

COMMISSIONERS
BOB STUMP - Chairman
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH



0000149345

ARIZONA CORPORATION COMMISSION

RECEIVED

ORIGINAL

November 5, 2013

2013 NOV -5 A 10:48

CERTIFIED MAIL

Cibola Mutual Water Company, Inc.
Attn: Dave Grundy
RR 2 Box 77
5948 Levee Road
Cibola, AZ 85328

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

RE: CIBOLA MUTUAL WATER COMPANY – APPLICATION FOR A RATE INCREASE
DOCKET NO. W-04106A-13-0266

SECOND LETTER OF INSUFFICIENCY

Dear Mr. Grundy:

This letter (per section R14-2-103.B.7 of the Arizona Administrative Code) is to inform you that after giving consideration to the additional documents submitted on October 15, 2013, the Company's rate application, received on August 2, 2013 still does not meet the sufficiency requirements as outlined in Arizona Administrative Code R14.2-103.

Staff has found several deficiencies with your application, which are listed on a separate attachment. The 30-day sufficiency determination period will begin anew when the Company corrects the deficiencies and Docket Control receives an original and sixteen copies of the corrected pages.

You have 15 calendar days, or until November 19, 2013 to correct the deficiencies or make other arrangements with Staff to remedy your rate application. If the corrections or other arrangements are not made by the above date, Staff will request your docket number be administratively closed. Docket Control will retain one copy of the original application for Commission records. You may file an original and fifteen copies of an updated application at a later date.

The Staff person assigned to your application is Christine Payne. She can be reached at (602) 542-0148, or toll free at (800) 222-7000, if you have any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Armstrong".

James Armstrong
Chief Accountant
Financial & Regulatory Analysis Section

CC: Docket Control Center (fifteen copies)
Connie Walczak, Consumer Services
Delbert Smith, Engineering
Lyn Farmer, Hearing Division

Arizona Corporation Commission
DOCKETED

NOV 05 2013

DOCKETED BY A rectangular box containing the text "DOCKETED BY" and a handwritten signature in black ink.

Cibola Mutual Water Company
Docket No. W-04106A-13-0266
Rate Application
For the Test Year Ended December 31, 2012

List of Deficiencies

1. Meter Water Revenue - The Company has not provided a sufficient bill count to support the Meter Water revenue of \$102,980 for test year ending December 31, 2012 on the amended Comparative Statement of Income and Expenses (page 19 of the rate application). Please reconcile the meter water revenue and resubmit.
2. Depreciation Expense - On the "Calculation of Depreciation Expense for Current Year" (page 20 of the rate application) Depreciation Expense calculations are mathematically incorrect for all plant items shown on this page. Please correct the Depreciation Expense balances for each plant item and resubmit.
3. Gross Contributions in Aid of Construction - The "Gross Contributions In Aid of Construction" (page 24) does not total the additions for 2010 and 2011. Please correct the totals and resubmit.