



0000157265

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2 MOYES SELLERS & HENDRICKS LTD.  
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4 Phoenix, Arizona 85004  
5 Telephone: 602-604-2141  
6 e-mail: swene@lawms.com

RECEIVED

2014 OCT 31 P 4: 03

CORP COMMISSION  
DOCKET CONTROL

7 **BEFORE THE ARIZONA CORPORATION COMMISSION**

8  
9 **COMMISSIONERS**

ORIGINAL

Arizona Corporation Commission

DOCKETED

OCT 31 2014

10 BOB STUMP, CHAIRMAN  
11 GARY PIERCE  
12 BRENDA BURNS  
13 SUSAN BITTER-SMITH  
14 BOB BURNS

DOCKETED BY 

15 IN THE MATTER OF THE APPLICATION  
16 OF GREENEHAVEN SEWER COMPANY,  
17 INC. FOR AN INCREASE IN ITS RATES

DOCKET NO. SW-02326A-14-0321

**RESPONSE TO DEFICIENCY  
LETTER**

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Greenehaven Sewer Company, Inc. ("Company") hereby responds to the deficiency letter. In its deficiency letter, Staff requested documentation related to customer notice, tax clearance, and plant invoices. These requests are addressed below.

**Customer Notice**

The affidavit of mailing customer notice is set forth in Attachment 1.

**Tax Clearance**

The tax clearance application and letter of assumption submitted to the Arizona Department of Revenue is set forth in Attachment 2. Based upon the Company's

1 consultation with Staff, this documentation is sufficient to address the deficiency noted  
2 by Staff.

3  
4 **Plant Invoices**

5 The Company does not have the requested plant invoices. But this should not  
6 affect the rate application. As demonstrated in the rate application, the level of CIAC has  
7 driven the rate base to minimal or negative status. Therefore, the rates will result from an  
8 operational margin analysis. Thus, plant acquisition and installation costs are not directly  
9 relevant to rate making here.  
10

11 DATED this 31<sup>st</sup> day of October, 2014.

12  
13 **MOYES SELLERS & HENDRICKS**

14  
15   
16 Steve Wene

17  
18 Original and 13 copies of the foregoing  
19 filed this 31<sup>st</sup> day of October, 2014, with:

20 Docket Control  
21 Arizona Corporation Commission  
22 1200 West Washington  
23 Phoenix, Arizona 85007

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# **ATTACHMENT 1**

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**AFFIDAVIT**

STATE OF ARIZONA       )  
  )  
County of Coconino       )       ss.

I, the undersigned, after being first duly sworn upon my oath, hereby affirm as follow:

- 1) I am over the age of eighteen.
- 2) I have personal knowledge of the statements set forth herein and I am competent to testify at a hearing or trial with respect to the same.
- 3) I certify that on behalf of Grenehaven Water Company, Inc., and Grenehaven Sewer Company, Inc. ("Companies"), on or before September 3, 2014, I mailed, or caused to be mailed, to each of the Companies' customers a copy of the notifications attached hereto.

DATED this 22nd day of October, 2014.

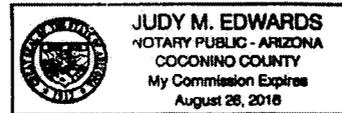
Bonnie Clouse  
Bonnie Clouse  
Office Manager

SUBSCRIBED AND SWORN TO before me, a Notary Public, this 22 day of October, 2014.

Judy M. Edwards  
Notary Public

My Commission Expires:

10/26/2016



## CUSTOMER NOTIFICATION

Greenehaven Water Company, Inc. has applied to the Arizona Corporation Commission for an adjustment in rates. The current rates have been in effect since December of 1985. A(n) increase/decrease in rates is necessary at this time due to increased expenses and the need to make the Company self-sustainable. Based on the Company's un-audited Test Year results, (Company Name) realized an operating loss of \$20,487. The Company is requesting a revenue increase of \$50,000 or 91% of total revenues. Please see the attached pages 9 and 11 of the Company's application for the current and proposed rates.

The Application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street (for Tucson, call 800-535-0148 if located outside the Tucson local calling area or 520-628-6555 if inside the Tucson local calling area) and at *Greenehaven Water Company, Inc. 10 Rainbow Drive, Greenehaven, AZ 86040*. Please be advised that the rates and charges ultimately approved by the Commission may be higher or lower than the rates and charges requested in the Application.

Customer input is an important part of the Commission's analysis of the requested adjustment and is a factor in determining whether a hearing will be conducted. Customers should bring to the Commission's attention any questions or concerns related to the Company's Application, including service, billing procedures or other factors important in determining the reasonableness of charges. Customers may have the right to intervene in this matter. Customers wishing to communicate with the Commission, or request information on intervention in the proceeding, should contact the Commission's Consumer Services Section at 800-222-7000 (if located outside the Phoenix local calling area) or 602-542-4251 in the Phoenix local calling area. Customers may also contact the Tucson Commission office by calling 800-535-0148 (if located outside the Tucson local calling area) or 520-628-6555 in the Tucson local calling area.

Customers are advised that the Commission may act upon the Application without a hearing. Regardless of whether a formal hearing is held, customer comments submitted in writing will be placed in the office file, which the Commission reviews prior to making its final decision on the Application. It is important that customers contact the Commission within 15 days of the receipt of this notice so that the Commission's Staff can consider customer comments and concerns in developing its recommendations to the Commission.

**CURRENT AND PROPOSED RATES AND CHARGES**

CUSTOMER CLASS: Residential  Commercial  Industrial   
 Irrigation  All \_\_\_\_\_ Other, specify \_\_\_\_\_

**CURRENT RATES                      PROPOSED RATES**

MINIMUM OR SERVICE CHARGES
5/8" x 3/4" Meter
3/4" Meter
1" Meter
1-1/2" Meter
2" Meter
3" Meter
4" Meter
6" Meter

\$	GALLONS
9.00	for 1,000
No approved tariff for size	

\$	GALLONS
\$ 16.57	for 0
\$ 24.86	for 0
\$ 41.43	for 0
\$ 82.85	for 0
\$ 132.56	for 0
\$ 265.12	for 0
\$ 414.25	for 0
\$ 828.50	for 0

GALLONS IN EXCESS OF MINIMUM
Commodity Charge in Excess of Minimum (Charge Per 1,000 Gallons)
First Tier
Second Tier
Third Tier
Flat Rate

**Current Rates**

**Proposed Rates**

Rate	Gallons
N/A	
N/A	
N/A	
\$1.50 per 1,000 (above 1000)	

Rate	Gallons
\$ 1.41	Up to 3,000
\$ 2.12	3,000 to 9,000
\$ 2.54	Over 9,000
N/A	

*Note: If rates and charges vary across customer classes, duplicate the form and complete one for each rate class. (e.g., residential, commercial) unless "All" is checked.*

**CURRENT AND PROPOSED RATES AND CHARGES**

CUSTOMER CLASS: Residential      Commercial       Industrial

Irrigation       All      Other, specify: Construction

MINIMUM OR SERVICE CHARGES
5/8" x 3/4" Meter
3/4" Meter
1" Meter
1-1/2" Meter
2" Meter
3" Meter
4" Meter
6" Meter

CURRENT RATES	
\$	GALLONS
\$0	
No approved tariff for size	

PROPOSED RATES	
\$	GALLONS
N/A*	

GALLONS IN EXCESS OF MINIMUM
Commodity Charge in Excess of Minimum (Charge Per 1,000 Gallons)
Water Sprinkling Day
Water Sprinkling Night
Flat Rate

Current Rates	
Rate	Gallons
\$1.20 for all gallons	
\$0.90 for all gallons	
N/A	

Proposed Rates	
Rate	Gallons
N/A*	
N/A*	
N/A*	

*Note: If rates and charges vary across customer classes, duplicate the form and complete one for each rate class. (e.g., residential, commercial) unless "All" is checked.*

\*The Company proposes to do away with special irrigation rates and proposes to charge all customers based on meter size per the rates on page 9(a).

**CURRENT AND PROPOSED SERVICE CHARGES**

CUSTOMER CLASS: Residential      Commercial      Industrial  
 Irrigation      All       Other, specify \_\_\_\_\_

SERVICE LINE AND METER INSTALLATION CHARGES	CURRENT CHARGES	PROPOSED CHARGES		
		SERVICE LINE CHARGES	METER CHARGES	TOTAL CHARGES
5/8" x 3/4" Meter	\$ 50.00	\$ 445.00	\$ 155.00	\$ 600.00
3/4" Meter	none approved	445.00	255.00	700.00
1" Meter	none approved	495.00	315.00	810.00
1-1/2" Meter	none approved	550.00	525.00	1,075.00
2" Turbine Meter	none approved	830.00	1,045.00	1,875.00
2" Compound Meter	none approved	830.00	1,890.00	2,720.00
3" Turbine Meter	none approved	1,045.00	1,670.00	2,715.00
3" Compound Meter	none approved	1,165.00	2,545.00	3,710.00
4" Turbine Meter	none approved	1,490.00	2,670.00	4,160.00
4" Compound Meter	none approved	1,670.00	3,645.00	5,315.00
6" Turbine Meter	none approved	2,210.00	5,025.00	7,235.00
6" Compound Meter	none approved	2,330.00	6,920.00	9,250.00
Over 6"	none approved	At Cost	At Cost	At Cost

OTHER CHARGES	CURRENT CHARGES	PROPOSED CHARGES
Establishment	none approved	\$ 30.00
Reconnection (delinquent)	none approved	30.00
After Hours Service Charge	none approved	35.00
Meter Test	40.00	40.00
Deposit	none approved	(a)
Deposit Interest	none approved	(a)
Re-establishment (within 12 months)	\$ 20.00	(b)
NSF Check	\$ 10.00	\$ 30.00
Deferred Payment	none approved	1.50%
Meter Re-read	\$ 10.00	\$ 25.00
Late Fee	none approved	1.5% per month

*Note: If rates and charges vary across customer classes, duplicate the form and complete one for each rate class. (e.g., residential, commercial) unless "All" is checked.*

- (a) Per Commission Rule A.A.C. R-14-2-403(B)
- (b) Months off system times the monthly minimum per Commission rule A.A.C. R14-2-403(D).

## CUSTOMER NOTIFICATION

Greenehaven Sewer Company, Inc. has applied to the Arizona Corporation Commission for an adjustment in rates. The current rates have been in effect since August of 1988. A(n) increase/decrease in rates is necessary at this time due to increased expenses and the need to make the Company self-sustainable. Based on the Company's un-audited Test Year results, Greenehaven Sewer Company, Inc realized an operating loss of \$77,491. The Company is requesting a revenue increase of \$120,000 or 296% of total revenues. Please see the attached page 5 of the Company's application for the current and proposed rates.

The Application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street (for Tucson, call 800-535-0148 if located outside the Tucson local calling area or 520-628-6555 if inside the Tucson local calling area) and at *Greenehaven Sewer Company, Inc. 10 Rainbow Drive, Greenehaven, AZ 86040*. Please be advised that the rates and charges ultimately approved by the Commission may be higher or lower than the rates and charges requested in the Application.

Customer input is an important part of the Commission's analysis of the requested adjustment and is a factor in determining whether a hearing will be conducted. Customers should bring to the Commission's attention any questions or concerns related to the Company's Application, including service, billing procedures or other factors important in determining the reasonableness of charges. Customers may have the right to intervene in this matter. Customers wishing to communicate with the Commission, or request information on intervention in the proceeding, should contact the Commission's Consumer Services Section at 800-222-7000 (if located outside the Phoenix local calling area) or 602-542-4251 in the Phoenix local calling area. Customers may also contact the Tucson Commission office by calling 800-535-0148 (if located outside the Tucson local calling area) or 520-628-6555 in the Tucson local calling area.

Customers are advised that the Commission may act upon the Application without a hearing. Regardless of whether a formal hearing is held, customer comments submitted in writing will be placed in the office file, which the Commission reviews prior to making its final decision on the Application. It is important that customers contact the Commission within 15 days of the receipt of this notice so that the Commission's Staff can consider customer comments and concerns in developing its recommendations to the Commission.

**CURRENT AND PROPOSED RATES AND CHARGES**

	<b>CURRENT RATES</b>	<b>PROPOSED RATES</b>
<b>Flat Rate Customers - (all are 4-inch laterals)</b>		
Residential Units	\$ 12.25	\$ 41.30
Condo Units	\$ 6.10	\$ 41.30
Recreational Vehicles and Trailers	\$ 6.10	NA
Commercial - Motels (per Room)	\$ 6.10	NA
Commercial - Restaurants (per seat)	\$ 6.10	NA
Other Structures (per restroom)	\$ 12.25	\$ 41.30
<b>Measured Rate Customers</b>		
Residential	N/A	N/A
Commercial	N/A	N/A
Industrial	N/A	N/A
Public Authorities	N/A	N/A
Other	N/A	N/A
<b>Other Customers</b>		
Interdepartmental and/or Associated Companies	N/A	N/A
Other Wastewater Systems	N/A	N/A
Sale of Effluent	N/A	N/A
Sale of Sludge	N/A	N/A
Other	N/A	N/A

# **ATTACHMENT 2**



Arizona Department of Revenue • Collections Administrative Support

ATTN: TCA Process – 1600 W. Monroe – Phoenix, AZ 85007

Telephone: (602) 716-6234

TAX CLEARANCE APPLICATION

1. Applicant Information:

BUSINESS OR APPLICANT NAME <i>Greenhaven Development Corporation</i>		DAYTIME PHONE NO. (with area code) <i>719.332.5015</i>
STREET ADDRESS <i>10 N. Rainbow Drive</i>		
CITY <i>Greenhaven</i>	STATE <i>AZ</i>	ZIP CODE <i>86040</i>

2. Tax Clearance Purpose: Check only one box.

*Greenhaven Sewer Company*

CERTIFICATE OF COMPLIANCE FOR DISSOLUTION OR WITHDRAWAL:

- Dissolution of Corporation (not applicable to estate, trust, or individual application types)
- Withdrawal from Arizona (not applicable to estate, trust, or individual application types)

LETTER OF GOOD STANDING:

- |  |  |
|--|--|
| <input type="checkbox"/> Gaming                                  | <input type="checkbox"/> Renewable Energy Tax Incentive                                  |
| <input checked="" type="checkbox"/> Healthy Forest Certification | <input type="checkbox"/> Residency   |
| <input type="checkbox"/> Air Carrier Apportionment               | <input type="checkbox"/> Sale of Business  |
| <input type="checkbox"/> Personal                                | <input checked="" type="checkbox"/> Other: <i>Arizona Corporation Commission Request</i> |

3. Application Type: Check only one box and provide tax identification number(s).

<input type="checkbox"/> Corporation	Federal Employer I.D. No./Taxpayer I.D. No.	<input type="text" value="86-0277298"/>
<input checked="" type="checkbox"/> S Corporation		
<input type="checkbox"/> Partnership	AZ Transaction Privilege License No.	<input type="text"/>
<input type="checkbox"/> Tax Exempt Organization		
<input type="checkbox"/> Limited Liability Company	AZ Withholding Tax License No.	<input type="text"/>
<input type="checkbox"/> Limited Liability Partnership		
<input type="checkbox"/> Estate	Social Security No.	<input type="text"/>
<input type="checkbox"/> Trust		
<input type="checkbox"/> Individual		
<input type="checkbox"/> Sole Proprietor		

4. Signature

<u><i>Terry W. Theken</i></u> PRINT NAME	<u><i>President</i></u> PRINT SPECIFIC TITLE (Corporate Officer, Partner, Individual)
<u><i>[Signature]</i></u> SIGNATURE	<u><i>10-13-14</i></u> DATE

5. Mail application to: Arizona Department of Revenue, Collections Administrative Support, ATTN: TCA Process – 1600 W. Monroe – Phoenix, AZ 85007

- Do not fax the application. Faxed applications will not be processed.
- Be sure to sign the application. Unsigned applications will not be processed.
- If your application cannot be approved, you must clear all deficiencies and resubmit an application.
- POWER OF ATTORNEY: If this application is submitted by anyone other than a corporate officer, general partner, or individual (sole proprietor), Arizona Form 285, General Disclosure/Representation Authorization Form, is required. Visit our web site at <http://www.azdor.gov> and click on the Forms link to obtain Form 285.



# GRENEHAVEN DEVELOPMENT CORPORATION

P.O. Box 5122 • 10 Rainbow Drive • Grenehaven, AZ 86040 • (719) 332-5015 • terry.theken.gh@gmail.com

October 13, 2014

THE ARIZONA DEPARTMENT OF REVENUE  
CORPORATE INCOME AUDIT UNIT  
1600 WEST MONROE  
PHOENIX, AZ 85007

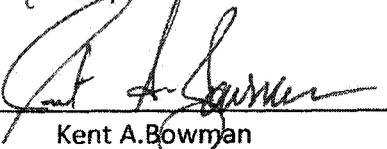
To Whom It May Concern:

## LETTER OF ASSUMPTION

This is acknowledgement that GRENEHAVEN DEVELOPMENT CORPORATION, FEIN# 86-0277298, has assumed responsibility for tax payment, filing returns and all payment in full of tax, penalties and interest, if any, for GRENEHAVEN SEWER COMPANY, FEIN# 86-0475963.

BY:   
Terry W. Theken

President  
Title

BY:   
Kent A. Bowman

Secretary  
Title

STATE OF Colorado  
COOUNTY OF El Paso  
Subscribed and sworn before me this 13 day of October  
2014 by: Terry W. Theken  
Kent A. Bowman

STEPHANIE BEATTIE  
(Notary Seal)  
NOTARY PUBLIC  
STATE OF COLORADO  
My Commission Expires 04/26/2015

Stephanie Beattie  
PRINT NAME OF SIGNOR

  
NOTARY PUBLIC