

ORIGINAL OPEN MEETING AGENDA ITEM

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FENNEMORE CRAIG
A Professional Corporation 2013 MAY 23 P 4:35
Jay L. Shapiro (No. 014650)
2394 East Camelback Road, Suite 600
Phoenix, Arizona 85016
Telephone (602) 916-5000

COMMISSION
DOCKET CONTROL

Attorneys for Pima Utility Company

IN THE MATTER OF THE APPLICATION
OF PIMA UTILITY COMPANY, AN
ARIZONA CORPORATION, FOR A
DETERMINATION OF THE FAIR VALUE
OF ITS UTILITY PLANTS AND
PROPERTY AND FOR INCREASES IN ITS
WATER RATES AND CHARGES FOR
UTILITY SERVICE BASED THEREON.

DOCKET NO. W-02199A-11-0329

IN THE MATTER OF THE APPLICATION
OF PIMA UTILITY COMPANY, AN
ARIZONA CORPORATION, FOR A
DETERMINATION OF THE FAIR VALUE
OF ITS UTILITY PLANTS AND
PROPERTY AND FOR INCREASES IN ITS
WASTEWATER RATES AND CHARGES
FOR UTILITY SERVICE BASED
THEREON.

DOCKET NO. SW-02199A-11-0330

NOTICE OF FILING

Pima Utility Company (the "Company") hereby submits Notice of Filing in the above-captioned matter. Pursuant to the Staff Report filed on May 1, 2013, on May 21, 2013 the Company mailed to customers notification of the Open Meeting scheduled for June 11 and 12, 2013. See the affidavit of Christopher R. Sabin attached hereto.

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Arizona Corporation Commission
DOCKETED
MAY 23 2013

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RESPECTFULLY SUBMITTED this 23rd day of May, 2013.

FENNEMORE CRAIG, P.C.

By  _____
Jay A. Shapiro
2394 East Camelback Road, Suite 600
Phoenix, Arizona 85016
Attorneys for Pima Utility Company

ORIGINAL and thirteen (13) copies
of the foregoing were filed
this 23rd day of May, 2013 to:

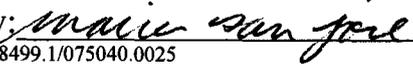
Docket Control
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

COPY of the foregoing hand-delivered
this 23rd day of May, 2013 to:

Teena Jibilian
Administrative Law Judge
Hearing Division
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

Robin Mitchell, Esq.
Legal Division
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

Dan Pozefsky, Esq.
RUCO
1110 West Washington, Suite 220
Phoenix, Arizona 85007

By:  _____
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AFFIDAVIT OF CHRISTOPHER R. SABIN

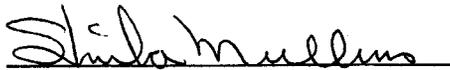
Christopher R. Sabin, being duly sworn, deposes and says:

1. I am a resident of Maricopa County, am over 18 years of age, and make this affidavit based on my own personal knowledge.
2. I am Controller of Pima Utility Company (the "Company").
3. Pursuant to Staff's recommendation in its May 1, 2013 Staff Report, on May 21, 2013 the Company mailed to customers notification of the Open Meeting scheduled for June 11 and 12, 2013. The notice matches the form provided by Staff. A copy is attached hereto as Exhibit A.



Christopher R. Sabin

SUBSCRIBED and sworn to before me this 23 day of May, 2013.



Notary Public

My Commission Expires:

May 26, 2015
8198275.1/075040.0025

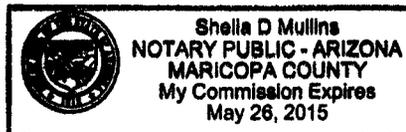


Exhibit A

NOTICE
PUBLIC NOTICE OF PUBLIC COMMENT MEETING AND OPEN MEETING

Regarding

Pima Utility Company Petition to Amend Decision No. 73573 pursuant to A.R.S. § 40-252 (Docket Nos. W-02199A-11-0329 and SW-02199A-11-0330)

Summary

On November 12, 2012, the Arizona Corporation Commission issued Decision No. 73573, which established the current rates for Pima Utility Company ("Pima" or "Company"). Decision No. 73573 also provided that Pima 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 its 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. Pima then filed a petition pursuant to A.R.S. § 40-252 seeking recovery of an allowance for income taxes.

Public Comment Meeting and Open Meeting

The Commission will hold an **Open Meeting** to consider the Petition 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. Written public comments may be submitted by mailing a letter referencing Docket Nos. W-02199A-11-0329 and SW-02199A-11-0330 to the Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, Arizona 85007, or by e-mail. For a form to use and/or instructions on how to e-mail comments to the Commission, go to <http://www.azcc.gov/Divisions/Utilities/forms/PublicCommentForm1.pdf> or email comments to mailmaster@azcc.gov. If you require assistance, 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 5/8-inch meter and average usage of 6,395 gallons per month, currently pays \$11.96 per month. Under the Company's request that amount would increase by \$.70 or 5.82 percent to \$12.65. **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 5/8-inch water meter currently pays \$23.97 per month. Under the Company's request, that amount would increase by \$1.20 or 5.00 percent to \$25.17. **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	7.00	7.39
3/4" Meter	10.50	11.09
1" Meter	20.00	21.12

1 1/2" Meter	35.00	36.96
2" Meter	56.00	59.14
3" Meter	130.00	137.28
4" Meter	175.00	184.80
6" Meter	350.00	369.60
8" Meter	880.00	901.30
10" Meter Irrigation	180.00	180.00
<u>Commodity Charge (Per 1,000 Gallons)</u>		
<u>Residential</u>		
1 gallon - 4,000 gallons	0.67	0.71
4,001 gallons - 10,000 gallons	0.95	1.01
over 10,000 gallons	1.36	1.45
<u>Commercial (Break-over points remain unchanged)</u>		
First tier	0.95	1.01
Second tier	1.36	1.45

<u>Wastewater Monthly Minimum Charge</u>	Current Rates	New Rates
5/8" Meter	23.97	25.17
3/4" Meter	37.26	39.12
1" Meter	62.56	65.69
1 1/2" Meter	123.72	129.91
2" Meter	197.54	207.42
3" Meter	383.50	402.68
4" Meter	599.22	629.18
6" Meter	1,198.44	1,198.44
Effluent (all meter sizes)	180.00	180.00
<u>Commodity Charge for Effluent</u>		
Per 1,000 Gallons	0.46	0.48

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 Pima.**

How You Can View or Obtain a Copy of the Petition

Copies of the Petition are available from Pima Utility Company at 9532 East Riggs Road, Sun Lakes, Arizona 85248 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.