

ORIGINAL



0000145810

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

BEFORE THE ARIZONA CORPORATION

COMMISSIONERS

BOB STUMP, CHAIRMAN
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH

RECEIVED
2013 JUN 19 P 12:33
AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF ARIZONA WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR ADJUSTMENTS TO ITS RATES AND CHARGES FOR UTILITY SERVICE FURNISHED BY ITS NORTHERN GROUP AND FOR CERTAIN RELATED APPROVALS.

DOCKET NO. W-01445A-12-0348

STAFF'S NOTICE OF FILING ERRATA

On June 18, 2013, Staff filed its Brief in the above captioned matter. The paragraph on page 1 lines 22 – 25 contained some incorrect numbers for Arizona Water Company's original requested operating income and rate of return. The changes are as follows:

- Line 24: changed operating income from \$36,045,843 to \$3,283,578
- Line 24: changed rate of return from 28 to 9.11
- Line 25: added "of \$36,045,843"

Staff hereby provides notice of filing the attached corrected page to the Brief.

RESPECTFULLY SUBMITTED this 19th day of June, 2013.



 Wesley C. Van Cleve
 Charles H. Hains
 Matthew Laudone
 Attorneys, Legal Division
 Arizona Corporation Commission
 1200 West Washington Street
 Phoenix, Arizona 85007
 (602) 542-3402

Arizona Corporation Commission
DOCKETED
 JUN 19 2013
 DOCKETED BY 

1 **Original and thirteen (13) copies of**
2 **the foregoing filed this 19th day of**
3 **June _____, 2013, with:**

3 Docket Control
4 Arizona Corporation Commission
5 1200 West Washington Street
6 Phoenix, Arizona 85007

6 **Copy of the foregoing mailed this**
7 **19th day of June _____, 2013, to:**

8 William M. Garfield, President and
9 Chief Operating Officer
10 ARIZONA WATER CO.
11 P.O. Box 29006
12 Phoenix, Arizona 85038-9006

13 Steven A. Hirsch
14 Stanley B. Lutz
15 BRYAN CAVE, LLP
16 Two North Central Avenue, Suite 2200
17 Phoenix, Arizona 85004-4406

18 Daniel W. Pozefsky
19 Chief Counsel
20 Residential Utility Consumer Office
21 1110 W. Washington Street, Suite 220
22 Phoenix, Arizona 85007

23
24
25
26
27
28
29 *Roseann Corio*

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

BOB STUMP, CHAIRMAN
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH

DOCKET NO. W-01445A-12-0348

STAFF'S BRIEF

IN THE MATTER OF THE APPLICATION OF ARIZONA WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR ADJUSTMENTS TO ITS RATES AND CHARGES FOR UTILITY SERVICE FURNISHED BY ITS NORTHERN GROUP AND FOR CERTAIN RELATED APPROVALS.

I. INTRODUCTION.

Arizona Water Company ("AWC" or "Company") is an Arizona Class A public service corporation engaged in providing water for public purposes in portions of Cochise, Coconino, Gila, Maricopa, Navajo, Pima, Pinal, and Yavapai Counties, Arizona. At the present time, the Company operates three groups of water systems, the Northern, Eastern and Western Groups, that serve approximately 84,800 customers.¹ AWC filed an application for a rate increase in the in the above captioned matter on August 1, 2012 for utility service provided by its Northern Group systems, which includes the Navajo (Lakeside and Overgaard) and Verde Valley (Sedona, Pinewood and Rimrock) water systems. Together, the Company's Northern Group of water systems served approximately 19,700 customers at the end of the test year (December 31, 2011) used in this application.²

The Company initially requested a rate increase of \$2,829,777 over its test year revenues of \$10,124,656 for a total revenue requirement of \$12,954,433. The amount of increase will result in an operating income of \$3,283,578 or a 9.11 percent rate of return on its adjusted original cost rate base of \$36,045,843 which is being used as its fair value rate base for purposes of this proceeding.

¹ AWC Rate Application at 1.
² *Id.* at 2.