



**ORIGINAL**

BEFORE THE ARIZONA CORPORATION COMMISSION

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ARIZONA CORP COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission

**DOCKETED**

APR 25 2013

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IN THE MATTER OF THE APPLICATION  
OF TUSAYAN WATER DEVELOPMENT  
ASSOCIATION, INC. FOR  
ESTABLISHMENT OF RATES FOR  
WATER SERVICE

- DOCKET NO. W-02350A-10-0163
- DOCKET NO. W-20765A-10-0432
- DOCKET NO. W-20770A-10-0473

IN THE MATTER OF THE APPLICATION  
OF ANASAZI WATER CO., LLC FOR  
ADJUDICATION "NOT A PUBLIC  
SERVICE CORPORATION"

**TOWN OF TUSAYAN'S STATUS REPORT**

IN THE MATTER OF THE APPLICATION  
OF HYDRO-RESOURCES, INC. FOR  
ADJUDICATION "NOT A PUBLIC  
SERVICE CORPORATION"

(Administrative Law Judge Sarah H. Harpring)

The Town of Tusayan ("Town") through its counsel submits this Status Report in response to the Procedural Order issued March 29, 2013. The Procedural Order requested three actions of each party: (i) report on status of settlement efforts, (ii) report on the party's position regarding prospective actions to be taken to reach resolution of this matter, and (iii) identify additional information needed concerning the future state of water service in Tusayan.

**I. Status of Settlement Efforts**

On September 9, 2011, Tusayan Water Development Association, Inc. ("Tusayan Water"), Hydro-Resources, Inc. ("Hydro"), Anasazi Water Co., LLC ("Anasazi") and

1 Squire Motor Inns, Incorporated (“Squire”) opposed conducting a hearing on the  
2 conciliated Tusayan Water, Hydro and Anasazi adjudications based on the assertion that  
3 the parties had reached a “conceptual agreement” to have Hydro become the holder of a  
4 certificate of convenience and necessity so that Hydro could become the water service  
5 provider. Under such agreement, supported at the time by the Town, water service would  
6 be provided through a single, unified water system, subject to Commission regulation.  
7  
8 The Town has not been involved in any negotiations concerning the proposed settlement  
9 agreement since April 2012. The status reports to be provided in response to the March  
10 29, 2013 Procedural Order should inform the Commission and the Town regarding the  
11 next appropriate step.  
12

13  
14 **II. Report on the Town’s Position**

15 The Town was prepared to agendize the settlement agreement that was discussed at  
16 the March 19, 2012 and April 30, 2012 procedural conferences for review and action by  
17 the Town council, and although final approval of the settlement agreement can only be  
18 obtained in a public meeting of the Tusayan Town Council, the undersigned town attorney  
19 was (at that time) of the belief that the Town council would approve the settlement  
20 agreement.  
21

22 **III. Additional information needed**

23 The Town requests that Hydro, Tusayan Water, Anasazi and Squire report the  
24 status of their negotiations and circulate the latest draft of the settlement agreement for  
25 review by all parties. If this cannot be accomplished prior to May 1, 2013, the  
26 undersigned Town attorney will meet with the Tusayan Town Council to obtain direction  
27  
28

1 concerning the Commission's scheduling of hearings on the consolidated Tusayan Water,  
2 Hydro and Anasazi adjudications.

3  
4 Respectfully submitted this 25<sup>th</sup> day of April, 2013.

5 SIMS MURRAY, LTD.

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William J. Sims III  
9 Attorney for the Town of Tusayan

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1 Original and 13 copies of foregoing filed  
2 this 25<sup>th</sup> day of April, 2013, with:

3 Docket Control Division  
4 ARIZONA CORPORATION COMMISSION  
5 1200 West Washington  
6 Phoenix AZ 85007

6 Copies of the foregoing mailed this  
7 3<sup>rd</sup> day of April, 2013, to:

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