22 Water Company.

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Dated this 8th day of October, 2012.

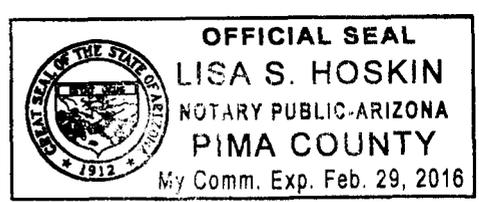
Manuel Oros
Manuel Oros

State of Arizona)
County of Pima) ss.

Subscribed and Sworn to before me this 8th day of October, 2012.

Lisa Hoskin
Notary Public

My Commission Expires: 2/29/2016



October 03, 2012

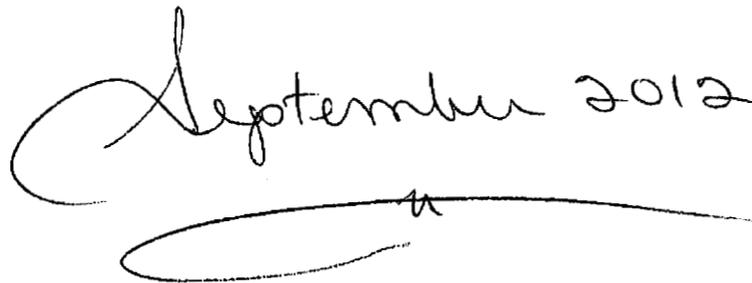
To Whom It May Concern:

This letter is to confirm that Vail Water Company mailed out an additional insert PUBLIC NOTICE OF HEARING ON THE RATE APPLICATION OF VAIL WATER COMPANY Docket No. W-01651B-12-0339 with their statements in the month of September. If you have any questions or concerns please feel free to contact me at (520) 745-5582.

Thank you,

Krystal Fragozo
Production Supervisor
Automated Presort Services

September 2012

A handwritten signature in black ink, appearing to be "Krystal Fragozo", written over the date "September 2012". The signature is cursive and includes a long horizontal flourish at the bottom.

| Company Detail | |
|--|--|
| Company Name | AUTOMATED PRESORT SERVICES INC |
| Address | 1708 E 22ND ST TUCSON, AZ 85713-1904 |
| Contact Name | MIKE WILSON |
| Phone Number | (520)745-5582 |
| Profit Indicator | P |
| PS Form 3607R - Mailing Transaction Receipt | |
| Account Holder Account Number | 13920 |
| Account Holder Permit Number | 129 |
| Account Holder Permit Type | PI |
| Account Holder CRID | 3519756 |
| Post Office of Permit | TUCSON, AZ 85726-9853 |
| Post Office of Mailing | TUCSON, AZ 85726-9653 |
| Post Office of Permit Cost Center | 038880-0990 |
| Post Office of Mailing Cost Center | 038880-0990 |
| Mailing Agent Name | AUTOMATED PRESORT SERVICES INC |
| Mailing Agent CRID | 3519756 |
| Mail Owner Name | AUTOMATED PRESORT SERVICES INC |
| Mail Owner CRID | 3519756 |
| JOB ID | PW |
| Customer Reference ID | |
| CAPS Transaction Number | 2012100116254200M0 |
| Class of Mail | First-Class Mail and First-Class Package Service |
| Processing Category | Letters (may include Postcards) |
| Postage Statement ID | 148131312 |
| Mailing Group ID | 112666395 |
| Mailer's Mailing Date | 10/01/2012 |
| Total Pieces | 3,708 pcs. |
| Weight of a single-piece | 0.0312 lbs. |
| Total Weight | 115.9062 lbs. |
| Total Number of Containers | 10 |
| Total Adjusted Postage | \$ 1,307.89 |
| Payment Date and Time | 10/01/2012 14:25 |
| Payment Transaction Number | 201227516254208M0 |
| Mailer Figures Adjusted? | No |
| Person authorizing adjustment | |
| Name | |
| Phone Number | |
| Acceptance Site Mailer ID | |
| Clerk Initials | SLJ |
| Mail Arrival Date and Time | 10/01/2012 14:25 |



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Docket No. W-01651B-12-0339**

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