

ORIGINAL OPEN MEETING AGENDA ITEM



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BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

2013 MAY 10 P 4: 54

Arizona Corporation Commission

DOCKETED

MAY 10 2013

COMMISSIONERS

BOB STUMP—Chairman
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH

ARIZONA CORP COMMISSION
DOCKET CONTROL

DOCKETED BY *JM*

IN THE MATTER OF THE APPLICATION
OF JOHNSON UTILITIES, L.L.C. DBA
JOHNSON UTILITIES COMPANY, FOR AN
INCREASE IN ITS WATER AND WASTE-
WATER RATES FOR CUSTOMERS WITHIN
PINAL COUNTY, ARIZONA.

DOCKET NO. WS-02987A-08-0180

**NOTICE OF FILING
AFFIDAVIT OF MAILING
PUBLIC NOTICE**

In the Staff Report in this docket dated April 26, 2013, Utilities Division Staff (“Staff”) recommended that Johnson Utilities, L.L.C. (“Johnson Utilities” or the “Company”) mail notice of its March 8, 2013 Petition to Amend Decision No. 71854 to all customers and parties in this docket. Staff provided a form of notice to be used by the Company in the Staff Report. In accordance with the Staff Report, Johnson Utilities mailed a copy of the required notice on or about May 7, 2013, in a special direct mailing to all of the Company’s customers and to all parties on the service list for this docket. The Company’s Affidavit of Mailing Public Notice is attached hereto as Attachment 1.

RESPECTFULLY submitted this 10th day of May, 2013.

BROWNSTEIN HYATT FARBER SCHRECK LLP

Jeffrey W. Crockett

Jeffrey W. Crockett, Esq.
One East Washington Street, Suite 2400
Phoenix, Arizona 85004
Attorneys for Johnson Utilities, L.L.C.

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One East Washington, Suite 2400
Phoenix, AZ 85004

Brownstein Hyatt Farber Schreck, LLP
One East Washington, Suite 2400
Phoenix, AZ 85004

1 ORIGINAL and thirteen (13) copies of the foregoing filed this 10th day of May, 2013, with:

2 Docket Control
3 ARIZONA CORPORATION COMMISSION
4 1200 West Washington Street
5 Phoenix, Arizona 85007

6 COPY of the foregoing hand-delivered this 10th day of May, 2013, to:

7 Lyn Farmer, Chief Administrative Law Judge
8 Hearing Division
9 ARIZONA CORPORATION COMMISSION
10 1200 West Washington Street
11 Phoenix, Arizona 85007

12 Janice Alward, Chief Counsel
13 Legal Division
14 ARIZONA CORPORATION COMMISSION
15 1200 West Washington Street
16 Phoenix, Arizona 85007

17 Steve Olea, Director
18 Utilities Division
19 ARIZONA CORPORATION COMMISSION
20 1200 West Washington Street
21 Phoenix, Arizona 85007

22 Copy of the foregoing mailed this 10th day of May, 2013, to:

23 Daniel Pozefsky, Chief Counsel
24 RESIDENTIAL UTILITY CONSUMER OFFICE
25 1110 West Washington Street
26 Phoenix, Arizona 85007

27 Craig A. Marks
28 CRAIG A. MARKS, PLC
10645 N. Tatum Blvd., Suite 200-676
Phoenix, Arizona 85028

James E. Mannato, Town Attorney
TOWN OF FLORENCE
P.O. Box 2670
775 N. Main Street
Florence, Arizona 85232-2670


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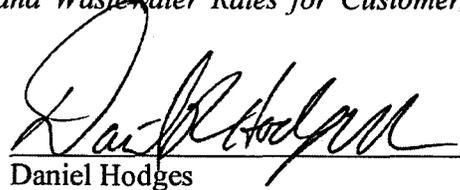
Attachment 1

AFFIDAVIT OF MAILING PUBLIC NOTICE

STATE OF ARIZONA)
) ss:
County of Maricopa)

I, Daniel Hodges, being first duly sworn, depose and state as follows:

1. I am a resident of Maricopa County. I am over 18 years of age and I make this affidavit based on my own personal knowledge.
2. I work for Johnson Utilities, L.L.C.
3. I certify that on or about May 7, 2013, I caused a copy of the notice attached hereto as Exhibit A to be mailed in a special direct mailing to: (i) all water and sewer customers of Johnson Utilities, L.L.C., as of May 7, 2013; and (ii) all parties on the service list for Docket WS-02987A-08-0180 (*In the Matter of the Application of Johnson Utilities, L.L.C., dba Johnson Utilities Company, for an Increase in its Water and Wastewater Rates for Customers within Pinal County, Arizona*).


Daniel Hodges

SUBSCRIBED and sworn to before me this 7th day of May, 2013.


Notary Public

My Commission Expires:

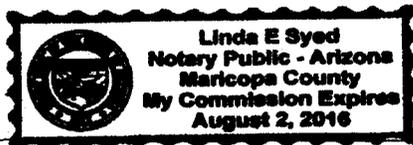


Exhibit A

Johnson Utilities
968 E. Hunt Highway
San Tan Valley, AZ 85143

May 6, 2013

NOTICE
PUBLIC NOTICE OF PUBLIC COMMENT MEETING AND OPEN MEETING

Regarding

Johnson Utilities' Petition to Amend Decision No. 71854 pursuant to AR.S. § 40-252 (Docket No. WS-02987A-08-0180)

Summary

On September 15, 2011, the Arizona Corporation Commission issued Decision No. 72579, which established the current rates for Johnson Utilities LLC, dba Johnson Utilities Company ("Johnson" or "Company"). This Decision amended the rates that had been set for Johnson in Decision No. 71854, issued August 25, 2010. Decision No. 72579 also provided that Johnson could seek an allowance for income taxes generated as a result of its operations. On February 21, 2013, in Decision No. 73739, the Commission adopted a policy that allows all utility entities, other than subchapter C corporations and tax-exempt entities, to include in the cost of service an income tax allowance based on the lower of comparable subchapter C corporate income tax expense, or the combined personal income tax obligation created by the distribution of the utility's profits. Johnson has filed a petition pursuant to A.R.S. 40-252 seeking recovery of an allowance for income taxes.

Public Comment Meeting and Open Meeting

This matter is currently scheduled for an opportunity to be heard at a Commission Open Meeting on June 11 and 12, 2013, at 10:00 a.m. at the Commission's offices located at 1200 West Washington Street, Phoenix, Arizona 85007. Please check the Commission's Open Meeting schedule at <http://www.azcc.gov/Divisions/Administration/Meetings/Agendas/2013/2013openmeetings.asp> in case the Open Meeting is rescheduled or this matter is postponed to a later date.

Written public comments may be submitted by mailing a letter referencing Docket No. WS-02987A-08-0180 to the Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, Arizona 85007, or by e-mail. 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/PublicCommentForm1.pdf>.

Requests to intervene may be filed in Docket No. WS-02987A-08-0180, and the last day to file a request for intervention is June 4, 2013. If you require assistance, either to provide public comment or to seek intervention, you may contact the Consumer Services Section at 602-542-4251 or 1-800-222-7000.

Water Division

Under the rates approved in Decision No. 72579, a residential customer with a ¾-inch meter and average usage of 6,931 gallons per month currently pays \$ 29.81 per month. Under the Company's request, that amount would increase by \$.47 (1.58 percent) to \$30.28. The actual change in rates for individual customers would vary depending upon the type and quantity of service provided. You may contact the Company and request a calculation of the impact of its proposals on your account.

Wastewater Division

Under rates approved in Decision No. 72579, a residential wastewater customer with a ¾-inch water meter currently pays \$39.35 per month. Under the Company's request, that amount would increase by \$2.65 (6.73 percent) to \$42.00. The actual change in rates for individual customers would vary depending upon the type and quantity of service provided. You may contact the Company and request a calculation of the impact of its proposals on your account.

The proposed rate changes are summarized in the following table:

<u>Water Monthly Minimum Charge</u>	<u>Current Rates</u>	<u>New Rates</u>
5/8" Meter	11.00	11.27
3/4" Meter	16.50	16.90
1" Meter	27.50	28.17
1 1/2" Meter	55.00	56.53
2" Meter	88.00	90.13
3" Meter	176.00	180.26
4" Meter	275.00	281.66
6" Meter	550.00	563.31
8" Meter	880.00	901.30
10" Meter	1,265.00	1,295.61
<u>Commodity Charge (Per 1,000 Gallons)</u>		
All Current Commodity Charges are increased by approximately \$0.01/per 1,000 gallons		

<u>Wastewater Monthly Minimum Charge</u>	<u>Current Rates</u>	<u>New Rates</u>
5/8" Meter	35.77	38.19
3/4" Meter	39.35	42.00
1" Meter	50.08	53.46
1 1/2" Meter	64.39	68.73
2" Meter	103.73	110.74
3" Meter	393.47	420.04
4" Meter	751.17	801.89
6" Meter	1,037.33	1,107.37
8" Meter	1,430.80	1,527.60
10" Meter	2,056.78	2,195.93
<u>Commodity Charge for Effluent</u>		
	<u>Current Rates</u>	<u>New Rates</u>
Per 1,000 Gallons	0.63	0.68
Per Acre Foot	205.29	221.58

The Commission is not bound by the proposals made by the Company in its Petition; therefore, the final rates approved by the Commission may be higher or lower than the rates requested by Johnson.

How You Can View or Obtain a Copy of the Petition

Copies of the Petition are available from Johnson Utilities at 968 East Hunt Highway, Queen Creek, Arizona 85242 and at the Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours and on the Internet via the Commission's website (www.azcc.gov) using the e-Docket function.

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 sbernal@azcc.gov, voice phone number 602-542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.