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ARIZONA CORPORATION COMMISSION

2014 SEP -3 A 10: 05
September 3, 2014

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

Arizona Corporation Commission
DOCKETED
SEP 3 2014

DOCKETED BY 

Mr. Mark Weinberg, General Manager
Red Rock Utilities, LLC
2200 East River Rd. Suite 115
Tucson, AZ 85718

RE: Red Rock Utilities, LLC. - APPLICATION FOR A RATE INCREASE, DOCKET NO.
W504245A-14-0295

LETTER OF DEFICIENCY

ORIGINAL

Dear Mr. Weinberg:

In reference to your rate application received on August 4, 2014, this letter is to inform you that your application has not met the sufficiency requirements as outlined in Arizona Administrative Code R14-2-103.

Staff found some 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 September 19, 2014, to correct the deficiency 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 sixteen copies of an updated application at a later date.

The Staff person assigned to your application is Wilbert Guilford. He can be reached at (602) 542-0860, or toll free at (800) 222-7000, if you have any questions or concerns.

Sincerely,



James R. Armstrong
Chief, Financial & Regulatory Analysis Section
Utilities Division

cc: Docket Control Center (sixteen copies)
----- Jane L. Rodda, Hearing Division
Dorothy Hains, Engineering
Consumer Services
Legal Division

RED ROCK UTILITIES, LLC – LIST OF DEFICIENCIES

1. Bill Count – Schedule H-1, Line 12, of your application shows that the bill count produces \$343,833 of adjusted metered revenue. However, Schedule C-1, Line 1, shows actual test year metered water revenue of \$359,204, a difference of \$15,371. Further, on page 12, line 22 of Mr. Bourassa’s Direct Testimony; he indicates that this \$15,371 relates to revenue accruals. In regards to the \$15,371 amount, please answer or provide the following:
 - a. Please explain why more revenues are recorded in the general ledger than produced by the bill count.
 - b. Please state whether or not the revenue accruals are “unbilled revenues”.
 - i. If yes, please provide copies of journal entries and supporting documentation.
 - ii. If not, please explain the nature of these revenue accruals and provide copies of journal entries and supporting documentation.
2. Standpipe/Bulk Rate (Water) – Schedule H-3, Page 1 of your application shows a standpipe bulk rate of \$4.25 for the present rate. However the tariff rate per Decision 67409 is \$3.90. Please correct this page and re-file.
3. Establishment Charge (Wastewater) – Schedule H-3, Page 2 of your application shows a establishment charge of \$15.00. However the tariff rate per Decision 67409 is \$25.00. Please correct this page and re-file.
4. Monthly Water Usage Data – Please provide monthly water usage data including number of metered customers, water sold (in gallons), water pumped (in gallons), hydrant flushing (in gallons) and mains flushing (in gallons), etc. during the test year.
5. Plant Descriptions – Please provide plant descriptions for water and wastewater divisions.
6. Monthly Wastewater Flow Data – Please provide monthly wastewater flow data including number of served customers, wastewater flow (in gallons per day), peak days flow (in gallons per day), etc. during the test year.
7. MAP Invoices – Please provide copies of 2014 ADEQ MAP invoices.