



0000157550

RECEIVED

2014 OCT -8 P 2:07

Transcript Exhibit(s)

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

Docket #(s): W-01427A-14-0134

SW-01428A-14-0180

W-01412A-14-0262

Exhibit #: S1, S2, V1-V6, L1-L7

Arizona Corporation Commission

DOCKETED

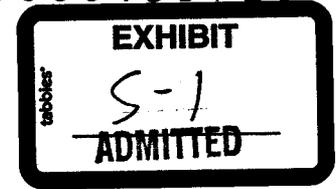
OCT - 8 2014

DOCKETED BY	<i>[Signature]</i> nr
-------------	--------------------------



0000155728

MEMORANDUM



TO: Docket Control

FROM: Steve M. Olea
Director
Utilities Division

ORIGINAL

DATE: September 4, 2014

RE: STAFF REPORT FOR LIBERTY UTILITIES (LITCHFIELD PARK WATER AND WASTEWATER) CORP. - APPLICATIONS FOR EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WATER AND WASTEWATER SERVICE TO A PORTION OF MARICOPA COUNTY (DOCKET NOS. W-01427A-14-0134 AND SW-01428A-14-0180)

VALLEY UTILITIES WATER COMPANY, INC., - APPLICATION FOR AN EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WATER SERVICE IN MARICOPA COUNTY, ARIZONA (DOCKET NO. W-01412A-14-0262)

Attached is the Staff Report for the consolidated applications of Liberty Utilities (Litchfield Park Water and Sewer), Corp. and Valley Utilities Water Company, Inc. for extensions of their existing Certificates of Convenience and Necessity ("CC&N").

SMO:BNC:vsc\ML

Originator: Blessing Chukwu

Arizona Corporation Commission
DOCKETED

SEP 4 2014

DOCKETED BY

RECEIVED
2014 SEP -4 A 9:30
ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

Service List for: Liberty Utilities Corp. et al
Docket No. W-01427A-14-0134 et al

Mr. Patrick Black
FENNEMORE CRAIG, P.C.
2394 East Camelback Road, Suite 600
Phoenix, Arizona 85016

Robert J. Metli
MUNGER CHADWICK, P.L.C.
2398 East Camelback Road, Suite 240
Phoenix, Arizona 85016

Ms. Janice Alward
Chief, Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Mr. Steve M. Olea
Director, Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Ms. Lyn Farmer
Chief, Hearing Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

**STAFF REPORT
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION**

**LIBERTY UTILITIES (LITCHFIELD PARK WATER AND WASTEWATER) CORP.
AND
VALLEY UTILITIES WATER COMPANY, INC.**

**DOCKET NOS W-01427A-14-0134 AND SW-01428A-14-0180
AND
W-01412A-14-0262**

**APPLICATIONS FOR EXTENSION OF ITS
CERTIFICATE OF CONVENIENCE
AND NECESSITY**

AND

**APPLICATION FOR AN
EXTENSION OF ITS CERTIFICATE
OF CONVENIENCE
AND NECESSITY**

SEPTEMBER 4, 2014

STAFF ACKNOWLEDGMENT

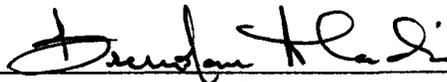
The Staff Report for Liberty Utilities (Litchfield Park Water and Sewer) Corp. and Valley Utilities Water Company, Inc. (Docket Nos. W-01427A-14-0134, SW-01428A-14-0180 and W-01412A-14-0262) was the responsibility of the Staff members signed below. Blessing Chukwu was responsible for the review and analysis of the Companies' applications. Dorothy Hains was responsible for the engineering and technical analysis. Brendan Aladi was responsible for the financial analysis.



Blessing Chukwu
Executive Consultant



Dorothy Hains
Utilities Engineer



Brendan Aladi
Public Utilities Analyst

EXECUTIVE SUMMARY
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND WASTEWATER) CORP.
AND VALLEY UTILITIES WATER COMPANY, INC.
DOCKET NOS. W-04264A-04-0438 ET AL

On April 17, 2014, and June 5, 2014, Liberty Utilities (Litchfield Park Water and Sewer), Corp. ("Liberty") filed Applications for extension of its Certificates of Convenience and Necessity ("CC&N") with the Arizona Corporation Commission ("ACC" or "Commission") to provide water and wastewater services, respectively, to a portion of Maricopa County. On June 13, 2014, Liberty's water and wastewater CC&N extension applications were consolidated. On July 3, 2014, Staff informed Liberty the applications were sufficient for administrative purposes. A hearing was set for September 3, 2014.

On July 15, 2014, Valley Utilities Water Company, Inc., ("Valley") filed an application to extend its CC&N for water service to include the area sought by Liberty. On July 31, 2014, Staff informed Valley that its application was sufficient for administrative purposes.

The Valley and Liberty applications were consolidated on August 7, 2014.

Liberty is a financially viable, interconnected¹ utility that has demonstrated that it has the ability to treat wastewater in conformance with the Clean Water Act as well as deliver potable water consistent with the Commission rules and policy goals. Liberty has been requested to provide potable water and wastewater service to Marbella Ranch development.

Valley is an interconnected² potable water provider. Valley has not received a request for service for the CC&N extension.

Staff recommends the Commission approve Liberty's applications for extension of its Certificate of Convenience and Necessity to provide water and wastewater service in a portion of Maricopa County, Arizona, subject to compliance with the following conditions:

1. To require Liberty to charge its existing rates and charges in the proposed extension area.
2. To require Liberty to file with Docket Control, a Certificate of Approval to Construct for Phase I water plan as a compliance item in this docket no later than December 31, 2015.
3. To require Liberty to file with Docket Control, a copy of Certificate of Approval to Construct for Phase I wastewater plan as a compliance item in this docket no later than December 31, 2015.

¹ Liberty's water and wastewater systems are interconnected with City of Goodyear's water and wastewater systems. Liberty's water system is also interconnected with Valley's water system.

² Valley's water system is interconnected with Liberty's water system.

4. To require Liberty to file with Docket Control, a copy of the county franchise agreement for the extension area as a compliance item in this docket no later than December 31, 2015.

- BNC
5. To require Liberty to fund its future infrastructure needs with 70 percent equity and no more than 30 percent AIAC and CIAC combined, *Subject to Liberty's applicable water and wastewater Hook-up Fee tariffs.*

Staff further recommends that the Commission's Decision granting this extension of Certificate of Convenience and Necessity to Liberty be considered null and void, after due process, should Liberty fail to meet Conditions Nos. 2, 3, and 4 within the time specified.

If the Commission, in its discretion, decides to grant Valley's application for extension of its Certificate of Convenience and Necessity to provide water service to the requested extension area, Staff recommends the following conditions:

1. To require Valley to charge its existing rates and charges in the proposed extension area.
2. To require Valley to file with Docket Control, a Certificate of Approval to Construct for Phase I water plan as a compliance item in this docket no later than December 31, 2015.
3. To require Valley to fund the entire construction costs with equity.

Staff further recommends that the Commission's Decision granting this extension of Certificate of Convenience and Necessity to Valley be considered null and void, after due process, should Valley fail to meet Condition No. 2 within the time specified.

TABLE OF CONTENTS

Page

INTRODUCTION..... 1

LIBERTY'S BACKGROUND 1

VALLEY'S BACKGROUND 1

PROPOSED EXTENSION AREA..... 2

THE WATER SYSTEM 2

THE WASTEWATER SYSTEM..... 3

FINANCIAL CAPABILITY TO SERVE 3

PROPOSED RATES..... 4

SPECIAL SERVICE TARIFFS 4

FRANCHISE 4

REQUEST FOR SERVICE..... 5

EFFICIENCIES 5

STAFF ANALYSIS OF COMPETING APPLICATIONS..... 5

RECOMMENDATIONS 6

ATTACHMENT(S)

ENGINEERING REPORT..... A

ENGINEERING MAPS B

FINANCIAL AND REGULATORY ANALYSIS MEMORANDUMS..... C

INTRODUCTION

On April 17, 2014, and June 5, 2014, Liberty Utilities (Litchfield Park Water and Sewer), Corp. ("Liberty") filed Applications for extension of its Certificates of Convenience and Necessity ("CC&N") with the Arizona Corporation Commission ("ACC" or "Commission") to provide water and wastewater services, respectively, to a portion of Maricopa County. On June 13, 2014, Liberty's water and wastewater CC&N extension applications were consolidated. On July 3, 2014, Staff informed Liberty the applications were sufficient for administrative purposes. A hearing was set for September 3, 2014.

On July 15, 2014, Valley Utilities Water Company, Inc., ("Valley") filed an application to extend its CC&N for water service to include the area sought by Liberty.

On July 31, 2014, Staff informed Valley that its application was sufficient for administrative purposes.

The Valley and Liberty applications were consolidated on August 7, 2014.

LIBERTY'S BACKGROUND

Liberty is an Arizona corporation in good standing with the Commission's Corporation Division. Liberty provides water and wastewater utility service to the public in communities within the cities of Litchfield Park, Goodyear, and Avondale, and in adjacent unincorporated areas of Maricopa County in the west Phoenix valley, west of Agua Fria River and north of Interstate Highway 10. Liberty's affiliates provide services in Santa Cruz County, Cochise County, and Pinal County. Currently, Liberty provides water utility service to approximately 18,400 customers and wastewater utility service to approximately 20,500 customers.

According to Commission records, Liberty is owned by Liberty Utilities, a Delaware corporation, through its operating subsidiary Liberty Utilities (West). Liberty Utilities' ultimate parent is Algonquin Power & Utilities Corp., a Canadian corporation whose shares are traded on the Toronto Stock Exchange.

VALLEY'S BACKGROUND

Valley is an Arizona corporation in good standing with the Commission's Corporation Division. According to Commission records, Valley is a closely held family corporation authorized by the Commission to provide water utility service, pursuant to a CC&N granted by the Commission in 1954, to approximately 1,450 customers in an approximately five-square-mile unincorporated area of Maricopa County located east of Luke Air Force Base. The vast majority of Valley's connections are for single family homes. Valley also serves commercial connections (including multiple-family dwellings) and 5 fire service customers.

PROPOSED EXTENSION AREA

Liberty and Valley are requesting Commission approval to serve a 365 acre property (approximately 248 acres of Marbella Ranch Subdivision land and approximately 117 acres of restricted use land), located on El Mirage Road alignment between Glendale Avenue and Northern Avenue, in Section 2 of Township 2 North, Range 1 West. The requested area is in the unincorporated area of Maricopa County but within the City of Glendale's strip annex and planning area and it is west of Luke Air Force Base ("Luke") Air Installation Compatible Use Zone ("AICUZ").

The requested area will be developed in phases. Phase I is planned for 600 single family homes and is located in the southern portion of the requested area. Phase II is located in the northern portion of the property and is planned for 660 dwelling units (300 single family and 360 apartment units) and includes 50.5 acre industrial parcel.

The property is currently owned by El Paso Natural Gas Company, L.L.C. (El Paso"). TRS 8, LLC ("TRS 8") is under contract to purchase the property from El Paso and expects to close the purchase on September 30, 2014.

Liberty's CC&N for water is located on the southeast corner of the planned development, whereas, the sewer CC&N is located south of the planned development, all within a mile. The requested CC&N extension area is not contiguous to Liberty's current CC&Ns. However, Liberty received a request for service for the proposed extension area.

Valley's CC&N area comes within a mile on the south, west and east sides of this proposed Marbella Ranch development and is contiguous on two sides (east and south). Valley has not received a request for service for the proposed extension area.

Attachment B contains a map which shows the portion of Maricopa County at issue.

THE WATER SYSTEM

Attachment A is Staff's Engineering Report which describes the two companies' current water systems, the proposed water plan, the projected water construction schedule and the costs to serve the requested area. The report includes the findings that Liberty and Valley are in compliance with Arizona Department of Water Resources ("ADWR"), with Maricopa County Environmental Services Department ("MCESD"), and with the Commission decisions.

The report indicates that Liberty's water system has adequate production and storage capacities to support the existing customer base and growth in both Phase I and Phase II of the requested area. Valley's water system has adequate production and storage capacities to support the existing customer base and growth in Phase I of the requested area. However, an additional water source will be needed to serve Phase II customers. Valley states that Well No. 1 would be able to provide adequate production to serve Phase II customers.

Further, the report indicates that the proposed water plans by Liberty and Valley are appropriate and the costs are reasonable. No "used and useful" determination of the proposed plant was made, and no conclusions should be inferred for future rate making or rate base purposes. Staff would note that the Valley proposal does not include any on site water plan or the associated cost estimates. Technically, Valley has not provided a complete engineering construction plan. Valley provided its proposed off-site construction plan and stated that Valley will adopt Liberty's proposed on-site water construction plan.

Regardless of which company receives approval to extend its service territory to the requested area, Staff recommends that the prevailing water company file with Docket Control, a Certificate of Approval to Construct for Phase I water plan as a compliance item in this docket no later than December 31, 2015.

THE WASTEWATER SYSTEM

Liberty owns and operates its Palm Valley Water Reclamation Facility ("WRF"); two lift stations ("LS") and a collection system. Palm Valley WRF has a treatment capacity of 5.1 million gallon per day ("MGD"). Attachment A describes Liberty's current wastewater system, the proposed wastewater plan, the projected wastewater construction schedule and the costs to serve the requested area. The report includes the finding that Liberty's Palm Valley WRP is currently not in full compliance³ with Arizona Department of Environmental Quality ("ADEQ"), but ADEQ has determined that Palm Valley WRP is not currently in violation at a level at which ADEQ will take an action or issue a Notice of Opportunity to Correct or Notice of Violation and/or is in compliance with the Order/Judgment. The report indicates that Liberty's wastewater system has adequate treatment capacity to treat the existing customer base and growth in both Phase I and Phase II of the requested area. Further, that the proposed wastewater plan by Liberty is appropriate and the costs are reasonable. No "used and useful" determination of the proposed plants was made, and no conclusions should be inferred for future rate making or rate base purposes.

Valley is not a wastewater service provider. According to Valley, Liberty will provide the sewer service for the CC&N extension area. Valley works closely with Liberty regarding sewer service for Valley customers. Liberty currently provides wastewater service to approximately 49% of Valley customers.

Staff recommends that Liberty file with Docket Control, a copy of Certificate of Approval to Construct for Phase I wastewater plan as a compliance item in this docket no later than December 31, 2015.

FINANCIAL CAPABILITY TO SERVE

Attachment C is Staff's Financial Report which describes the two Companies' Capital Structure. Liberty intends to finance water and wastewater facilities through a combination of contributions, advances in aid of construction and equity. Valley intends to finance the water

³ The violations were due to turbidity and E Coli exceeding the limits.

facilities entirely with advances in aid of construction. Staff normally recommends that the combined Advances in Aid of Construction ("AIAC") and net Contributions in Aid of Construction ("CIAC") funding ratio not exceed 30 percent of total capital for private and investor owned utilities. The report includes the findings that Liberty and Valley's combined AIAC and net CIAC funding ratio exceeds 30 percent of total capital at 12/31/2013. Valley is 76 percent for water while Liberty is 44 percent for water and 61 percent for wastewater. Likewise, both companies' combined AIAC and net CIAC funding ratio exceeds 30 percent of total capital for the pro-forma at 12/31/2013 (including the proposed CC&N extension). Valley is 88 percent for water while Liberty is 43 percent for water and 59 percent for wastewater.

Staff is concerned about a continuing over-reliance on AIAC and CIAC. Liberty is financially fit to provide both water and wastewater services to the extension area. However, Staff recommends that the Company fund its future infrastructure needs with 70 percent equity and no more than 30 percent AIAC and CIAC combined, in order to provide a better balance of financial risk for the Company and its ratepayers. When a Company over-relies on AIAC and CIAC it may not have a rate base sufficient enough to earn a reasonable rate of return.

If the Commission approves Valley to provide water service to the requested extension area, Staff recommends the entire construction costs be funded with equity because of over reliance on AIAC/CIAC and the resultant low equity ratio.

PROPOSED RATES

Both Liberty and Valley intend to provide utility services to the extension area under their respective authorized rates and charges.

SPECIAL SERVICE TARIFFS

BNC Both Liberty and Valley have approved Curtailment Tariffs, Backflow/Cross Connection Tariffs, ~~Offsite Hookup Fee Tariffs~~, and Best Management Practice ("BMP") Tariffs for water on file. Liberty also has an approved Offsite Hookup Fee Tariffs ^{water and} for wastewater on file. *BNC*

FRANCHISE

Every applicant for a CC&N and/or CC&N extension is required to submit to the Commission evidence showing that the applicant has received the required consent, franchise or permit from the proper authority, authorizing the use of public roads or lands to construct, install, operate and maintain a water and/or wastewater system. If the applicant operates in an unincorporated area, the company has to obtain the franchise from the County. If the applicant operates in an incorporated area of the County, the applicant has to obtain the franchise from the City/Town.

Valley filed, in the docket, a copy of the franchise agreement it had entered into with Maricopa County, for its proposed extension area.

Liberty did not file, in the docket, a copy of the franchise agreement it had entered into with Maricopa County, for its proposed extension area.

REQUEST FOR SERVICE

The property is owned by El Paso. TRS 8 is under contract to purchase the property from El Paso. The expected closing date for the purchase is September 30, 2014. El Paso and TRS 8 jointly requested water and wastewater service from Liberty. A request for service is fundamental in determining whether a need for a CC&N exists. TRS 8 has also filed public comment in opposition to the competing Application filed by Valley.

Valley has not been requested to serve any portion of the extension request

EFFICIENCIES

Both Liberty and Valley have the burden of proof to show that it would be in the public interest for each of them to provide service to the area requested. Although not required, neither has provided calculations and/or information which would allow Staff to determine which company would be the most efficient provider. Liberty has not demonstrated that the provision of water and wastewater by a utility or affiliated companies is more efficient than the water/wastewater combination of Valley and Liberty.

Staff believes that the provision of integrated water and wastewater service by a single utility or affiliated utilities is likely to be more efficient than water and wastewater service being provided to the same area by unrelated entities. It costs less to send a combined bill for both services than to send two separate bills. Centralized customer service and the processing of new customers simultaneously also would be more efficient. The costs of plant purchases, engineering services and insurance, for example, may be less for a utility or two affiliates combined than two non-affiliates purchasing separately. The cost of disconnect for non-payment of utility bills is also more efficient.

Therefore, Staff believes the provision of water and wastewater by a utility such as Liberty or affiliates is likely to result in efficiencies which would not be experienced by unaffiliated utilities or by a utility and a municipality.

STAFF ANALYSIS OF COMPETING APPLICATIONS

In any CC&N proceeding, Staff is charged with reviewing the evidence submitted by an applicant to make a recommendation to the Commission as to whether the applicant is a fit and proper entity with the financial, managerial and technical capabilities to serve the public.

Liberty is seeking Commission authority to provide water and wastewater services to the proposed CC&N extension area, while, Valley is seeking Commission authority to provide only water service to the same property.

TRS 8 is under contract to purchase the property from El Paso and has a business plan to develop the property into a planned development. The development requires potable water and wastewater treatment as essential services. In conjunction with the development plan, El Paso and TRS 8 jointly requested water and wastewater service from Liberty, which resulted to the instant competing CC&N extension applications.

Staff recognizes that both Liberty and Valley are fit and proper and both companies have the capabilities and qualifications to serve water and/or wastewater in the extension area for which they have applied. Both companies are seeking Commission authority to provide water service to the proposed development. Both companies have demonstrated the ability to formulate, develop and operate water utilities in Arizona.

On a going forward basis, the requested area will produce effluent which could result in a recharge credit. Unified water and wastewater utilities should be better suited to comply with groundwater management requirements by sharing customer information between divisions, recognizing groundwater credits and ensuring reuse permits obtain maximum value.

Liberty's water rates are lower than Valley's. Liberty possesses a request for service from the landowner(s) which is an important factor in seeking approval of extensions of CC&Ns. Liberty provided the information needed and/or requested by Staff. Valley opted to adopt Liberty's information. Liberty's ability to provide both water and wastewater service is likely to result in efficiencies that Valley would not have.

RECOMMENDATIONS

Staff recommends the Commission approve Liberty's applications for extension of its Certificate of Convenience and Necessity to provide water and wastewater service in a portion of Maricopa County, Arizona, subject to compliance with the following conditions:

1. To require Liberty to charge its existing rates and charges in the proposed extension area.
2. To require Liberty to file with Docket Control, a Certificate of Approval to Construct for Phase I water plan as a compliance item in this docket no later than December 31, 2015.
3. To require Liberty to file with Docket Control, a copy of Certificate of Approval to Construct for Phase I wastewater plan as a compliance item in this docket no later than December 31, 2015.
4. To require Liberty to file with Docket Control, a copy of the county franchise agreement for the extension area as a compliance item in this docket no later than December 31, 2015.
5. To require Liberty to fund its future infrastructure needs with 70 percent equity and no more than 30 percent AIAC and CIAC combined,

BNC

subject to Liberty's applicable water and wastewater Hook-up Fee tariffs.

Staff further recommends that the Commission's Decision granting this extension of Certificate of Convenience and Necessity to Liberty be considered null and void, after due process, should Liberty fail to meet Conditions Nos. 2, 3, and 4 within the time specified.

If the Commission, in its discretion, decides to grant Valley's application for extension of its Certificate of Convenience and Necessity to provide water service to the requested extension area, Staff recommends the following conditions:

1. To require Valley to charge its existing rates and charges in the proposed extension area.
2. To require Valley to file with Docket Control, a Certificate of Approval to Construct for Phase I water plan as a compliance item in this docket no later than December 31, 2015.
3. To require Valley to fund the entire construction costs with equity.

Staff further recommends that the Commission's Decision granting this extension of Certificate of Convenience and Necessity to Valley be considered null and void, after due process, should Valley fail to meet Condition No. 2 within the time specified.

MEMORANDUM

DATE: August 18, 2014

TO: Blessing N. Chukwu
Executive Consultant III

FROM: Dorothy Hains, P. E. *DH*
Utilities Engineer

RE: The Application of Liberty Utilities (Litchfield Park Water and Wastewater) Corp. For A Certificate Of Convenience and Necessity To Provide Water And Wastewater Utility Services (Docket Nos. W-01427A-14-0134 & SW- 01428A-14-0180)
The Application of Valley Utilities Water Company, Inc. For A Certificate Of Convenience and Necessity To Provide Water Utility Service (Docket No. W-01412A-14-0262)

I. BACKGROUND

On April 17, 2014, Liberty Utilities (Litchfield Park Water and Sewer) Corp. ("Applicant" or "LPSC") filed an application (Docket No. W-01427A-14-0134) for an extension of its water Certificate of Convenience and Necessity ("CC&N") to serve a portion of Section 1, Township 2 North and Range 1 West. The requested area of 365 acres contains 248 acres of Marbella Ranch ("Marbella") Subdivision land and 117 acres of restricted use land. The requested area is located near the Luke Air Force Base and surrounded by Northern Ave., Glendale Ave. and El Mirage Rd.

On May 13, 2014, the Applicant requested to suspend the sufficiency review for Docket No. W-01427A-14-0134.

On June 3, 2014, the Applicant filed an application for an extension its wastewater CC&N (Docket No. SW-01428A-14-0180) to serve Marbella.

On June 13, 2014, Docket Nos. W-01427A-14-0134 and SW-01428A-14-0180 were consolidated.

On June 30, 2014, the Commission granted intervention to Valley Utilities Water Company ("VU").

On July 10, 2014, VU filed its own CC&N application (Docket No. W-01412A-14-0262) to serve Marbella.

On August 7, 2014, Docket Nos. W-01427A-14-0134, SW-01428A-14-0180 and W-01412A-14-0262 were consolidated.

II. THE REQUESTED AREA

The requested area is an approximately three-quarters of a square mile in size, bounded by Northern Ave., El Mirage Road, Glendale Ave and 129th Ave. west of the City of Glendale. Its east, west and south boundaries are adjacent to VU's service area.

III. PROPOSED WATER PLAN

A. LPSC Proposal

LPSC proposes a two-phase construction plan for Marbella. LPSC estimates that all utility construction within Phase I will be completed in year one and the infrastructure for Phase II will be completed in year two.

a. Phase I Water Plan

Phase I contains Marbella Ranch Development Parcels D to H¹, a total of 600 residential dwelling units will be installed. Offsite construction includes approximately 4,000 feet of 16-inch ductile iron pipe ("DIP") extending north from the existing Airline Arsenic Treatment Plant ("ATP") along El Mirage Rd to Glendale Avenue. On-site construction includes Well No. 1² installation; approximately 7,625 feet of 12-inch DIP line installation from Well No. 1 to Glendale Ave. and from Well No. 1 to El Mirage Road. If the initial Well No. 1 test results suggest further water treatment is needed, LPSC will install a treatment plant. The developer proposes to install distribution plant consisting of 5,940 feet of 12-inch DIP, 10,560 feet of 8-inch DIP and 16,440 feet of 6-inch DIP lines to serve Marbella (Phase I). If the Commission approves LPSC to serve the requested area, Staff recommends that LPSC file with Docket Control, a Certificate of Approval to Construct for Phase I water plan as a compliance item in this docket no later than December 31, 2015.

b. Phase II Water Plan

Phase II contains 660 residential lots³, industrial lots⁴ and restrained use lots⁵. The developer proposed to install another new well, (Well No. 2), 1,500 feet of 12-inch DIP pipe, 7,920 feet of 8-inch DIP pipe and 21,780 feet of 6-inch DIP pipe to serve Marbella (Phase II).

B. VU Proposal

VU proposed a two phase construction plan to serve Marbella. Technically, VU has not provided a complete engineering construction plan. VU provided its proposed off-site construction plan and stated that VU will adopt LPSC's proposed on-site water construction plan.

¹ Parcels D to H are located in the area bounded by El Mirage Road, Glendale Ave and 127th Ave.

² Proposed location for Well No. 1 is in the industrial user area near Northern Ave.

³ Proposed residential lots are in Marbella Ranch Development Parcels A-C which are bounded by El Mirage Road, Northern Ave and 126th Ave.

⁴ Proposed industrial lots are in Parcel Nos. 501-53-12A and 501-53-10C which are bounded by Northern Ave., Dysart Drain and 126th Ave.

⁵ Proposed restrained use lots are in Parcel Nos. 501-53-015 and 501-53-013A which are bounded by Northern Ave., Dysart Drain, 127th Ave. and 126th Ave.

a. Phase I Water Plan

Phase I contains Marbella Ranch Development Parcels D to H⁶, a total of 600 residential dwelling units will be installed. There are two existing mains⁷ that will be extended to Phase I area to serve Marbella. Approximately 1,100 feet of 12-inch ductile iron pipe ("DIP") pipe and 1,490 feet of 8-inch DIP and a new well (Well No. 1) will be installed to serve Phase I. If the Commission approves VU to serve water in the requested area, Staff recommends that VU file with Docket Control, a Certificate of Approval to Construct for Phase I water plan as a compliance item in this docket, docketed no later than December 31, 2015.

b. Phase II Water Plan

Phase II contains 660 residential lots⁸, industrial lots⁹ and restrained use lots¹⁰. A second new well, (Well No. 2), will be installed to serve customers in Phase II.

C. *Projected Water Construction Schedule*

a. Construction Schedule for LPSC Water Plan

	Year from Decision issued	0	1	1.5	4
Phase I		Off-site construction begins	Off-site construction completed & on-site construction begins	On-site construction completed	Phase I built out
Phase II		Phase I built out	Phase II on-site construction begins	Phase II on-site construction completed	

b. VU Water Plan

VU has not provided its projected construction schedule. In its application VU indicated it was adopting the plan created by LPSC. However, VU did not provide information regarding changes

⁶ Parcels D to H are located in the area bounded by El Mirage Road, Glendale Ave and 127th Ave.

⁷ A 12-inch line located at the intersection of 125th Ave. and Glendale Ave. and an 8-inch line located at the intersection of 127th Ave. and Glendale Ave.

⁸ Proposed residential lots are in Marbella Ranch Development Parcels A-C which is sized by El Mirage Road, Northern Ave and 126th Ave.

⁹ Proposed industrial lots are in Parcel Nos. 501-53-12A and 501-53-10C which are bounded by Northern Ave., Dysart Drain and 126th Ave.

¹⁰ Proposed restrained use lots are in Parcel Nos. 501-53-015 and 501-53-013A which are bounded by Northern Ave., Dysart Drain, 127th Ave. and 126th Ave.

to the construction schedule that logically would result from using different contractors to do the work or changes to the plan as a result of having to tie-in to the onsite infrastructure from a different location.

D. Estimated Engineering Costs Water Plan

a. For LPSC Water Plan

Phase I Water Construction	Estimated Costs by LPSC (\$)
Off-site Main on El Mirage Rd from Airline ATP to Glendale Ave	
4,060' 16" DIP (@ \$90/ft)	365,400
Nine 16" gate valves (@ \$4,000/unit)	36,000
Two air relief valve (@ \$4,500/unit)	9,000
Connection within Airline ATP site	25,000
Others (500 square yards pavement replacement @ \$30/square yard)	15,000
Other (allowance for special construction)	50,000
Engineering (design, survey, etc.) & permits	57,000
Contingency (5%)	24,000
subtotal	581,400
Off-site main from El Mirage Rd & Glendale Rd to Well No. 1	
4,000' 12" DIP (@ \$65/ft) in El Mirage Rd	260,000
150' crossing of the Dysart Drain (cased overshoot @\$200/ft) ¹	30,000
3,625' 12" DIP (@\$45/ft)	163,125
fifteen 12" gate valve (@ \$3,500/unit)	52,500
Six fire hydrants (@ \$5,500/unit)	33,000
Two air relief valve (@ \$4,500/unit)	9,000
Others (90 square yards pavement replacement @ \$30/square yard, etc)	2,700
Engineering (design, survey, etc.) & permits	66,039
Contingency (5%)	27,516
subtotal	643,880
Well No. 1	
Well drilling	667,000
Well slab	5,000
Power line extension to the site	30,000
Site work	25,000
Well pump	120,000
Piping, valves	80,000

One Pressure tank	40,000
Electrical, control panel, etc.	40,000
One diesel generator	70,000
Engineering (design, survey, etc.) & permits	61,500
Contingency (5%)	53,850
subtotal	1,192,350
On-site backbone mains	
1,320' 12" DIP (in Glendale Ave, @ \$65/ft)	85,800
4,620' 12" DIP (@ \$45/ft)	207,900
Twelve 12" gate valves (@ \$3,500/unit)	42,000
Eight fire hydrants (@ \$4,000/unit)	32,000
Others (45 square yards pavement replacement @ \$30/square yard, etc)	1,350
Engineering (design, survey, etc.) & permits	44,286
Contingency (5%)	18,453
subtotal	431,789
On-site (in Marbella)	
10,560' 8" DIP (@ \$32/ft)	337,920
16,440' 6" DIP (@ \$23/ft)	378,120
Twenty one 8" gate valves (@ \$2,300/unit)	48,300
Thirty two 6" DIP gate valves (@ \$1,800/unit)	57,600
sixty fire hydrants (@ \$3,500/unit)	210,000
600 service line connections (@ \$550/unit)	330,000
600 service meter (@ \$200/unit)	120,000
Engineering (design, survey, etc.) & permits	177,833
Contingency (5%)	74,097
subtotal	1,733,870
Total Costs of Phase I Water Construction	4,583,289
Phase II Water Construction	
Well No. 2	
Well drilling	667,000
Well slab	5,000
Power line extension to the site	10,000
Site work	15,000
Well pump	120,000
Piping, valves	80,000
One Pressure tank	40,000

Electrical, control panel, etc.	40,000
One diesel generator	70,000
Engineering (design, survey, etc.) & permits	57,000
Contingency (5%)	52,350
subtotal	1,156,350
On-site backbone mains	
1,500' 12" DIP (@ \$45/ft)	67,500
150' crossing Dysart Drain (cased overshoot @\$200/ft)	30,000
Four 12" gate valves (@ \$ 3,500/unit)	14,000
Six fire hydrants (@ \$4,000/unit)	24,000
Two air relief valve (@ \$4,500/unit)	9,000
Engineering (design, survey, etc.) & permits	17,340
Contingency (5%)	7,225
subtotal	169,065
On-site (in Marbella)	
7,920' 8" DIP (@ \$32/ft)	253,440
21,780' 6" DIP (@ \$23/ft)	500,940
sixteen 8" gate valves (@ \$2,300/unit)	36,800
Forty three 6" DIP gate valves (@ \$1,800/unit)	77,400
Sixty six fire hydrants (@ \$3,500/unit)	231,000
660 service line connections (@ \$550/unit)	363,000
660 service meter (@ \$200/unit)	132,000
Engineering (design, survey, etc.) & permits	191,350
Contingency (5%)	79,729
subtotal	1,865,659
Total Costs of Phase II Constructions for Water Plan	3,191,074

Note 1. The Dysart Drain is a flood control structure owned by the Federal Government and operated and managed by the Maricopa County Flood Control District. Staff concludes that the listed system improvements are appropriate and the costs are reasonable. No "used and useful" determination of the proposed plant was made, and no conclusions should be inferred for future rate making or rate base purposes.

b. For VU Water Plan

Phase I Water Construction	Estimated Costs by LPSC (\$)
Well No. 1	
Well drilling	750,000

Site work	25,000
Well pump	140,000
Piping, valves	85,000
Electrical, control panel, etc.	150,000
One diesel generator	85,000
subtotal	1,235,000
Off-site	
1,100' 12" DIP (in 125 th Ave to Glendale Ave, @ \$120/ft)	132,000
1,490' 8" DIP (in 127 th Ave to Glendale Ave, @ 85/ft)	126,650
subtotal	258,650
Engineering (design, survey, etc.) & permits	224,048
Contingency (5%)	74,683
Total Costs of Phase I Water Construction	1,792,380
Phase II Water Construction	
Well No. 2	
Well drilling	750,000
Site work	25,000
Well pump	140,000
Piping, valves	85,000
One Pressure tank	
Electrical, control panel, etc.	130,000
One diesel generator	85,000
subtotal	1,215,000
Engineering (design, survey, etc.) & permits	182,250
Contingency (5%)	60,750
Total Costs of Phase II Constructions for Water Plan	1,458,000

Staff concludes that the listed system improvements are appropriate and the costs are reasonable. No "used and useful" determination of the proposed plant was made, and no conclusions should be inferred for future rate making or rate base purposes. Staff would note that the VU proposal does not include any on-site water plan or the associated cost estimates.

IV. PROPOSED WASTEWATER PLAN

A. LPSC Proposal

a. Phase I Wastewater Plan

The developer proposes to install approximately 13,500 feet of 12-inch, SDR¹¹ 35 polyvinyl chloride ("PVC") pipe and 21,570 feet of 8-inch SDR 35 PVC pipe. Staff recommends that LPSC file with Docket Control, a copy of Certificate of Approval to Construct for Phase I wastewater plan as a compliance item in this docket no later than December 31, 2015.

b. Phase II Wastewater Plan

The developer proposes to install a lift station and approximately 25,275 feet of 8-inch, SDR 35 PVC pipe.

B. Projected Construction Schedule for Wastewater Plan

a. LPSC's Wastewater Construction Schedule

	Year from Decision issued	0	1	1.5	4
Phase I		Off-site construction begins	Off-site construction completed & on-site construction begins	On-site construction completed	Phase I built out
Phase II		Phase I built out	Phase II on-site construction begins	Phase II on-site construction completed	

C. Estimated Engineering Costs

a. For LPSC Wastewater Plan

Phase I Sewer Construction	Estimated Costs by LPSC (\$)
Off-site El Mirage Rd Trunk Sewer (south of Glendale Ave)	

¹¹ SDR stands for standard dimension ratio.

9,620' 12" SDR 35 PVC (@ \$90/ft) & backfill material	865,800
Twenty 48" diameter manholes (@ \$5,000/unit)	100,000
Others (allowance for special construction)	50,000
Others (12,800 square yards pavement replacement @ \$30/square yard, etc)	384,000
Engineering (design, survey, etc.) & permits	140,000
Contingency (5%)	70,000
subtotal	1,609,800
On-site Sewer Trunk Lines	
1,360' 12" SDR 35 PVC (@ \$90/ft) & backfill material	122,400
2,520' 12" SDR 35 PVC (@ \$40/ft) & backfill native material	100,800
1,320' 8" SDR 35 PVC (@ \$70/ft) & backfill material	92,400
fifteen 48" diameter manholes (@ \$5,000/unit)	75,000
Others (2,400 square yards pavement replacement @ \$30/square yard, etc)	72,000
Engineering (design, survey, etc.) & permits	55,512
Contingency (5%)	23,130
subtotal	541,242
On-site collection system (in Marbella)	
20,250' 8" SDR 35 PVC (@ \$40/ft) & backfill native material	810,000
Fifty three 48" diameter manholes (@ \$2,500 unit)	132,500
600 4" PVC service connections Others (@ \$550/connection)	330,000
Engineering (design, survey, etc.) & permits	152,700
Contingency (5%)	63,625
subtotal	1,488,825
Total Costs of Phase I Constructions for Wastewater	2,030,067
Phase II Sewer Construction	
Lift Station	
One Wet Well	200,000
Power line extension to the site	10,000
Site work	15,000
One pump	50,000
Piping, valves	25,000
Electrical, control panel, etc.	25,000
One diesel generator	30,000
One odor control system	20,000
250' 6" PVC (@ \$45/ft)	11,250

150' crossing Dysart Drain (cased overshoot @\$200/ft)	30,000
Engineering (design, survey, etc.) & permits	32,438
Contingency (5%)	20,813
subtotal	469,500
On-site sewer Trunk lines	
150' 12" SDR 35 PVC (@ \$90/ft) & backfill native material	9,000
3,000' 12" SDR 35 PVC (@ \$40/ft) & backfill native material	120,000
nine 48" diameter manholes (@ \$2,500/unit)	22,500
Engineering (design, survey, etc.) & permits	18,180
Contingency (5%)	7,575
subtotal	177,255
On-site collection system (in Marbella)	
22,275' 8" SDR 35 PVC (@ \$40/ft) & backfill native material	891,000
Fifty eight 48" diameter manholes (@ \$2,500 unit)	145,000
660 4" PVC service connections Others (@ \$550/connection)	363,000
Engineering (design, survey, etc.) & permits	167,880
Contingency (5%)	69,950
subtotal	1,636,830
Total Costs of Phase II Wastewater Construction Plan	2,283,585

Staff concludes that the listed system improvements are appropriate and the costs are reasonable. No "used and useful" determination of the proposed plant was made, and no conclusions should be inferred for future rate making or rate base purposes.

V. SYSTEM DESCRIPTIONS

A. *Water System*

a. LPSC System

LPSC owns and operates a water system that consists of 12 wells, three arsenic treatment facilities, two storage tanks, three booster systems and a distribution system serving approximately 18,400 customers at present time. LPSC's water system has a total source capacity of 13,100 gallons per minutes ("GPM") and storage capacity of 10.6 million gallons ("MG") that are adequate to serve the present customer base and projected growth in the requested area.

b. VU System

VU owns and operates a water system that consists of seven active wells, two arsenic treatment

facilities, six storage tanks and a distribution system serving approximately 1,450 customers at present time. VU water system has a total source capacity of 1,530 GPM and storage capacity of 2.06 MG that are adequate to serve the present customer base and projected growth Phase I in the requested area, additional water source will be needed to serve Phase II customers. However, VU stated that Well No. 1 would be able to provide adequate production to serve Phase II customers.

B. Wastewater System

a. LPSC System

LPSC owns and operates its Palm Valley Water Reclamation Facility ("WRF"); two lift stations ("LS") and a collection system. Palm Valley WRF has a treatment capacity of 5.1 million gallon per day ("MGD"). Palm Valley WRF consists of raw sewage inflow LS, headworks, grit removal, equalization ("EQ") basin, three sequential batch reactors ("SBR"), four tertiary disk filters, and seven UV disinfection trains and a backup disinfection system of chlorination/dechlorination unit. Final treated effluent is permitted for effluent reuse by Arizona Department of Environmental Quality ("ADEQ") via Arizona Aquifer Protection ("APP") Permit (Permit No. 47746 and 53068) and Reuse Permits. LPSC disposes of final effluent on different reuse sites such as farm lands, golf courses and parks throughout its service area. ADEQ also allows LPSC to dispose of its final treated effluent in the Roosevelt Irrigation District ("RID") Canal via Arizona Pollutant Discharge Elimination System ("AZPDES") Permit No. 45829. Palm Valley WRF has adequate capacity to serve approximately 20,500 customers at present time and projected growth in the requested area.

**VI. MARICOPA COUNTY ENVIRONMENTAL SERVICES DEPARTMENT
("MCESD") COMPLIANCE**

a. LPSC's Water System

MCESD, acting as the formally delegated agent of ADEQ, has reported in a Compliance Status Report dated April 30, 2014, that LPSC's water system operating under public water system ("PWS") No. 07-046 has no major deficiencies and is delivering water that meets water quality standards required by 40 CFR 141 (National Primary Drinking Water Regulations) and Arizona Administrative Code, Title 18, Chapter 4.)

b. VU's Water System

Staff received a compliance status report from MCESD dated June 26, 2014, in which MCESD stated that VU's water system (PWS No. 07-079) has no major deficiencies and is delivering water that meets water quality standards required by 40 CFR 141 (National Primary Drinking Water Regulations) and Arizona Administrative Code, Title 18, Chapter 4.

VII. ADEQ COMPLIANCE

a. LPSC's Wastewater System

Staff received a compliance status report from ADEQ dated July 10, 2014, in which ADEQ stated that Palm Valley WRP is currently not in full compliance¹², but ADEQ has determined that Palm Valley WRP is not currently in violation at a level at which ADEQ will take an action or issue a Notice of Opportunity to Correct or Notice of Violation and/or is in compliance with the Order/Judgment.

VIII. ARIZONA DEPARTMENT OF WATER RESOURCES ("ADWR") COMPLIANCE

a. LPSC's Water System

LPSC is in the Phoenix Active Management Area. Staff received a Compliance Status Report from ADWR for LPSC on May 12, 2014. ADWR reports that LPSC is compliant with departmental requirements governing water providers and/or community water systems.

b. VU's Water System

VU is in the Phoenix Active Management Area. Staff received a Compliance Status Report from ADWR for VU on July 3, 2014. ADWR reports that VU is compliant with departmental requirements governing water providers and/or community water systems.

IX. ACC COMPLIANCE

A. LPSC

A check of the Commission's Compliance Section database dated September 2, 2014, indicates there is no delinquent compliance item for LPSC

B. VU

A check of the Commission's Compliance Section database dated July 30, 2014, indicated that VU has no delinquent ACC compliance items.

¹² The violations were due to turbidity and E Coli exceeding the limits.

X. OTHER ISSUES

a. Offsite Hookup Fee Tariff

^{DH} ^{DH}
~~Both~~ LPSC and VU have approved Offsite Hookup Fee Tariffs for water on file. LPSC also has an approved Offsite Hookup Fee Tariff for wastewater on file.

c. Curtailment Tariff and Backflow/Cross Connection Tariff

Both LPSC and VU have approved Curtailment and Backflow/Cross Connection Tariffs on file.

d. Best Management Practice Tariff ("BMP")

LPSC has ten approved BMP Tariffs on file. VU has five approved BMP Tariffs on file.

SUMMARY

Recommendations

1. If the Commission approves LPSC to serve the requested area, Staff recommends that LPSC file with Docket Control, a Certificate of Approval to Construct for Phase I water plan as a compliance item in this docket no later than December 31, 2015.
2. If the Commission approves VU to serve water in the requested area, Staff recommends that VU file with Docket Control, a Certificate of Approval to Construct for Phase I water plan as a compliance item in this docket no later than December 31, 2015.
3. Staff recommends that LPSC file with Docket Control, a copy of Certificate of Approval to Construct for Phase I wastewater plan as a compliance item in this docket no later than December 31, 2015.

Conclusions

1. The compliance status reports were issued by MCDES dated April 30, 2014 and June 26, 2014 in which MCDES stated that both LPSC (PWS No. 07-046) and VU (PWS No. 07-079) have no major deficiencies and are delivering water that meets water quality standards required by 40 CFR 141 (National Primary Drinking Water Regulations) and Arizona Administrative Code, Title 18, Chapter 4.
2. In the compliance status report from ADEQ dated July 10, 2014, ADEQ stated that LPSC's Palm Valley WRP is not currently in full compliance but ADEQ has determined that Palm Valley WRP is not currently in violation at a level at which ADEQ will take an action or issue a

Notice of Opportunity to Correct or Notice of Violation and/or is in compliance with the Order/Judgment

3. Both LPSC and VU are in ADWR's Phoenix AMA. In the Compliance Status Reports from ADWR for LPSC (on May 12, 2014) and VU (on July 3, 2014). ADWR reports that both LPSC and VU are compliant with departmental requirements governing water providers and/or community water systems.
4. Staff concludes that LPSC's water system has adequate production and storage capacities to support the existing customer base and growth in both Phase I and Phase II of the requested area.
5. Staff also concludes that VU's water system has adequate production and storage capacities to support the existing customer base and growth in Phase I of the requested area.
6. Staff concludes that LPSC's wastewater system has adequate treatment capacity to treat the existing customer base and growth in both Phase I and Phase II of the requested area.
7. Staff concludes that the proposed water and wastewater plans by LPSC are appropriate and the costs are reasonable. No "used and useful" determination of the proposed plants was made, and no conclusions should be inferred for future rate making or rate base purposes.
8. Staff also concludes that the proposed water plan by VU is appropriate and the costs are reasonable. Staff would note that the VU proposal does not include any on site water plan or the associated cost estimates. No "used and useful" determination of the proposed plants was made, and no conclusions should be inferred for future rate making or rate base purposes.
9. A check of the Commission's Compliance Section database dated July 30, 2014, indicated that VU has no delinquent ACC compliance items.
10. LPSC and VU have approved Curtailment Tariffs, Backflow/Cross Connection Tariffs, BMP tariffs, and approved Off-site Hookup Fee Tariffs, ^{and DH} _↑ *for water and wastewater.*

LPSC has an
DH

DH

MEMORANDUM

TO: Blessing Chukwu
Executive Consultant III
Utilities Division

FROM: Lori H. Miller 
GIS Specialist
Utilities Division

THRU: Del Smith 
Engineering Supervisor
Utilities Division

DATE: June 23, 2014

RE: LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) – DOCKET
NO. W-01427A-14-0134 **AMENDED LEGAL DESCRIPTION**

The area requested by Liberty Utilities (Litchfield Park Water and Sewer) for an extension has been plotted using the Company's amended legal description. Attached is the legal description which will replace the one filed with its application.

Also attached is a copy of the map for your files.

/lhm

Attachments

cc: Mr. Patrick Black
Ms. Dorothy Hains
Ms. Deb Person (Hand Carried)
File

Exhibit 4
REVISED 5-16-14

Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Water CC&N Extension

That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;
EXCEPT the south 20.00 feet of said Northeast Quarter;

The East $\frac{1}{2}$ of the Northwest Quarter of said Section 2;
EXCEPT the south 20.00 feet of said Northwest Quarter, and;
the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;
EXCEPT the north 140.00 feet of said Southeast Quarter.

MARICOPA COUNTY

RANGE 1 West



TOWNSHIP 2 North

-  W-01997A (2)
Adaman Mutual Water Company
-  W-01427A (4)
Litchfield Park Service Company
-  Sewer
Litchfield Park Service Company
-  W-02076A (1)
Tierra Buena Water Company
-  W-01412A (1)
Valley Utilities Water Company, Inc.
-  Sewer (1)
Casitas Bonitas Wastewater Improvement District (Nonjurisdictional)
-  (1)
Adaman Mutual Water Company (Contiguous Area)
-  Sewer (4)
City of Avondale (Nonjurisdictional)
-  (1)
Liberty Utility Corp.
(Litchfield Park Water and Sewer)
Docket No. W-01427A-14-0134
Request for Extension (Water)



Prepared by:
Arizona Corporation Commission
Utilities Division
Engineering Section/GIS Mapping
602-542-4251

MEMORANDUM

TO: Blessing Chukwu
Executive Consultant III
Utilities Division

FROM: Lori H. Miller 
GIS Specialist
Utilities Division

THRU: Del Smith 
Engineering Supervisor
Utilities Division

DATE: June 23, 2014

RE: LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) – DOCKET
NO. W-01427A-14-0180

The area requested by Liberty Utilities (Litchfield Park Water and Sewer) for an extension has been plotted with no complications using the legal description provided with the application (a copy of which is attached).

Also attached is a copy of the map for your files.

/lhm

Attachments

cc: Mr. Patrick Black
Ms. Dorothy Hains
Ms. Deb Person (Hand Carried)
File

Exhibit 4

**Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Wastewater CC&N Extension**

That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;
EXCEPT the south 20.00 feet of said Northeast Quarter;

The East ½ of the Northwest Quarter of said Section 2;
EXCEPT the south 20.00 feet of said Northwest Quarter, and;
the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;
EXCEPT the north 140.00 feet of said Southeast Quarter.

MEMORANDUM

TO: Blessing Chukwu
Executive Consultant III
Utilities Division

FROM: Lori H. Miller 
GIS Specialist
Utilities Division

THRU: Del Smith 
Engineering Supervisor
Utilities Division

DATE: August 7, 2014

RE: VALLEY UTILITIES WATER COMPANY, INC. – DOCKET NO. W-01412A-14-0262)

The area requested by Valley Utilities Water Company, Inc. for an extension has been plotted with no complications using the legal description provided with the application (a copy of which is attached).

Also attached is a copy of the map for your files.

/lhm

Attachments

cc: Mr. Robert J. Metli
Ms. Dorothy Hains
Ms. Deb Person (Hand Carried)
File

Legal Description
Valley Utilities Water Company Inc.
Water CC&N Extension

That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northeast Quarter;

The East $\frac{1}{2}$ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;

The west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.

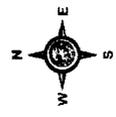
MARICOPA COUNTY

Map No. 17

RANGE 1 West

TOWNSHIP 2 North

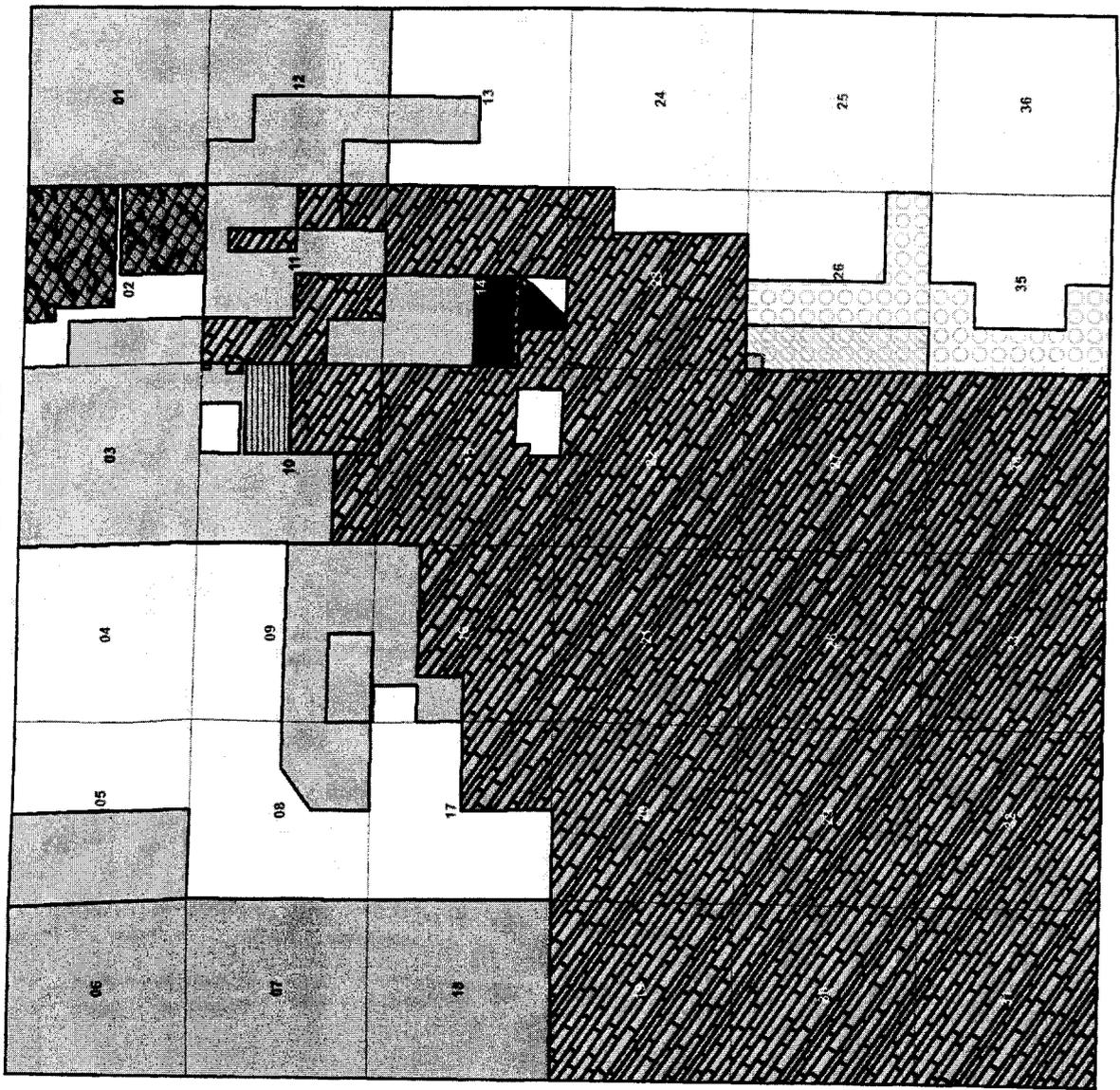
-  W-01997A (2)
Adaman Mutual Water Company
-  W-01427A (4)
Litchfield Park Service Company
-  Sewer
Litchfield Park Service Company
-  W-02076A (1)
Tierra Buena Water Company
-  W-01412A (1)
Valley Utilities Water Company, Inc.
-  Sewer (1)
Casitas Bonitas Wastewater Improvement District (Nonjurisdictional)
-  (1)
Adaman Mutual Water Company (Contiguous Area)
-  (4)
City of Avondale (Nonjurisdictional)
-  (1)
Liberty Utility Corp.
(Litchfield Park Water and Sewer)
Docket Nos. W-01427A-14-0134 and W-01427A-14-0180
Request for Extension
-  (1)
Valley Utilities Water Company, Inc.
Docket No. W-01412A-14-0262
Request for Extension



Prepared by:
Arizona Corporation Commission
Utilities Division
Engineering Section/GIS Mapping
602-542-4251

Pursuant to ARS § 39-121.03 this map is 'Not for Commercial Use'

TR2N1W 05 JUN 2005



MEMORANDUM

DATE: August 25, 2014

TO: Blessing N. Chukwu
Executive Consultant III

FROM: Brendan Aladi 
Public Utilities Analyst

RE: APPLICATION OF LIBERTY UTILITIES (LITCHFIELD PARK WATER AND WASTEWATER) CORP. FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WATER AND WASTEWATER UTILITIES SERVICES (DOCKET NOS. W-01427A-14-0134 AND SW-01428A-14-0180).

THE APPLICATION OF VALLEY UTILITIES WATER COMPANY, INC. FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WATER UTILITY SERVICE (DOCKET NO. W-01412A-14-0262)

On April 17, 2014, Liberty Utilities (Litchfield Park Water and Sewer) Corp. ("Liberty Utilities") filed an application with the Arizona Corporation Commission ("Commission") requesting approval pursuant to Arizona Revised Statutes Section 40-282 and Arizona Administrative code R14-2-402 for extension of its existing certificate of convenience and necessity ("CC&N") to provide water utility service in Maricopa County, Arizona.

On June 3, 2014, Liberty Utilities filed an application for extension of its CC&N to provide wastewater service to Marbella Ranch. On June 3, 2014, Liberty Utilities filed an application with the Commission, in Docket No. SW-01428A-14-0180, requesting that the Commission approve an extension of its current wastewater CC&N to provide wastewater service to Marbella Ranch.

On July 10, 2014, Valley Utilities Water Company, Inc. ("Valley Utilities") filed a competing application for extension of its CC&N to provide water service to Marbella Ranch. Procedural Order issued August 12, 2014, consolidated Liberty Utilities' water and wastewater and Valley Utilities CC&N water applications.

The area covered by this application includes an approximately 365-acre property located on the El Mirage Road alignment between Glendale Avenue and Northern Avenue. The property is currently owned by El Paso Natural Gas, LLC, and was originally designed for natural gas storage. The Developer has filed a zoning request and comprehensive plan amendment with Maricopa County so that the maximum number of dwelling units on the property will not exceed 1,260 units. A portion of the property is planned for open space or industrial uses.

Liberty Utilities projected the following operating income/loss for the first five years after the approval of the application for its water system: Year 1 (\$28,424); Year 2, (\$32,789); Year 3, \$1,439; Year 4, \$9,525 and Year 5, \$25,875.

Liberty Utilities projected the following operating income/loss for the first five years after the approval of the application for its wastewater system. The Company projects the following operating income/loss for the projected years: Year 1 (\$9,132); Year 2, \$11,448; Year 3, \$51,108; Year 4, \$91,090 and Year 5, \$138,827.

Valley Utilities projected the following operating income/loss for the first five years after the approval of the application for its water system. The Company projects the following operating income/loss for the projected years: Year 1 (\$30,595); Year 2, (\$7,519); Year 3, \$45,835; Year 4, \$66,552 and Year 5, \$93,137.

Liberty Utilities and Valley Utilities provided Statements of Financial Condition, which included a copy of the balance sheet for the year ending December 31, 2013 and comparative statement of income and expense for the years ending December 31, 2013 and December 31, 2013.

Liberty Utilities estimated the total cost for the construction of the water facilities of \$7,774,363 and wastewater facilities of \$4,313,652, which will be financed through a combination of contributions, advances in aid of construction and equity. Valley Utilities estimated \$7,450,762 total cost for the construction of the water facilities, which will be financed entirely with advances in aid of construction.

As noted on the Capital Structure Analysis Schedules, Staff normally recommends that the combined AIAC and net CIAC funding ratio not exceed 30 percent of total capital for private, investor-owned utilities.

At December 31, 2013, combined AIAC (\$29,728,643) and net CIAC (\$4,752,083) is \$34,480,726 for Liberty Utilities water system. Total capital inclusive of AIAC and CIAC is \$77,704,058. The combined total AIAC and net CIAC is 44 percent of total capital.

At December 31, 2013, combined AIAC (\$12,110,401) and net CIAC (\$29,120,016) is \$41,230,417 for the Liberty Utilities wastewater system. Total capital inclusive of AIAC and CIAC is \$67,576,912. The combined total AIAC and net CIAC is 61 percent of total capital.

At December 31, 2013, combined AIAC (\$4,375,073) and net CIAC (\$1,361,348) is \$5,736,421 for Valley Utilities. Total capital inclusive of AIAC and CIAC is \$7,530,647. The combined total AIAC and net CIAC is 76 percent of total capital.

For the Liberty Utilities water system pro-forma at December 31, 2013, (including proposed CC&N extension) the combined AIAC (\$30,894,797) and net CIAC (\$5,918,237) is \$36,813,034. The combined total AIAC and net CIAC is 43 percent of the total capital.

For the Liberty Utilities wastewater system Pro-forma at December 31, 2013, (including proposed CC&N extension) the combined AIAC (\$12,757,449) and net CIAC (\$29,767,064) is \$42,524,513. The combined total AIAC and net CIAC is 59 percent of the total capital.

ATTACHMENT C

For the Valley Utilities water system pro-forma at December 31, 2013, (including proposed CC&N extension) the combined AIAC (\$11,825,835) and net CIAC (\$1,361,348) is \$13,510,784. The combined total AIAC and net CIAC is 88 percent of the total capital.

Staff is concerned about a continuing over-reliance on AIAC and CIAC. Liberty Utilities is financially fit to provide both water and wastewater services to the extension area. However, Staff recommends that the Company fund its future infrastructure needs with 70 percent equity and no more than 30 percent AIAC and CIAC combined, in order to better balance the financial risk for the Company and its ratepayers. When a Company over-relies on AIAC and CIAC it may not have a rate base sufficient enough to earn a reasonable rate of return.

If Valley Utilities is chosen to provide water service, Staff recommends the entire construction costs be funded with equity because of over reliance on AIAC/CIAC and the resultant low equity ratio.



CAPITAL STRUCTURE ANALYSIS

	[A] Annual Report At 12/31/13		[B] W/CC&N Extension Pro-Forma At 12/31/2013	
1 <u>Capital Structure</u>				
2				
3 Short-term Debt	\$ -	0.0%	\$ -	0.0%
4				
5 Long-term Debt	5,021,714	11.6%	5,021,714	11.6%
6				
7 Common Equity	38,201,618	88.4%	38,201,618	88.4%
8				
9 Total Capital	\$ 43,223,332	100.0%	\$ 43,223,332	100.0%
10				
11				
12 <u>Capital Structure (inclusive of AIAC and Net CIAC)</u>				
13				
14 Short-term Debt	\$ -	0.0%	\$ -	0.0%
15				
16 Long-term Debt	5,021,714	6.5%	5,021,714	5.9%
17				
18 Common Equity	38,201,618	49.2%	43,643,672 ²	51.1%
19				
20 Advances in Aid of Construction ("AIAC")	29,728,643	38.3%	30,894,797 ³	36.1%
21				
22 Contributions in Aid of Construction ("CIAC") ¹	4,752,083	6.1%	5,918,237 ⁴	6.9%
23				
24 Total Capital (Inclusive of AIAC and CIAC)	\$ 77,704,058	100.0%	\$ 85,478,421	100.0%
25				
26				
27 AIAC and CIAC Funding Ratio ⁵	44.4%		43.1%	
28 (36+38)/(40)				

¹ Net CIAC balance (i.e. less: accumulated amortization of contribution).

² Includes \$5,442,054 or 70 percent Equity funding for the new facilities.

³ Includes \$1,166,154 or 15 percent AIAC funding for the new facilities.

⁴ Includes \$1,166,154 or 15 percent CIAC funding for the new facilities.

⁵ Staff typically recommends that combined AIAC and net CIAC funding not exceed 30 percent of total capital, inclusive of AIAC and net CIAC, for private and investor owned utilities.

Liberty Utilities Corporation
Docket No. SW-01428A-14-0180 (Wastewater)
Application For CC&N Extension

CAPITAL STRUCTURE ANALYSIS

	[A] <i>Annual Report At 12/31/13</i>		[B] <i>W/CC&N Extension Pro-Forma At 12/31/2013</i>			
1 <u>Capital Structure</u>						
2						
3 Short-term Debt	\$	-	0.0%	\$	-	0.0%
4						
5 Long-term Debt		4,453,218	16.9%		4,453,218	16.9%
6						
7 Common Equity		21,893,277	83.1%		21,893,277	83.1%
8						
9 Total Capital	\$	26,346,495	100.0%	\$	26,346,495	100.0%
10						
11						
12 <u>Capital Structure (inclusive of AIAC and Net CIAC)</u>						
13						
14 Short-term Debt	\$	-	0.0%	\$	-	0.0%
15						
16 Long-term Debt		4,453,218	6.6%		4,453,218	6.2%
17						
18 Common Equity		21,893,277	32.4%		24,912,833 ²	34.7%
19						
20 Advances in Aid of Construction ("AIAC")		12,110,401	17.9%		12,757,449 ³	17.7%
21						
22 Contributions in Aid of Construction ("CIAC") ¹		29,120,016	43.1%		29,767,064 ⁴	41.4%
23						
24 Total Capital (Inclusive of AIAC and CIAC)	\$	67,576,912	100.0%	\$	71,890,564	100.0%
25						
26						
27 AIAC and CIAC Funding Ratio ⁵		61.0%			59.2%	
28 (36+38)/(40)						

¹ Net CIAC balance (i.e. less: accumulated amortization of contribution).

² Includes \$3,019,556 or 70 percent Equity funding for the new facilities.

³ Includes \$647,048 or 15 percent AIAC funding for the new facilities.

⁴ Includes \$647,048 or 15 percent CIAC funding for the new facilities.

⁵ Staff typically recommends that combined AIAC and net CIAC funding not exceed 30 percent of total capital, inclusive of AIAC and net CIAC, for private and investor owned utilities.

Valley Utilities Water Company
Docket No. W-01412A-14-0262 (Water)
Application For CC&N Extension

CAPITAL STRUCTURE ANALYSIS

	[A] Annual Report At 12/31/13		[B] W/CC&N Extension Pro-Forma At 12/31/2013	
1 Capital Structure				
2				
3 Short-term Debt	\$	- 0.0%	\$	- 0.0%
4				
5 Long-term Debt		1,480,506 82.5%		1,480,506 82.5%
6				
7 Common Equity		313,720 17.5%		313,720 17.5%
8				
9 Total Capital	\$	1,794,226 100.0%	\$	1,794,226 100.0%
10				
11				
12 <u>Capital Structure (inclusive of AIAC and Net CIAC)</u>				
13				
14 Short-term Debt	\$	- 0.0%	\$	- 0.0%
15				
16 Long-term Debt		1,480,506 19.7%		1,480,506 9.9%
17				
18 Common Equity		313,720 4.2%		313,720 2.1%
19				
20 Advances in Aid of Construction ("AIAC")		4,375,073 58.1%		11,825,835 ² 78.9%
21				
22 Contributions in Aid of Construction ("CIAC") ¹		<u>1,361,348</u> <u>18.1%</u>		<u>1,361,348</u> <u>9.1%</u>
23				
24 Total Capital (Inclusive of AIAC and CIAC)	\$	7,530,647 100.0%	\$	14,981,409 100.0%
25				
26				
27 AIAC and CIAC Funding Ratio ³		76.2%		88.0%
28 (36+38)/(40)				

¹ Net CIAC balance (i.e. less: accumulated amortization of contribution).

² Includes \$7,450,762 AIAC funding for the new facilities.

³ Staff typically recommends that combined AIAC and net CIAC funding not exceed 30 percent of total capital, inclusive of AIAC and net CIAC, for private and investor owned utilities.

ORIGINAL

NEW APPLICATION



0000154000

EXHIBIT
V-1
ADMITTED

RECEIVED

BEFORE THE ARIZONA CORPORATION
DOCKET COMMISSION

2014 JUL 10 PM 1 32

Arizona Corporation Commission

DOCKETED

JUL 10 2014

DOCKETED BY [Signature]

COMMISSIONERS

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

IN THE MATTER OF THE APPLICATION
OF VALLEY UTILITIES WATER
COMPANY, INC. FOR AN EXTENSION OF
THEIR CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER
UTILITY SERVICE IN MARICOPA
COUNTY, ARIZONA.

DOCKET NO W-01412A-14-0262

APPLICATION FOR EXTENSION OF
CC&N

Pursuant to A.A.C. R14-2-402, Valley Utilities Water Company, Inc. (Valley Utilities” or “Applicant”), an Arizona public service corporation, hereby applies to the Arizona Corporation Commission (“Commission”) for an Order approving the extension of Applicant’s existing Certificate of Convenience and Necessity (“CC&N”) to provide water utility service in certain defined portions of Maricopa County, Arizona.

INTRODUCTION

Valley Utilities, an Arizona public service corporation, is a public service corporation engaged in providing water utility service within unincorporated portions of Maricopa County, Arizona, pursuant to a CC&N granted by the Commission.

Marbella Ranch (“Marbella Ranch” or the “Property”) is an approximately 365-acre property located on the El Mirage Road alignment between Glendale Avenue and Northern Avenue. The Property is within the City of Glendale strip annex and planning area, but is currently part of unincorporated Maricopa County. The Property is currently zoned Rural-43 by Maricopa County. The Luke Air Force Base (“Luke”) Air Installation Compatible Use Zone runs along the northwestern portion of the Property.

1 C. Applicant's attorneys are Munger Chadwick, P.L.C., whose address is 2398 E.
2 Camelback Road, Suite 240, Phoenix, Arizona 85016. The individual attorney responsible for
3 this application is Robert J. Metli. Mr. Metli's telephone number is (602) 358-7348.

4 D. Applicant's operator certified by the Arizona Department of Environmental
5 Quality ("ADEQ") is Robert L. Prince, Valley Utilities Water Co., Inc., 6808 N. Dysart Road,
6 Suite 112, Glendale, Arizona 85307, Telephone (623) 935-1100.

7
8 E. Applicant's on-site manager of the utility is Robert L. Prince, Valley Utilities
9 Water Co., Inc., 6808 N. Dysart Road, Suite 112, Glendale, Arizona 85307, Telephone (623) 935-
10 1100.

11 F. Applicant is a C Corporation. Applicant's Officers and Directors are:

12
13 OFFICERS

14 Robert L. Prince, President
15 6808 N. Dysart Road, Suite 112
16 Glendale, AZ 85307
(623) 935-1100

17 Barbara Prince, Secretary/Treasurer
18 6808 N. Dysart Road, Suite 112
Glendale, AZ 85307
(623) 935-1100

19 Scott Keith, Vice President
20 6808 N. Dysart Road, Suite 112
Glendale, AZ 85307
(623) 935-1100

DIRECTORS

Robert L. Prince, President
6808 N. Dysart Road, Suite 112
Glendale, AZ 85307
(623) 935-1100

Barbara Prince, Secretary/Treasurer
6808 N. Dysart Road, Suite 112
Glendale, AZ 85307
(623) 935-1100

Scott Keith, Vice President
6808 N. Dysart Road, Suite 112
Glendale, AZ 85307
(623) 935-1100

Matthew Prince, Director
Vice President
6808 N. Dysart Road, Suite 112
Glendale, AZ 85307
(623) 935-1100

21
22
23
24 G. Applicant's Certificate of Good Standing is attached as Exhibit A.

25 H. Applicant's Articles of Incorporation is attached as Exhibit B.
26

- 1 I. Applicant's Bylaws are attached as Exhibit C.
- 2 J. Applicant is a for-profit corporation and has 1,000,000 shares authorized. To date,
3 15,000 shares have been issued as follows:
- 4 11,000 issued July 17, 1973
5 4,000 issued February 10, 2008
- 6 K. Applicant has no ownership interest in any other utility company.
- 7 L. The legal description of the requested service is as follows:
- 8 **That portion of Section 2, Township 2 North, Range 1 West of**
9 **the Gila and Salt River Base and Meridian, Maricopa County,**
10 **Arizona more particularly described as follows:**
- 11 **The Northeast Quarter of said Section 2;**
12 **EXCEPT the south 20.00 feet of said Northeast Quarter;**
- 13 **The East ½ of the Northwest Quarter of said Section 2;**
14 **EXCEPT the south 20.00 feet of said Northwest Quarter,**
15 **and;**
16 **The west 400.44 feet of the south 1,724.91 feet of said Northwest**
17 **Quarter;**
- 18 **The Southeast Quarter of said Section 2;**
19 **EXCEPT the north 140.00 feet of said Southeast Quarter.**
- 20 M. Maricopa County Environmental Services Compliance Status Report is attached as
21 Exhibit D.
- 22 N. Detailed Map of requested service area is attached as Exhibit E.
- 23 O. The requested extension area is located within unincorporated Maricopa County.
24 The City of Glendale is the closest municipality. Also within five miles are the City of Goodyear,
25 the City of Avondale, the City Litchfield Park, the City of Phoenix, the City of Peoria, the Town
26 of El Mirage, the Town of Youngtown and the City of Surprise.
- 27 P. A detailed description of the facilities is attached as part of an Engineering Report
28 prepared by Kenneth L. Knickerbocker, P.E. of Wood, Patel and Associates ("Engineering
29 Report") as Exhibit F.

1 Q. The estimated total construction cost is attached as part of the Engineering Report
2 as Exhibit F.

3 R. The project will be funded entirely with Advances in Aid of Construction.

4 S. A general Statement of Financial Condition is attached as Exhibit G.

5 T. The developer requested water service for Marbella Ranch in a meeting at Valley
6 Utilities' office on December 3, 2013. In a second meeting that took place on March 10, 2014,
7 the developer inquired if Valley Utilities' could improve on Liberty Utilities water service
8 proposal.

9 U. Detailed maps of the requested area are attached as Exhibit H.

10 V. A copy of the notice sent to municipal managers/administrators for municipalities
11 within a five mile radius is attached as Exhibit I.

12 W. Because all of the property requested in this Application is part of Marbella Ranch,
13 there are no additional landowners within the requested area that did not request service.
14 Applicant will supplement this response if such notice needs to be sent.

15 X. Applicant will be charging its existing rates and charges. A copy of Applicants
16 existing tariffed rate schedule is attached as Exhibit K.

17 Y. Applicant will provide applicable franchise at a future date.

18 Z. Applicant will provide ADEQ approval to construct at a future date upon receiving
19 data requested from developer.

20 AA. Area requested is within the Phoenix Active Management Area. As set forth
21 Liberty Utilities Application, page 7, paragraph 23: "*The developer of Marbella Ranch, TRS 8,*
22 *LLC has retained Southwest Groundwater Consultants, Inc. to prepare and file an Analysis of*
23 *Assured Water Supply Application with the Arizona Department of Water Resources. The*
24 *application is expected to be filed within 90 days and approval of the AAWS is expected no later*
25 *than 1st quarter4 of 2015.*"

26 BB. The estimated property taxes with a five year projection are attached as Exhibit J.

1 CC. The estimated number of customers to be served for each of the first five years is
2 attached as Exhibit J.

3 DD. The projected annual water consumption, in gallons, for each of the customer
4 classes is attached as part of the Engineering Report as Exhibit F.

5 EE. The estimated annual operating revenue and expenses for the first five years of
6 operation for the requested extension area is attached as Exhibit J.

7 FF. An itemized list of the major components of the water system is attached as part of
8 the Engineering Report as Exhibit F.

9 GG. Water service will be provided by Valley Utilities and sewer service will be
10 provided by Liberty Utilities.

11 HH. Applicant does not currently have a letter from Liberty Utilities confirming the
12 provision of wastewater services for the proposed area but Liberty Utilities currently provides
13 wastewater service to approximately 49% of Applicant's customers.

14 II. Applicant has in place the following water conservation measures:

15 BMP 2.2 Youth Conservation Education Program Tariff
16 BMP 3.3 Water Budgeting Program (Non-residential) Tariff;
17 BMP 3.6 Customer High Water Use Inquiry Resolution Tariff; and
18 BMP 3.8 Water waste Investigations and Information Tariff.
19 BMP 4.2 Meter Repair and/or Replacement Tariff.

20 (See Exhibit L).

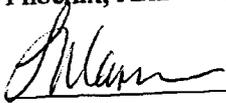
21 Applicant currently works closely with Liberty Utilities regarding sewer service for Valley
22 Utilities customers. Applicant will be using groundwater sources to supply parks, recreation
23 areas, greenbelts, and other aesthetic water features.

24 JJ. Applicants Backflow Prevention Tariff and Curtailment Tariff are attached as part
25 of Exhibit M.

26 KK. Applicant's notarized signature is attached as Exhibit N.

LL. Applicant's Water Use Data Sheet is attached as Exhibit O.

1 Steven M. Olea, Director
2 Utilities Division
3 ARIZONA CORPORATION COMMISSION
4 1200 West Washington Street
5 Phoenix, Arizona 85007

6 
7 _____

- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26

LIST OF EXHIBITS

Valley Utilities Water Company, Inc.'s Application for Extension of CC&N

Exhibit	
A	Certificate of Good Standing
B	Valley Utilities Articles of Incorporation
C	Valley Utilities Bylaws
D	Maricopa County Department of Environmental Services Compliance Status
E	Detailed Map Area
F	Engineering Report
G	Statement of Financial Condition
H	Detailed Maps
I	Sample Municipality Notification Letter
J	Estimated Revenue and Expenses, Estimated Property Taxes, Number of Customers
K	2013 Tariff Decision No. 73913
L	BMP Conservation Measures
M	Backflow Prevention Tariff and Curtailment Tariff
N	Affidavit of Robert L. Prince
O	Water Use Data Sheet

EXHIBIT A

STATE OF ARIZONA



Office of the
CORPORATION COMMISSION

CERTIFICATE OF GOOD STANDING

To all to whom these presents shall come, greeting:

I, Jodi A. Jerich, Executive Director of the Arizona Corporation Commission, do hereby certify that

*****VALLEY UTILITIES WATER COMPANY, INC.*****

a domestic corporation organized under the laws of the State of Arizona, did incorporate on July 17, 1973.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation is not administratively dissolved for failure to comply with the provisions of the Arizona Business Corporation Act; and that its most recent Annual Report, subject to the provisions of A.R.S. sections 10-122, 10-123, 10-125 & 10-1622, has been delivered to the Arizona Corporation Commission for filing; and that the said corporation has not filed Articles of Dissolution as of the date of this certificate.

This certificate relates only to the legal existence of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 27th Day of March, 2014, A. D.



Jodi A. Jerich

Jodi A. Jerich, Executive Director

By: _____ 1041409

EXHIBIT B

SALLQUIST & DRUMMOND, P.C.
ATTORNEYS AT LAW
1430 EAST MISSOURI AVENUE
SUITE B-125
PHOENIX, ARIZONA 85014

GARY A. DRUMMOND

PHONE (602) 224-9222
FACSIMILE (602) 224-9366
E-MAIL gary@sd-law.com

April 3, 2014

E-MAIL/MAIL: barbprince@vuwco.com

Barbara K. Prince
Valley Utilities Water Company, Inc.
6808 N. Dysart Road, Suite 112
Glendale, Arizona 85307

Re: Valley Utilities Water Company, Inc./General
Our Reference No. 93055-00002

Dear Barb:

Pursuant to your request, I have enclosed the following documents relative to Valley Utilities Water Company, Inc. ("Corporation"):

1. Certified Copy of Articles of Incorporation;
2. Articles of Amendment; and
3. Certificate.

Please execute the Certificate, where indicated, in your capacity as Secretary of the Corporation. As you will note, it will be necessary that your signature be notarized.

Following execution of the Certificate, it is my understanding that you will forward the documents to the party who requested the same.

In the meantime, should you have any questions concerning the foregoing, or the enclosed documents, please call me.

Sincerely,

/s/

Gary A. Drummond
For the Firm

Enclosures

93055.00002.102

STATE OF ARIZONA



Office of the
CORPORATION COMMISSION

The Executive Director of the Arizona Corporation Commission does hereby certify that the attached copy of the following document:

ARTICLES OF INCORPORATION, 07/17/1973

consisting of 10 pages, is a true and complete copy of the original of said document on file with this office for:

VALLEY UTILITIES WATER COMPANY, INC.

ACC file number: -0092756-2

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission on this date: April 3, 2014.



Jodi A. Jerich

Jodi A. Jerich, Executive Director

By: *Jan Bazel*

Jan Bazel

STATE OF ARIZONA



Corporation Commission

To all to Whom these Presents shall Come, Greeting:

BE IT KNOWN THAT VALLEY UTILITIES WATER COMPANY, INC.

HAVING SUBMITTED TO THE ARIZONA CORPORATION COMMISSION EVIDENCE OF COMPLIANCE WITH THE LAWS OF THE STATE OF ARIZONA GOVERNING THE INCORPORATION OF COMPANIES, IS BY VIRTUE OF THE POWER VESTED IN THE COMMISSION UNDER THE CONSTITUTION AND THE LAWS OF THE STATE OF ARIZONA, HEREBY GRANTED THIS

CERTIFICATE OF INCORPORATION

AUTHORIZING SAID COMPANY TO EXERCISE THE FUNCTIONS OF A CORPORATION, UNDER THE LAWS NOW IN EFFECT IN THE STATE OF ARIZONA, AND SUBJECT TO SUCH LAWS AS MAY HEREAFTER BE ENACTED, FOR A PERIOD OF TWENTY-FIVE YEARS FROM THE DATE HEREOF, UNLESS SOONER REVOKED BY AUTHORITY OF LAW.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION

In Witness Whereof, I, AL FARON,
THE CHAIRMAN, HAVE HEREUNTO SET MY HAND AND CAUSED THE OFFICIAL
SEAL OF THE ARIZONA CORPORATION COMMISSION TO BE AFFIXED AT THE
CAPITOL, IN THE CITY OF PHOENIX, THIS 17th
DAY OF July A. D. 1973.

CHAIRMAN.

ATTEST:

SECRETARY.

NO. 92756

BY

ASSISTANT SECRETARY.

RECORDER'S OFFICE
MARICOPA COUNTY, ARIZONA

Phoenix, Arizona 1973

Will E. Swartz

JUL 17 1973 -245

To PAUL N. MARSTON, Recorder, Dr.
To Recording Instrument as follows:

MARSTON
All fees are required by law to be paid strictly in advance before instruments are placed on record.

	INSTRUMENT	GRANTOR	GRANTEE	FEES
(1)		<i>Articles of Incorporation of</i>		<i>3.50</i>
(2)				
(3)		<i>Valley Utilities Water Company, Inc.</i>		
(4)				
(5)				
(6)				

RECEIVED

JUL 17 1973

ARIZONA CORP. COMMISSION
INCORPORATING DIVISION

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

ARTICLES OF INCORPORATION

OF

VALLEY UTILITIES WATER COMPANY, INC.

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, having associated ourselves together for the purpose of forming a corporation under and by virtue of the laws of Arizona, hereby adopt the following Articles of Incorporation:

I

The name of the corporation shall be VALLEY UTILITIES WATER COMPANY, INC., and its principal place of business shall be Phoenix, Arizona, but other offices may be established and maintained within or outside of Arizona at such places as the board of directors may designate, where meetings of stockholders and directors may be held.

II

The incorporators are:

LESLIE T. PEART	ADELAIDE S. PEART
12681 Bubbling Well Rd.	126 ⁶ Bubbling Well Rd.
Santa Ana, California	Santa Ana, California

CONRAD E. PRINCE	BETTY J. PRINCE
12540 W. Bethany Home Rd.	12540 W. Bethany Home Rd.
Phoenix, Arizona	Phoenix, Arizona

III

The general nature of the business to be transacted is

. . . .
. . . .
. . . .
. . . .

to operate a public utilities water company; to own, purchase, lease or rent, or in any other manner lawfully acquire and sell, rent, lease or sign to any other person or corporation, county or municipality, pipelines, mains and wells for the transportation, delivery and sale of water; to construct, build, maintain and operate the same; to buy and sell water and water rights; to own, operate, maintain and control such meters and other fixtures, equipment or appliances which may be necessary in conducting its business as aforesaid; to own and hold franchises and certificates of convenience or of necessity required or incident to the conduct of its business as aforesaid; to lease, purchase or otherwise acquire, sell, exchange, dispose of, deal or traffic in, distribute and exhibit all kinds of real and personal property that may be necessary, incident or convenient in the carrying on of said business; to purchase, improve, develop, hold, sell improved and unimproved real estate; to make investments and purchase securities of other corporations, and to own and hold stock in this corporation; to borrow and loan money; and to do everything necessary, proper, convenient or incidental to the accomplishment of the purposes and objects of the corporation, or which is calculated directly or indirectly to promote the welfare or interests of the corporation, or to enhance the value or render profitable any of its property or rights or operations.

IV

The capital stock of the corporation shall be \$1,000,000.00,

1 divided into 100,000 shares of \$10.00 par value common stock;
2 which stock shall be paid for at such time and in such manner
3 as the board of directors may designate. All or any portion
4 of the capital stock may be issued in payment for real or
5 personal property, services, or any other right or thing of
6 value, for the uses and purposes of the corporation, and when so
7 issued shall become and be fully paid for, and thereafter shall
8 be nonassessable.

9
10 V

11 The time of the commencement of this corporation shall be
12 the day these articles are filed and a certified copy of the
13 same recorded in accordance with law, and a certificate of
14 incorporation delivered by the Corporation Commission, and
15 the termination thereof shall be twenty-five (25) years there-
16 after, with the privilege of renewal as provided by law.

17 VI

18 The affairs of the corporation shall be conducted by a
19 board of not less than three (3) directors and such officers
20 as said directors may elect or appoint. The number of directors
21 shall be designated by the stockholders at their annual meet-
22 ing, to be held on the second Monday in July of each year,
23 commencing July, 1973.

24 The following directors shall serve until their successors
25 have been elected and qualified:

26 CONRAD E. PRINCE

BETTY J. PRINCE

27 LESLIE T. PEART

ADELAIDE S. PEART

28 The directors shall have the power to adopt, amend and
rescind bylaws, to fill vacancies occurring in the board

1 from any cause, and to appoint from their own number an
2 executive committee and vest said committee with all the
3 powers granted the directors by these articles.

4 VII

5 The highest amount of indebtedness or liability direct or
6 contingent, to which the corporation is at any time to
7 subject itself is \$4,000,000.00.

8 VIII

9 The private property of the stockholders, directors and
10 officers of this corporation shall be forever exempt from
11 its debts and obligations.

12 IX

13 John E. Savoy, having been a bona fide resident of Phoenix,
14 Arizona for the last three (3) years, is hereby appointed
15 and made the lawful agent for and in behalf of the corpora-
16 tion, in and for the State of Arizona, to accept and acknow-
17 ledge service of, and upon whom may be served, all necessary
18 process or processes in any action, suit or proceeding that
19 may be had or brought against said corporation in the State
20 of Arizona.

21 IN WITNESS WHEREOF, we hereunto affix our signatures this

22 13 day of July, 1973.

23
24 
25 Conrad E. Prince

26
27 
28 Betty J. Prince

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

Leslie T. Peart
Leslie T. Peart

Adelaide S. Peart
Adelaide S. Peart

STATE OF ARIZONA)
) ss.
County of Maricopa)

On this the 13th day of July, 1973, before me,
the undersigned Notary Public, personally appeared CONRAD E. PRINCE
and BETTY J. PRINCE, known to me to be the persons whose names are
subscribed to the foregoing Articles of Incorporation of VALLEY
UTILITIES WATER COMPANY, INC., and acknowledged that they executed
the same for the purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and
official seal.

Kenneth G. Givens
Notary Public in and for Arizona

My commission expires:
1/24/74

STATE OF CALIFORNIA)
) ss.
County of ORANGE)

On this the 10 day of July, 1973, before
me, the undersigned Notary Public, personally appeared LESLIE T.
PEART and ADELAIDE S. PEART, known to me to be the persons whose
names are subscribed to the foregoing Articles of Incorporation
for VALLEY UTILITIES WATER COMPANY, INC., and acknowledged that

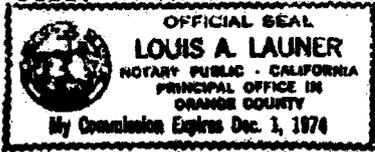
. . .
. . .

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

they executed the same for the purposes therein expressed.

IN WITNESS WHEREOF, I hereunto set my hand and official

seal.



Louis A. Launer

Notary Public

My commission expires:

375L

WISCONSIN COOPERATION COMMISSION

ENTER DATING DIVISION

123

JUL 17 1973

12:58 PM

W.P.

TO: *John & Penney Altys*

ALL: *52 Broadway Bank City*

Thyssen, Andersen

Ray A. Robert

George M. Kempling

SECRETARY

R. 7516

Name 24 R. Carlson PR

STATE OF ARIZONA



**Office of the
CORPORATION COMMISSION**

The Executive Director of the Arizona Corporation Commission does hereby certify that the attached copy of the following document:

ARTICLES OF AMENDMENT, 08/24/1998

consisting of 4 pages, is a true and complete copy of the original of said document on file with this office for:

**VALLEY UTILITIES WATER COMPANY, INC.
ACC file number: -0092756-2**

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission on this date:
April 3, 2014.



Jodi A. Jerich

Jodi A. Jerich, Executive Director

By: *James Bazel*

James Bazel

ARTICLES OF AMENDMENT

OF

VALLEY UTILITIES WATER COMPANY, INC.

AZ SEC COMMISSION
OF THE STATE OF AZ
FILED

1998 AUG 24 P 1:55

APPROVED: *[Signature]*
DATE APR 20 1998
TERM _____
DATE _____

0098756-2

1. The name of the corporation is Valley Utilities Water Company, Inc.
2. Attached hereto as Exhibit A is the text of each amendment adopted.
3. The amendment does not provide for an exchange, reclassification or cancellation of issued shares.
4. The amendment was adopted the 22nd day of March, 1998.
5. The amendment was approved by the shareholders. There is one voting group eligible to vote on the amendment. The designation of voting groups entitled to vote separately on the amendment, the number of votes in each, the number of votes represented at the meeting at which the amendment was adopted and the votes cast for and against the amendment were as follows:

The voting group consisting of 11,000 outstanding shares of common stock is entitled to 11,000 votes. There were 10,500 votes present at the meeting. The voting group cast 10,500 votes for and no votes against approval of the amendment. The number of votes cast for approval of the amendment was sufficient for approval by the voting group.

DATED as of this 22nd day of March, 1998.

VALLEY UTILITIES WATER
COMPANY, INC.

By: *[Signature]*
Robert L. Prince

Its: President

AMENDMENT TO
ARTICLES OF INCORPORATION
OF

VALLEY UTILITIES WATER COMPANY, INC.

Pursuant to the provisions of Arizona Revised Statutes, Sections 10-1001 et. seq., we, the undersigned, hereby adopt the following Articles of Amendment to the Articles of Incorporation dated July 17, 1973.

ARTICLE I

The Articles of Incorporation of the Corporation are hereby amended by deleting in its entirety the text of Article V of the Articles of Incorporation and inserting the following:

"The duration of the Corporation shall be perpetual."

ARTICLE II

The Articles of Incorporation of the Corporation are hereby further amended by amending the text of Article VIII of the Articles of Incorporation by adding the following:

"The Corporation shall indemnify the Officers and Directors of the Corporation for liability, as defined in ARS §10-850, to any person for any action taken, or any failure to take any action, as an Officer or Director, except liability for any of the exceptions described in ARS Title 10, Chapter 8, Article 5. If Arizona law is subsequently amended to authorize the further elimination or limitation of the liability of officers or directors, then the liability of the officers or director of the Corporation, in addition to the limitation on personal liability provided herein, shall be indemnified to the fullest extent permitted by Arizona law."

ARTICLE III

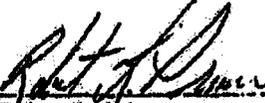
The date of the adoption of the Amendment by the Board of Directors is March 23rd, 1998.

2025 APR 10 10:40 AM

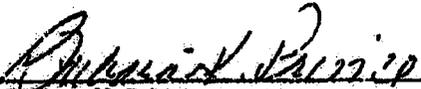
ARTICLE IV

The Amendment to the Articles of Incorporation were duly adopted by unanimous vote of the holders of all shares of the Corporation at a Special Meeting of the Board of Directors and Shareholders on March 23, 1998.

IN WITNESS WHEREOF, we have hereunto set our hands at Litchfield Park, Arizona on March 23, 1998.



Robert L. Prince



Barbara K. Prince

SALLQUIST & DRUMMOND, P.C.
ATTORNEYS AT LAW
2525 EAST ARIZONA BILTMORE CIRCLE
SUITE 117
PHOENIX, ARIZONA 85016-2129

RICHARD L. SALLQUIST

PHONE (602) 224-9222
FACSIMILE (602) 224-9366

August 20, 1998

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Arizona Corporation Commission
1300 West Washington
Phoenix, AZ 85007

Re: Valley Utilities Water Company, Inc.
Our Reference No. 93055-00000

Gentlemen:

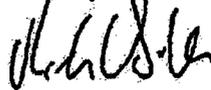
I have enclosed herein the following documents:

1. One (1) original and one (1) copy of Articles of Amendment to Articles of Incorporation; and
2. This firm's Check No. 3049, dated August 20, 1998, in the amount of \$60.00.

Please file the enclosed Articles of Amendment to Articles of Incorporation with the Arizona Corporation Commission. Please return the filed Articles of Amendment to Articles of Incorporation to the attention of the undersigned.

In the meantime, should you have any questions with regard to the foregoing, or the enclosed, please feel free to give me a call.

Sincerely,



Richard L. Sallquist
For the Firm

Enclosures
cc: Robert Prince

EXHIBIT C

Exhibit "A"

BY-LAWS

OF

VALLEY UTILITIES WATER COMPANY, INC.

ARTICLE I.

Offices.

Section 1. Principal Office. The principal office of the Corporation shall be located in the City of Phoenix, County of Maricopa, State of Arizona.

Section 2. Other Offices. The Corporation may also have offices at such other places, within or without the State of Arizona, as the Board of Directors may from time to time appoint or the business of the corporation may require.

ARTICLE II.

Seal

The corporate seal shall be circular in form and shall contain the name of the Corporation, the year of its organization and the words "Corporate Seal, Arizona".

ARTICLE III.

Meetings of Stockholders.

Section 1. Place of Meeting. Meetings of the stockholders for the election of directors shall be held at such place within the City of Phoenix, Arizona as the Board of Directors may fix, provided that at least ten days' notice must be given to stockholders entitled to vote thereat of the place so fixed. Each other meeting of the stockholders may be

held at such place either within or without the State of Arizona as may be stated in the notice or waiver of notice of such meeting.

Section 2. Annual Meetings. The annual meeting of stockholders shall be held on the second Monday in July of each year beginning with the year 1973, but if such day is a legal holiday then on the next business day following at 10:00 A. .M., at which meeting they shall elect directors by cumulative vote and shall transact such other business as may properly be brought before the meeting.

Section 3. Special Meetings. Special meetings of the stockholders for any purpose or purposes may be called by the President, or by the directors (either by written instrument signed by a majority or by resolution adopted by a vote of the majority), and special meetings shall be called by the President or the Secretary whenever stockholders owning a majority of the capital stock issued, outstanding and entitled to vote so request in writing. Such request shall state the purpose or purposes of the proposed meeting.

Section 4. Notice. Written or printed notice of every meeting of stockholders, annual or special, stating the time and place thereof, and, if a special meeting, the purpose or purposes in general terms for which the meeting is called, shall not less than ten days before such meeting be served upon or mailed to each stockholder entitled to vote thereat, at his address as it appears upon the stock records of the Corporation or, if such

stockholder shall have filed with the Secretary of the Corporation a written request that notices intended for him be mailed to some other address, then to the address designated in such request.

Notice of the time, place and/or purpose of any meeting of stockholders may be dispensed with if every stockholder, entitled to vote thereat, shall attend either in person or by proxy, or if every absent stockholder entitled to such notice shall in writing, filed with the records of the meeting, either before or after the holding thereof, waive such notice.

Section 5. Stock List. At least ten days before every election of directors, a complete list of the stockholders entitled to vote at said election, arranged in alphabetical order, with the residence of each and the number of voting shares held by each, shall be prepared by the Secretary. Such list shall be open at the place where the election is to be held for said ten days, to the examination of any stockholder entitled to vote at that election, and shall be produced and kept at the time and place of election during the whole time thereof, and subject to the inspection of any stockholder who may be present.

Section 6. Quorum. Except as otherwise by law or by the Articles of Incorporation, the presence in person or by proxy at any meeting of stockholders of the holders of a majority of the shares of the capital stock of the Corporation issued and outstanding and entitled to vote thereat, shall be requisite and

shall constitute a quorum. If, however, such majority shall not be represented at any meeting of the stockholders regularly called, the holders of a majority of the shares present or represented and entitled to vote thereat shall have power to adjourn the meeting to another time, or to another time and place, without notice other than announcement of adjournment at the meeting, and there may be successive adjournments for like cause and in like manner until the requisite amount of shares entitled to vote at such meeting shall be represented. At such adjourned meeting at which the requisite amount of shares entitled to vote thereat shall be represented, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 7. Votes. Proxies. At all elections of directors of the Corporation, each stockholder shall be entitled to as many votes as shall equal the number of votes which (except for this provision) he would then be entitled to cast for the election of directors with respect to his shares multiplied by the number of directors upon whose election he is then entitled to vote, and he may cast all of such votes for a single candidate or may distribute them among some or all of the candidates, as he may see fit. At all times each stockholder of the Corporation who at any time possesses voting power for any purpose other than for the election of directors shall be entitled to one vote for each share of such stock standing in his name on the books of the Corporation. At each such meeting every stockholder shall be

entitled to vote in person, or by proxy appointed by an instrument in writing subscribed by such stockholder and bearing a date not more than three years prior to the meeting in question, unless said instrument provides for a longer period during which it is to remain in force.

All elections of directors shall be held by ballot. If the Chairman of the meeting shall so determine a vote may be taken upon any other matter by ballot and shall be so taken upon the request of any stockholder entitled to vote on such matter.

At elections of directors the Chairman shall appoint two inspectors of election, who shall first take and subscribe an oath or affirmation faithfully to execute the duties of inspector at such meeting with strict impartiality and according to the best of their ability and who shall take charge of the polls and after the balloting shall make a certificate of the result of the vote taken; but no director or candidate for the office of director shall be appointed as such inspector.

Section 8. Organization. The Chairman of the Board, if there be one, or in his absence the President, or in the absence of both the President and the Chairman of the Board, a Vice-President, shall call meetings of the stockholders to order and shall act as chairman thereof. The Secretary of the corporation, if present, shall act as Secretary of all meetings of stockholders and, in his absence, the presiding officer may appoint a Secretary.

ARTICLE IV.

Directors

Section 1. Number. The business and property of the Corporation shall be conducted and managed by a Board of Directors, none of whom need be a stockholder. The Board of Directors shall initially be composed of three directors, but the Board may at any time by resolution increase or decrease the number of directors to any number not less than three, and the vacancies resulting from any such increase shall be filled as provided in Section 3 of this Article IV.

Section 2. Term of Office. Each director shall hold office until the next annual meeting of stockholders and until his successor is duly elected and qualified or until his earlier death or resignation, subject to the right of the stockholders at any time to remove any director or directors as provided in Section 4 of this Article IV.

Section 3. Vacancies. If any vacancy shall occur among the directors, or if the number of directors shall at any time be increased, the directors in office, although less than a quorum, by a majority vote may fill the vacancies or newly created directorships, or any such vacancies or newly created directorships may be filled by the stockholders at any meeting.

Section 4. Removal by Stockholders. The stockholders of the Corporation entitled to vote for the election of directors may in their discretion at any meeting duly called for the purpose,

by a majority vote, remove any director or directors and elect a new director or directors in place thereof.

Section 5. Meetings. Meetings of the Board of Directors shall be held at such place within or without the State of Arizona, as may from time to time be fixed by resolution of the Board or by the President or of the Secretary or any two of the directors in office by telegraphic or written notice, duly served or sent or mailed to each director not less than two days before such meeting. Meetings may be held at any time and place without notice if all the directors are present or if those not present shall, in writing or by telegram, before or after the meeting, waive notice thereof. A regular meeting of the Board may be held without notice immediately following the annual meeting of stockholders at the place where such annual meeting is held. Regular meetings of the Board may also be held without notice at such time and place as shall from time to time be determined by resolution of the Board.

Section 6. Quorum. One-third, but not less than 3, of the directors shall constitute a quorum for the transaction of business. If at any meeting of the Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time without notice other than announcement of the adjournment at the meeting, and at such adjourned meeting at which a quorum is present any business may be transacted which might have been transacted at the meeting as originally notified.

Section 7. Compensation. Directors, as such, shall not receive any stated compensation for their services, but by resolution of the Board of Directors, a fixed sum, and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting thereof. Nothing in this Section shall be construed to preclude a director from serving the Corporation in any other capacity and receiving compensation therefor.

ARTICLE V.

Executive Committee.

Section 1. Executive Committee. The Board of Directors may appoint an Executive Committee of two or more members, to serve during the pleasure of the Board, to consist of such directors as the Board may from time to time designate. The Chairman of the Executive Committee shall be designated by the Board of Directors.

Section 2. Procedure. The Executive Committee, by vote of a majority of its members, shall fix its own times and places of meeting, shall determine the number of its members constituting a quorum for the transaction of business, and shall prescribe its own rules of procedure; no change in which shall be made save by a majority vote of its members.

Section 3. Powers. During the intervals between the meetings of the Board of Directors, the Executive Committee shall possess and may exercise all the powers of the Board in the management and direction of the business and affairs of the Corporation.

Section 4. Reports. The Executive Committee shall keep regular minutes of its proceedings and all action by the Executive Committee shall be reported promptly to the Board of Directors. Such action shall be subject to review by the Board, provided that no rights of third parties shall be affected by such review.

Section 5. Additional Committees. The Board of Directors may appoint such other committee or committees of two or more members, to serve during the pleasure of the Board, to consist of such persons the Board may from time to time designate, and to possess and exercise such powers and to perform such duties as the Board may from time to time designate. The Chairman of any such committee shall be designated by the Board of Directors.

ARTICLE VI.

Officers

Section 1. Officers. The Board of Directors shall elect, as executive officers, a President, a Secretary and a Treasurer, and in its discretion a Chairman of the Board, a senior and one or more Vice-Presidents and one or more Assistant Secretaries and Assistant Treasurers. Such officers shall be elected annually by the Board of Directors at its first meeting following the annual meeting of stockholders, and each shall hold office until the corresponding meeting of the Board in the next year and until his successor shall have been duly elected and qualified, or until he shall have died or resigned or shall have

been removed, in the manner provided herein. Any two offices may be held by the same person and the powers and duties of Secretary and Treasurer may be exercised and performed by the same person.

Section 2. Vacancies. Any vacancy in any office may be filled for the unexpired portion of the term by the Board of Directors, at any regular or special meeting.

Section 3. President. The President shall be a member of the Board of Directors and the chief executive officer of the Corporation. Subject to the directions of the Board of Directors, he shall have and exercise direct charge of and general supervision over the business and affairs of the Corporation and shall perform all duties incident to the office of a President of a Corporation, and such other duties as from time to time may be assigned to him by the Board of Directors.

Section 4. Chairman of the Board. The Chairman of the Board, if elected, shall be a member of the Board of Directors and shall preside at its meetings. He shall keep in close touch with the administration of the affairs of the Corporation, shall advise and counsel with the President, and, in his absence, with other executives of the Corporation, and shall perform such other duties as may from time to time be assigned to him by the Board of Directors.

Section 5. Vice-Presidents. Each Vice-President, if elected, shall have and exercise such powers and shall perform

such duties as from time to time may be conferred upon or assigned to him by the Board of Directors or as may be delegated to him by the President.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the stockholders and of the Board of Directors in books provided for the purpose; he shall see that all notices are duly given in accordance with the provisions of law and these by-laws; he shall be custodian of the records and of the corporate seal or seals of the Corporation; he shall see that the corporate seal is affixed to all documents, the execution of which, on behalf of the Corporation, under its seal, is duly authorized and when the seal is so affixed he may attest the same; he may sign, with the President or a Vice-President, certificates of stock of the Corporation; and in general, he shall perform all duties incident to the office of a Secretary of a corporation, and such other duties as from time to time may be assigned to him by the Board of Directors.

Section 7. Assistant Secretaries. The Assistant Secretaries in order of their seniority shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary and shall perform such other duties as the Board of Directors shall prescribe.

Section 8. Treasurer. The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the Corporation, and shall deposit, or cause

to be deposited, in the name of the Corporation, all moneys or other valuable effects in such banks, trust companies or other depositaries as shall, from time to time, be selected by the Board of Directors; he may endorse for collection on behalf of the Corporation, checks, notes and other obligations; he may sign receipts and vouchers for payments made to the Corporation; singly or jointly with another person as the Board of Directors may authorize, he may sign checks of the Corporation and pay out and dispose of the proceeds under the direction of the Board; he shall render to the President and to the Board of Directors, whenever requested, an account of the financial condition of the Corporation; he may sign, with the President or a Vice-President, certificates of stock of the Corporation; and in general, shall perform all the duties incident to the office of a treasurer of a corporation, and such other duties as from time to time may be assigned to him by the Board of Directors.

Section 9. Assistant Treasurers. The Assistant Treasurers in order of their seniority shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer and shall perform such other duties as the Board of Directors shall prescribe.

Section 10. Subordinate Officers. The Board of Directors may appoint such subordinate officers as it may deem desirable. Each such officer shall hold office for such period, have such authority and perform such duties as the Board of

Directors may prescribe. The Board of Directors may, from time to time, authorize any officer to appoint and remove subordinate officers and to prescribe the powers and duties thereof.

Section 11. Compensation. The Board of Directors shall have power to fix the compensation of all officers of the corporation. It may authorize any officer, upon whom the power of appointing subordinate officers may have been conferred, to fix the compensation of such subordinate officers.

Section 12. Removal. Any officer of the Corporation may be removed, with or without cause, by a majority vote of the Board of Directors at a meeting called for that purpose.

Section 13. Bonds. The Board of Directors may require any officer of the Corporation to give a bond to the Corporation, conditional upon the faithful performance of his duties, with one or more sureties and in such amount as may be satisfactory to the Board of Directors.

ARTICLE VII.

Certificates of Stock

Section 1. Form and Execution of Certificates. The interest of each stockholder of the Corporation shall be evidenced by a certificate or certificates for shares of stock in such form as the Board of Directors may from time to time prescribe. The certificates of stock of each class and series now authorized or which may hereafter be authorized by the Articles of Incorporation shall be consecutively numbered and signed by the President or a

Vice-President and by the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer of the Corporation, and may be countersigned and registered in such manner as the Board of Directors may by resolution prescribe, and shall bear the corporate seal or a printed or engraved facsimile thereof. Where any such certificate is signed by a transfer agent or transfer clerk acting on behalf of the Corporation and by a registrar, the signatures of any such President, Vice-President, Treasurer, Assistant Treasurer, Secretary or Assistant Secretary may be facsimiles, engraved or printed. In case any officer or officers who shall have signed, or whose facsimile signature or signatures shall have been used on, any such certificate or certificates shall cease to be such officer or officers, whether because of death, resignation or otherwise, before such certificate or certificates shall have been delivered by the Corporation, such certificate or certificates may nevertheless be issued and delivered by the Corporation as though the person or persons who signed such Certificate of certificates or whose facsimile signature or signatures shall have been used thereon had not ceased to be such officer or officers.

Section 2. Transfer of Shares. Subject to any applicable restrictions contained in the Certificate of Incorporation, the shares of the stock of the Corporation shall be transferred on the books of the Corporation by the holder thereon in person or by his attorney lawfully constituted, upon surrender for cancellation of certificates for the same number of shares, with

an assignment and power of transfer endorsed thereon or attached thereto, duly executed, with such proof or guaranty of the authenticity of the signature as the Corporation or its agents may reasonably require. The Corporation shall be entitled to treat the holder of record of any share or shares of stock as the holder in fact thereof and accordingly shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person whether or not it shall have express or other notice thereof, save as expressly provided by law or by the Articles of Incorporation.

Section 3. Closing of Transfer Books. The stock transfer books of the Corporation may, if deemed expedient by the Board of Directors, be closed for such length of time not exceeding fifty days, as the Board may determine, preceding the date of any meeting of stockholders or the date for the payment of any dividend or the date for the allotment or rights or the date when any issuance, change, conversion or exchange of capital stock shall go into effect, during which time no transfer of stock on the books of the Corporation may be made.

Section 4. Dates of Record. If deemed expedient, the Board of Directors may fix in advance a date for such length of time (not exceeding fifty days) as the Board may determine, preceding the date of any meeting of stockholders, or the date for the payment of any dividend, or the date for the allotment of rights or the date when any issuance, change, conversion or

exchange of capital stock shall go into effect, as a record date for the determination of the stockholders entitled to notice of, and to vote at, any such meeting or entitled to receive payment of any such dividend or to any such allotment of rights, or to exercise the rights in respect of any such issuance, change, conversion or exchange of capital stock, as the case may be, and in such case only such stockholders as shall be stockholders of record on the date so fixed shall be entitled to such notice of, and to vote at, such meeting, or to receive payment of such dividend, or to receive such allotment of rights, or to exercise such rights, as the case may be, notwithstanding any transfer of any stock on the books of the Corporation after any record date fixed as aforesaid.

Section 5. Lost or Destroyed Certificates. In case of the loss or destruction of any certificate of stock, a new certificate may be issued upon the following conditions:

The owner of said certificate shall file with the Secretary of the Corporation an affidavit giving the facts in relation to the ownership, and in relation to the loss or destruction of said certificate, stating its number and the number of shares represented thereby; such affidavit to be in such form and contain such statements as shall satisfy the President and Secretary that said certificate has been accidentally destroyed or lost, and that a new certificate ought to be issued in lieu thereof. Upon being satisfied, the President and Secretary shall require such owner to file with the Secretary a bond in such penal sum and in such

form as they may deem advisable, and with a surety or sureties approved by them, to indemnify and save harmless the Corporation from any claim, loss, damage or liability which may be occasioned by the issuance of a new certificate in lieu thereof. Upon such bond being so filed a new certificate for the same number of shares shall be issued to the owner of the certificate so lost or destroyed; and the transfer agent and registrar of stock shall countersign and register such new certificate upon receipt of a written order signed by the said President and Secretary, and thereupon the Corporation will save harmless said transfer agent and registrar in the premises. A Vice-President may act hereunder in the stead of the President, and an Assistant Secretary in the stead of the Secretary. In case of the surrender of the original certificate, in lieu of which a new certificate has been issued, or the surrender of such new certificate, for cancellation, the bond of indemnity given as a condition of the issue of such new certificate may be surrendered.

ARTICLE VIII.

Checks, Notes, Etc.

Section 1. Execution of Checks, Notes, Etc. All checks and drafts on the Corporation's bank accounts and all bills of exchange and promissory notes, and all acceptances, obligations and other instruments for the payment of money, shall be signed by such officer or officers, agent or agents, as shall be thereunto authorized from time to time by the Board of Directors.

Section 2. Execution of Contracts, Assignments, Etc. All contracts, agreements, endorsements, assignments, transfers, stock powers, or other instruments shall be signed by the President, the Chairman of the Board, or any Vice-President and by the Secretary or any Assistant Secretary or the Treasurer or any Assistant Treasurer, or by such other officer or officers, agents or agent, as shall be thereunto authorized from time to time by the Board of Directors.

Section 3. Execution of Proxies. The President or the Chairman of the Board, or in their absence or disability a Vice-President, may authorize from time to time the signature and issuance of Proxies to vote upon shares of stock of other companies standing in the name of the Corporation. All such proxies shall be signed in the name of the Corporation by the President, the Chairman of the Board or a Vice-President and by the Secretary or an Assistant Secretary.

ARTICLE IX.

Waivers and Consents

Whenever any notice is required to be given by law, or under the provisions of the Articles of Incorporation, or of these By-Laws, such notice may be waived, in writing, signed by the person or persons entitled to such notice, or by his attorney or attorneys thereunto authorized, whether before or after the event or action to which such notice relates.

Whenever the vote of stockholders at a meeting thereof is required or permitted to be taken in connection with any

corporate action by any provision of law or of the Articles of Incorporation or of these by-laws, the meeting and vote of stockholders may be dispensed with if all the stockholders who would have been entitled to vote upon the action if such meeting were held shall consent in writing to such action being taken.

Any action required or permitted to be taken at any meeting of the Board of Directors or of any Committee of the Board of Directors may be taken without a meeting, if prior to or within ten (10) days after such action a written consent thereto is signed by all members of the Board of Directors or of such Committee as the case may be, and such written consent is filed with the minutes of proceedings of the Board of Directors or of such Committee.

ARTICLE X.

Dividends.

Except as otherwise provided by law or by the Articles of Incorporation, the Board of Directors may declare dividends out of the surplus of the Corporation at such times and in such amounts as it may from time to time designate.

Before crediting net profits to surplus in any year, there may be set aside out of the net profits of the Corporation for that year such sum or sums as the Board of Directors from time to time in its absolute discretion may deem proper as a reserve fund or funds to meet contingencies or for equalizing dividends or for repairing or maintaining any property of the Corporation or for such other purpose as the Board of Directors shall deem conducive to the interests of the Corporation.

ARTICLE XI.

Indemnification.

Each director and each officer of the corporation and each person who shall serve at the request of the corporation as a director or officer of another corporation in which the Corporation owns shares of capital stock or of which it is a creditor, including, in each instance; a former director or officer and the heirs, legatees, devisees and personal representatives of a deceased director or officer, shall be indemnified by the Corporation against expenses (including attorneys' fees and, to the extent permitted by law, any amount paid in settlement) actually and necessarily incurred by them in connection with the defense of any action, suit or proceeding (including any appeal therein) in which they or any of them are made parties or a party by reason of being or having been directors or officers or a director or officer of the Corporation or of any such other corporation, except in relation to matters as to which any such director or officer or former director or officer shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of his duties as such director or officer. The foregoing right of indemnification shall not be deemed to be exclusive of any other rights to which those indemnified may be entitled as a matter of law or under any other by-law, agreement, vote of stockholders, or otherwise, and shall be in addition to such compensation for services rendered and reimbursement for expenses incurred as

shall be determined from time to time by the Board of Directors of the Corporation.

ARTICLE XII.

Inspection of Books.

The Board of Directors shall determine from time to time whether, and if allowed, when and under what conditions and regulations, the accounts and books of the Corporation (except such as may by statute be specifically open to inspection) or any of them, shall be open to the inspection of the stockholders and the stockholders' rights in this respect are and shall be restricted and limited accordingly.

ARTICLE XIII.

Fiscal Year.

The fiscal year of the Corporation shall end on such date as the Board of Directors may by resolution specify and the Board of Directors may by resolution change such date for future fiscal years at any time or from time to time.

ARTICLE XIV.

Amendments.

These by-laws may be altered, amended or repealed and new by-laws adopted by the stockholders or by the Board of Directors by a majority vote at any meeting called for that purpose.

EXHIBIT D



Maricopa County
Environmental Services Department

PUBLIC WATER SYSTEM COMPLIANCE STATUS REPORT

System Name: Valley Utilities
PWS ID#: 07-079

Type of System: Community Number of POE's: 4 Surface Water: N/A
Number of Service Connections: 1423 Population Served: 4780

Assigned Monitoring Dates - Initial: 01/01/1994

Does the water system have a Certified Operator? Yes

Does the system have major treatment plant deficiencies? No
Please describe: _____

Date of last inspection: 06/13/2012

Does the system have major O & M deficiencies? No
Please describe: _____

Does the system have water quality monitoring/reporting deficiencies? No
Please describe: _____

General Public Water System Compliance Status? **Compliance**

Date of compliance review: 06/18/2014 By: Amanda Hart
Phone: (602) 506-5173

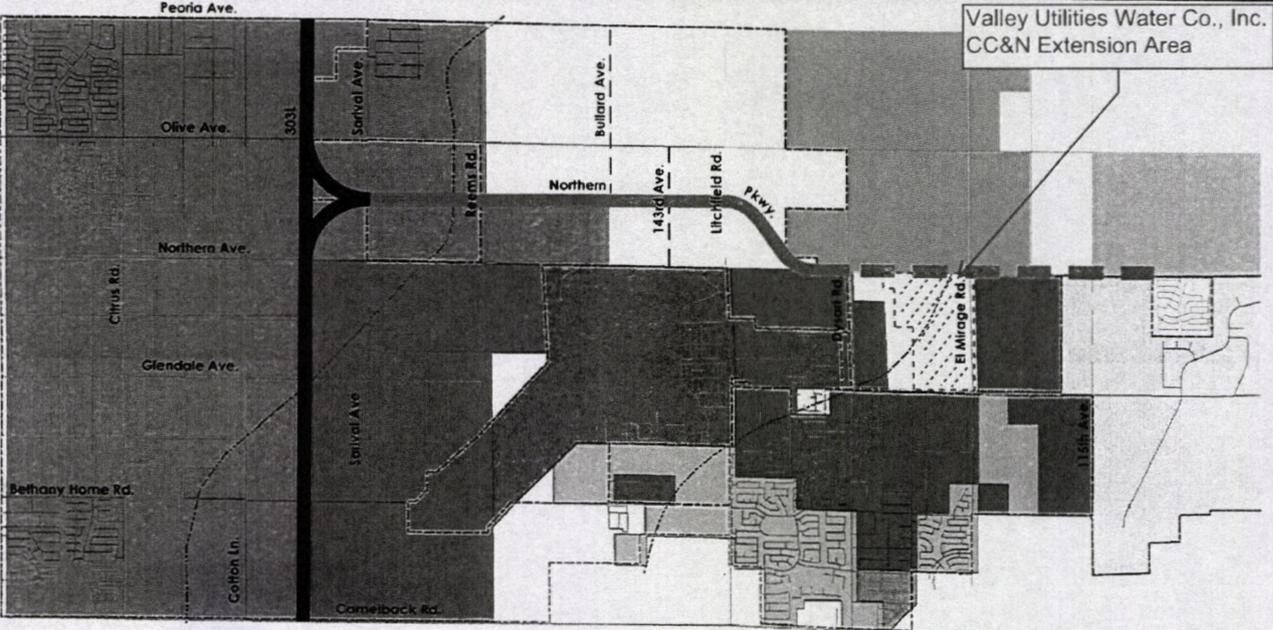
Initials: AH

Requested By: Scott Keith, Valley Utilities
Supervisor Initials: _____ Date: _____

Fax Number/ Contact: scottkeith@vuwco.com

EXHIBIT E

Valley Utilities Water Co., Inc.
CC&N Extension Area



- | | |
|---|---|
|  Northern Parkway Phase 1 (2012, 2013) |  Litchfield Park Service Company |
|  Northern Parkway Phase 2 (2014, 2020, 2021) |  Luke Air Force Base |
|  SR 303L (2012, 2013) |  Tierra Buena Water Company |
|  Adaman Mutual Water Company |  Valley Utilities Water Co. |
|  Arizona-American Water Company (Agua Fria) |  Glendale Service Area |
|  El Mirage Service Area |  Peoria Service Area |

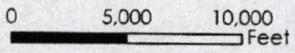


EXHIBIT F

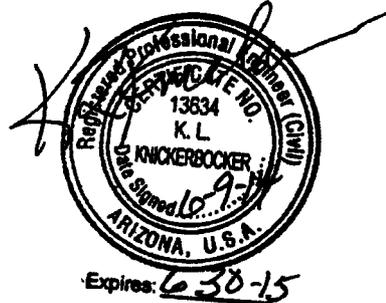
MEMO

TO: Robert Prince, President
Scott Keith, Vice President
Valley Utilities Water Company, Inc.
6808 N. Dysart Road, Suite 112
Glendale, AZ 85307

FROM: Kenneth L. Knickerbocker, P.E.
Director – Water/Wastewater

DATE: July 9, 2014

RE: Marbella Water System
WP# 103528.01



Purpose

The purpose of this report is to demonstrate the ability of Valley Utilities Water Company, Inc. (VUWCO) to serve the proposed development known as Marbella Ranch.

Proposed Development

The proposed Marbella Ranch is contiguous on three sides (east, south and west) to the VUWCO Certificate of Convenience and Necessity (CC&N) and includes typical residential dwelling units. Marbella Ranch is a proposed 365 acre residential development that is planned to be developed in two phases. Phase 1 of Marbella Ranch is located in the southern section of the property and is planned for 600 single family homes. Construction of the first phase of the development is scheduled to begin in 2016. Phase 2 of Marbella Ranch includes 660 dwelling units and includes an industrial parcel.

Existing Facilities

VUWCO currently serves approximately 1,461 customers including single family, multi-family and commercial units. VUWCO infrastructure includes wells, storage, treatment, booster pumps and water lines.

Development of Water System Criteria

Unit Flows — Wood, Patel & Associates prepared a comprehensive water distribution model in 2012 that included an analysis of empirical data collected for the maximum month of the peak year (2007) and analyzed the demands by usage sector (residential, commercial, irrigation and construction). The analysis estimated the average day of the maximum month demand to be 0.30 gpm/residential connection. The following peaking factors were used to estimate peak flows:

- Maximum day of maximum month = 2 x average day of maximum month
- Peak hour demand = 1.7 x Maximum day of maximum month

The monthly water sales per residential connection for the years 2011-2013 were analyzed and compared to the 2007 data. The analysis estimated the average day of the maximum month demand to be equivalent to that determined in the original water system analysis prepared in 2012. The following table shows the estimated average daily demand per capita used in the analysis.

Marbella Ranch Project Estimated Water Demands

Land Use	Average Day Demand	Capita/DU
Single Family	135 gpcd ¹	3.2
Multi Family	4,000 gpupd ²	2

¹ Based on empirical data determined from maximum month analysis of demands

²Gallons/multi family unit per day

Proposed Development Analysis

The estimated demands for the proposed Marbella Ranch using the above criteria are as follows:

Land Use ¹	Residential Dwelling Units ¹	Unit ¹	Population	Acres ¹	Demand per Unit	Average Day Demand (gpd)
Phase 1						
Single Family	600	3.2 persons	1,920	129	135 gpcd	259,200
Open Space	n/a	n/a	n/a	12	1,800 gpd/acre ¹	21,600
ROW	n/a	n/a	n/a	5	1,800 gpd/acre ¹	9,000
Total						289,800
Phase 2						
Single Family	660	3.2 persons	2,112	87	135	285,120
Industrial	n/a	n/a	n/a	50.5	850 gpd/acre ¹	42,925
Open Space	n/a	n/a	n/a	75	1,800 gpd/acre ¹	135,000
ROW	n/a	n/a	n/a	6	1,800 gpd/acre ¹	10,800
Total						473,845
Project Total						763,645

¹From "PRELIMINARY ENGINEERING REPORT WATER MASTER PLAN" dated April 14, 2014 by ARICOR.

Discussion

A previous report, "PRELIMINARY ENGINEERING REPORT WATER MASTER PLAN" dated April 14, 2014 by ARICOR presents the water master plan for the project. Initial supply to Marbella Ranch will be provided by construction of the proposed infrastructure described in the report. In addition, VUWCO will extend two existing waterlines north across Glendale Ave. The existing distribution system has adequate pressure to serve as a redundant source in Phase 1 without creating a new pressure zone. The waterlines are located in 127 Ave. and 125 Ave. and are 8-inches and 12-inches in diameter respectively. Approximately 1,490-LF of 8-inch pipe and 1,100-LF of 12-inch will be required.

The master plan for Marbella Ranch presents estimated construction costs for on-site and off-site water infrastructure for Marbella, as proposed by Liberty Utilities. For purposes of comparison, we assumed the costs presented in the report are valid except as shown in the following tables. The changes include:

- **Phase 1 – Off-site El Mirage Water Line (south of Glendale).** The water line will not be required and will be replaced by the extension of the waterlines located in 127 Ave. and 125 Ave.
- **Phase 1 – Well Site No. 1.**

The following table presents revised estimates for construction of the Phase 1 offsite costs.

ENGINEER'S OPINION OF PROBABLE COSTS					
PHASE 1 OFF-SITE COSTS ¹					
ITEM	DESCRIPTION	UNIT	QTY	UNIT PRICE	ENGINEER'S ESTIMATE
1	Well Site No. 1 ²				
	Drilling	EA	1	\$750,000	\$750,000
	Pump	EA	1	\$140,000	\$140,000
	Electrical	EA	1	\$150,000	\$150,000
	Yard piping	EA	1	\$85,000	\$85,000
	Generator	EA	1	\$85,000	\$85,000
	Site work	EA	1	\$25,000	\$25,000
	Subtotal				\$1,235,000
2	12" DIP PVC ³	LF	1,100	\$120	\$132,000
3	8" DIP PVC ⁴	LF	1,490	\$85	\$126,650
4	Sub Total				\$1,493,650
5	Engineering, permits (15% of subtotal)				\$224,048
6	Contingency/Contractors Profit/Mobilization (5% of Subtotal)	-	-	-	\$74,683
7	Phase 1 Total			Total	\$1,792,380

¹ The existing distribution system has adequate pressure to serve as a redundant source in Phase 1 without creating a new pressure zone.
² Estimate does not include water treatment which is typical for this area.
³ Line in 125th Ave
⁴ Line in 127th Ave

NOTE:
 In providing estimates of probable construction cost, the Client understands that the Consultant has no control over the cost or availability of labor, equipment, or materials, or over market conditions, or the Contractor's method of pricing, and that the Consultant's estimate of probable construction costs are made on the basis of the Consultants professional judgment and experience. The Consultant makes no warranty, express or implied, that the bids or the negotiated cost of the Work will not vary from the Consultants estimate of probable construction cost.

The following table presents the total estimated cost for construction of Phase 1.

ENGINEER'S OPINION OF PROBABLE COSTS		
TOTAL ESTIMATED COST PHASE 1		
ITEM #	DESCRIPTION	ENGINEER'S ESTIMATE
1	ARICOR Phase 1 Total On-Site Cost ¹	\$2,165,658
2	Total Phase 1 Off-Site Costs from Table above	\$1,792,380
3	Phase 1 Total	\$3,958,038
¹ Estimate from ARICOR report Phase 1. NOTE: In providing estimates of probable construction cost, the Client understands that the Consultant has no control over the cost or availability of labor, equipment, or materials, or over market conditions, or the Contractor's method of pricing, and that the Consultant's estimate of probable construction costs are made on the basis of the Consultants professional judgment and experience. The Consultant makes no warranty, express or implied, that the bids or the negotiated cost of the Work will not vary from the Consultants estimate of probable construction cost.		

The following table presents revised estimates for construction of the Phase 2 well based on experience in the area.

ENGINEER'S OPINION OF PROBABLE COSTS					
PHASE 2 OFF-SITE COSTS					
ITEM #	DESCRIPTION	UNIT	QTY	UNIT PRICE	ENGINEER'S ESTIMATE
1	Well Site No. 2 ¹				
	Drilling	EA	1	\$750,000	\$750,000
	Pump	EA	1	\$140,000	\$140,000
	Electrical	EA	1	\$130,000	\$130,000
	Yard piping	EA	1	\$85,000	\$85,000
	Generator	EA	1	\$85,000	\$85,000
	Site work	EA	1	\$25,000	\$25,000
	Subtotal				\$1,215,000
2	Sub Total				\$1,215,000
3	Engineering, permits (15% of subtotal)				\$182,250
4	Contingency/Contractors Profit/Mobilization (5% of Subtotal)	-	-	-	\$60,750
5	Phase 2 Total			Total	\$1,458,000
¹ Estimate does not include water treatment which is typical for this area. NOTE: In providing estimates of probable construction cost, the Client understands that the Consultant has no control over the cost or availability of labor, equipment, or materials, or over market conditions, or the Contractor's method of pricing, and that the Consultant's estimate of probable construction costs are made on the basis of the Consultants professional judgment and experience. The Consultant makes no warranty, express or implied, that the bids or the negotiated cost of the Work will not vary from the Consultants estimate of probable construction cost.					

The following table presents the total estimated cost for construction of Phase 2.

ENGINEER'S OPINION OF PROBABLE COSTS		
TOTAL ESTIMATED COST PHASE 2		
ITEM	DESCRIPTION	ENGINEER'S ESTIMATE
1	ARICOR Phase 2 Total On-Site Cost ¹	\$2,034,724
2	Total Phase 2 Off-Site Costs from Table above	\$1,458,000
3	Phase 2 Total	\$3,492,724
¹ Estimate from ARICOR report Phase 2. NOTE: In providing estimates of probable construction cost, the Client understands that the Consultant has no control over the cost or availability of labor, equipment, or materials, or over market conditions, or the Contractor's method of pricing, and that the Consultant's estimate of probable construction costs are made on the basis of the Consultants professional judgment and experience. The Consultant makes no warranty, express or implied, that the bids or the negotiated cost of the Work will not vary from the Consultants estimate of probable construction cost.		

The following table presents to Total Estimated Project Costs for Phase 1 and Phase 2 of the Project.

ENGINEER'S OPINION OF PROBABLE COSTS		
TOTAL ESTIMATED PROJECT COSTS		
ITEM	DESCRIPTION	ENGINEER'S ESTIMATE
1	Phase 1 On-Site & Off-Site Total	\$3,958,038
2	Phase 2 On-Site & Off-Site Total	\$3,492,724
3	Project Grand Total	\$7,450,762
NOTE: In providing estimates of probable construction cost, the Client understands that the Consultant has no control over the cost or availability of labor, equipment, or materials, or over market conditions, or the Contractor's method of pricing, and that the Consultant's estimate of probable construction costs are made on the basis of the Consultants professional judgment and experience. The Consultant makes no warranty, express or implied, that the bids or the negotiated cost of the Work will not vary from the Consultants estimate of probable construction cost.		

EXHIBIT G

COMPANY NAME VALLEY UTILITIES WATER CO., INC.

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 58,147	\$ 75,158
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	96,772	105,644
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	35,401	28,390
162	Prepayments		3,430
174	Miscellaneous Current and Accrued Assets	201,387	255,245
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 391,707	\$ 467,867
	FIXED ASSETS		
101	Utility Plant in Service	\$ 10,358,495	\$ 11,332,944
103	Property Held for Future Use	7,071	2,470
105	Construction Work in Progress	1,978	413
108	Accumulated Depreciation - Utility Plant	3,367,229	3,708,631
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 7,000,315	\$ 7,627,196
	TOTAL ASSETS	\$ 7,392,022	\$ 8,095,063

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

COMPANY NAME VALLEY UTILITIES WATER CO., INC.

BALANCE SHEET (CONTINUED)

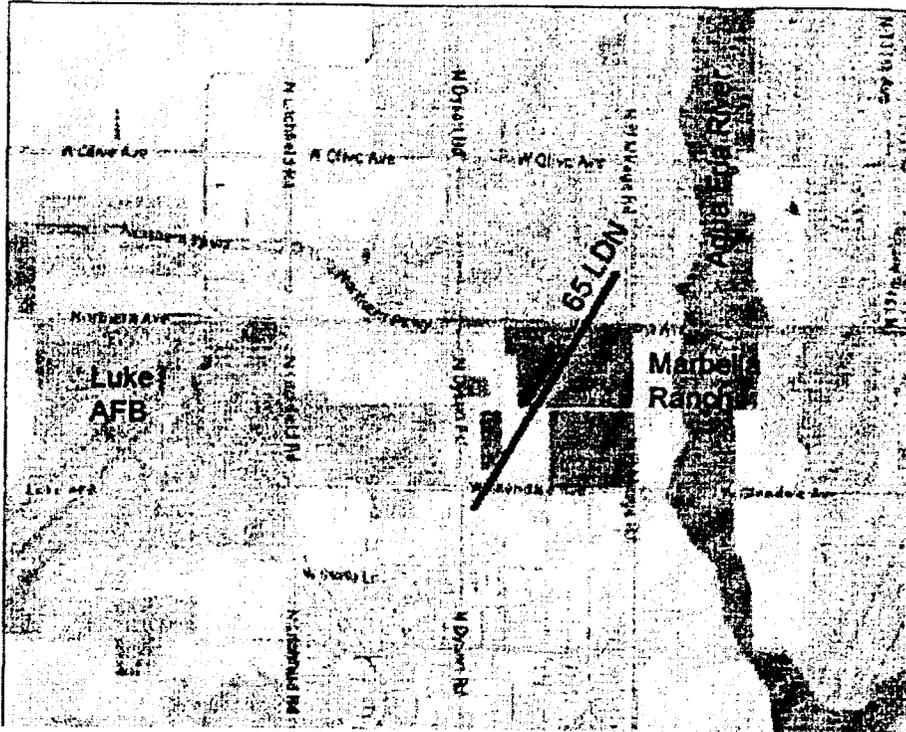
Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	\$ 73,575	\$ 81,647
232	Notes Payable (Current Portion)	123,036	102,142
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	65,536	62,583
236	Accrued Taxes	39,267	37,087
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	8,770	10,482
	TOTAL CURRENT LIABILITIES	\$ 310,184	\$ 293,941
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 1,578,361	\$ 1,480,506
	DEFERRED CREDITS		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	3,764,031	4,375,073
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	1,722,658	1,923,412
272	Less: Amortization of Contributions	497,384	562,064
281	Accumulated Deferred Income Tax	247,447	270,475
	TOTAL DEFERRED CREDITS	\$ 5,236,752	\$ 6,006,896
	TOTAL LIABILITIES	\$ 7,125,297	\$ 7,781,343
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 410,000	\$ 410,000
211	Paid in Capital in Excess of Par Value	4,988	4,988
215	Retained Earnings	(148,263)	(101,268)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 266,725	\$ 313,720
	TOTAL LIABILITIES AND CAPITAL	\$ 7,392,022	\$ 8,095,063

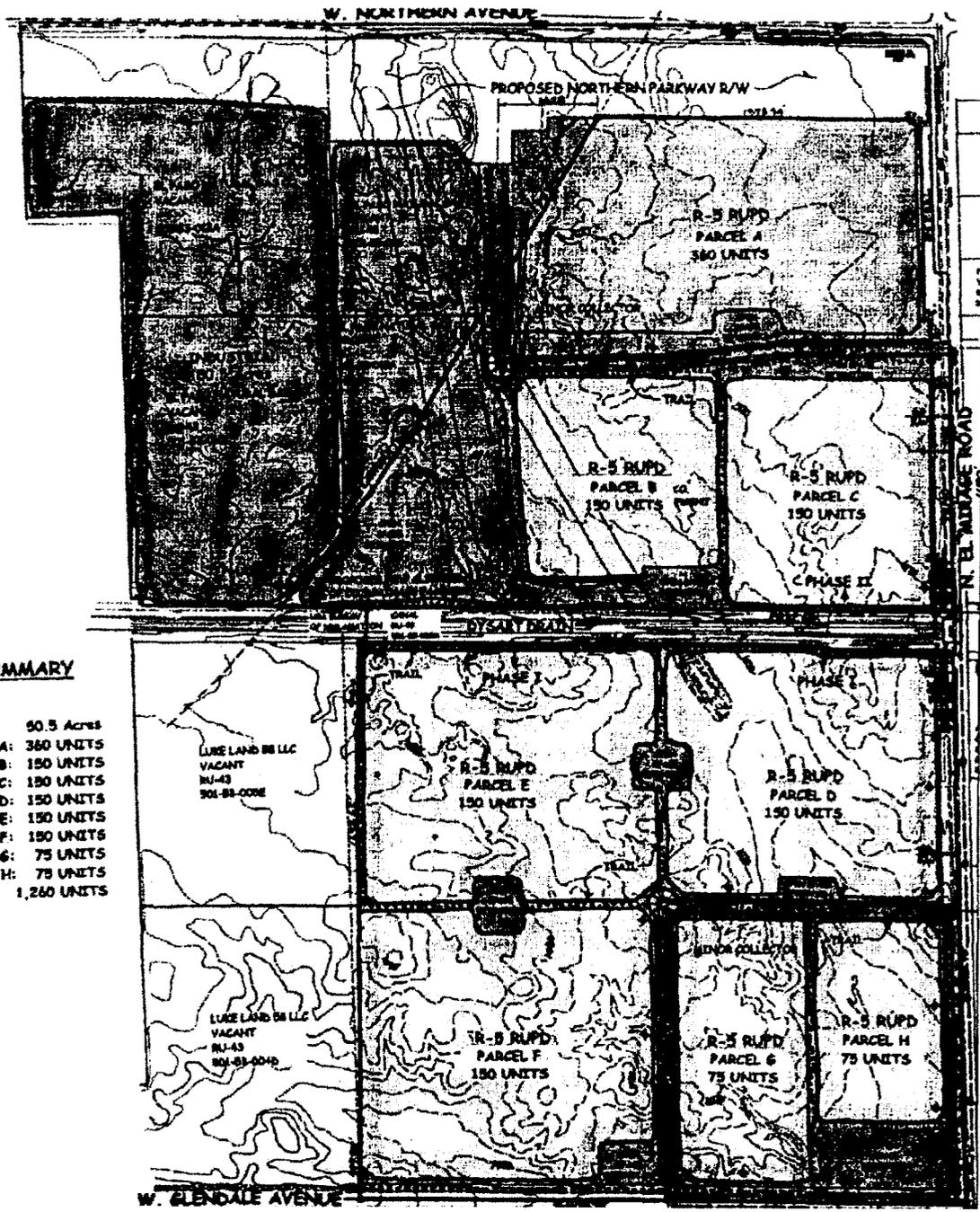
COMPANY NAME	VALLEY UTILITIES WATER CO., INC.
---------------------	---

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 1,411,285	\$ 1,502,587
460	Unmetered Water Revenue		
474	Other Water Revenues	53,900	54,070
	TOTAL REVENUES	\$ 1,465,185	\$ 1,556,657
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 463,580	\$ 499,110
610	Purchased Water	3,396	3,228
615	Purchased Power	141,370	149,013
618	Chemicals	9,132	9,884
620	Repairs and Maintenance	28,611	58,165
621	Office Supplies and Expense	5,689	6,700
630	Outside Services	11,873	3,994
635	Water Testing	13,795	6,346
641	Rents	36,151	35,312
650	Transportation Expenses	24,317	33,672
657	Insurance - General Liability	24,803	22,531
659	Insurance - Health and Life	63,844	56,250
666	Regulatory Commission Expense - Rate Case	30,149	21,585
675	Miscellaneous Expense	69,768	82,047
403	Depreciation Expense	304,826	329,435
408	Taxes Other Than Income	35,516	38,455
408.11	Property Taxes	48,242	59,527
409	Income Tax	21,232	23,078
	TOTAL OPERATING EXPENSES	\$ 1,336,294	\$ 1,438,332
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ 279	\$ -
421	Non-Utility Income	12,865	25,245
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	102,862	96,575
	TOTAL OTHER INCOME/EXP	\$ (89,718)	\$ (71,330)
	NET INCOME/(LOSS)	\$ 39,173	\$ 46,995

EXHIBIT H





LAND USE SUMMARY

INDUSTRIAL:	90.5 Acres
RESIDENTIAL PARCEL A:	360 UNITS
RESIDENTIAL PARCEL B:	150 UNITS
RESIDENTIAL PARCEL C:	150 UNITS
RESIDENTIAL PARCEL D:	150 UNITS
RESIDENTIAL PARCEL E:	150 UNITS
RESIDENTIAL PARCEL F:	150 UNITS
RESIDENTIAL PARCEL G:	75 UNITS
RESIDENTIAL PARCEL H:	75 UNITS
RESIDENTIAL TOTAL:	1,260 UNITS

LURE LAND 88 LLC
VACANT
RU-43
801-81-0046

LURE LAND 88 LLC
VACANT
RU-43
801-81-0046

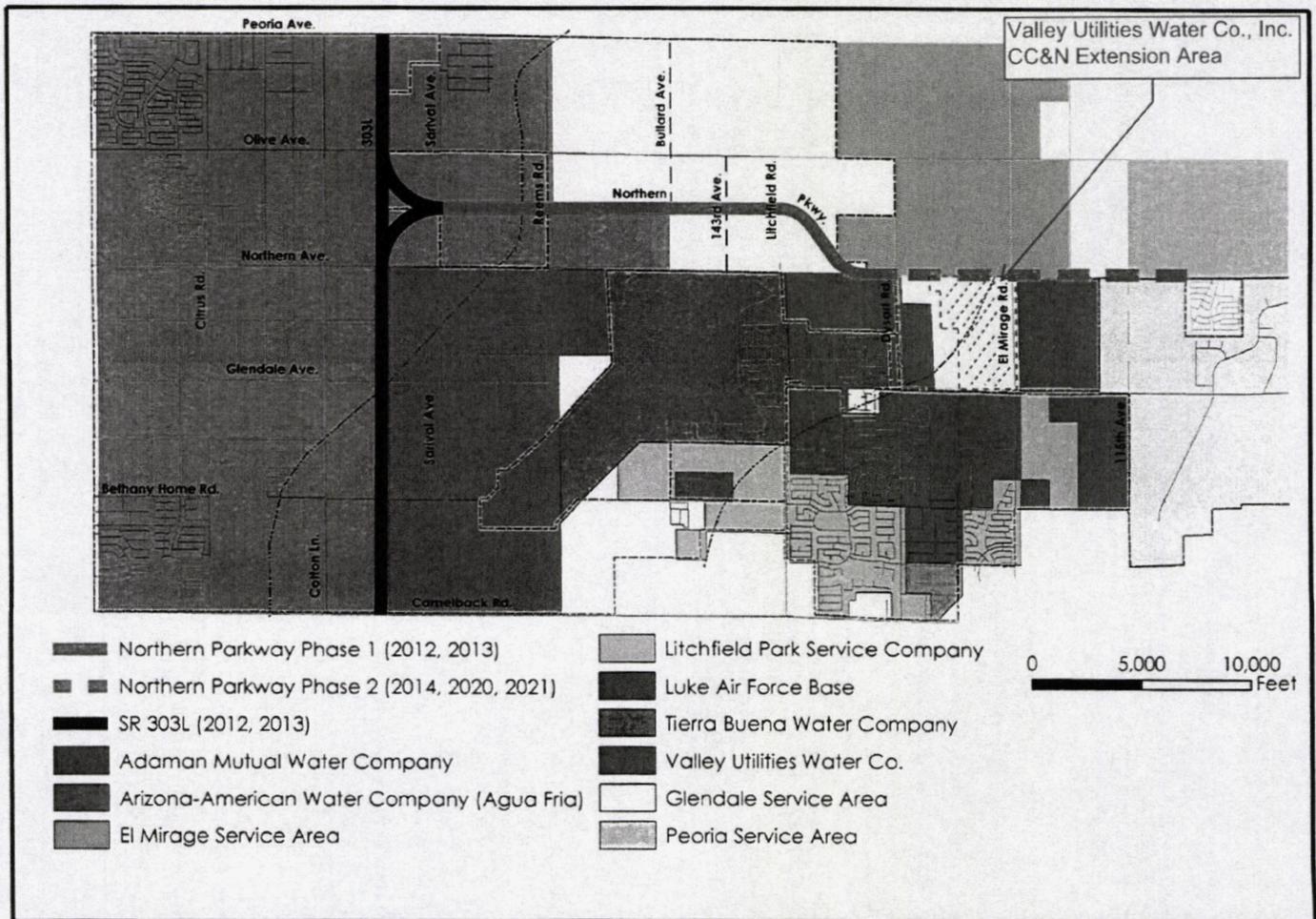


EXHIBIT I



June 18, 2014

Mr. Brian Oalke
City Manager
City of Goodyear
190 N. Litchfield Rd.
Goodyear, AZ 85338

Notice Required Pursuant to R14-2-402.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Valley Utilities Water Co., Inc.

Pursuant to A.A.C. R14-2-402.8.4, Valley Utilities Water Co., Inc. ("VUWCO") is providing this notice that VUWCO has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide water service to properties contiguous to its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Valley Utilities Water Co., Inc.
6808 N. Dysart Rd., Ste. 112
Glendale, AZ 85307
623-935-1100

Date Application was Filed

TBD

Type of Service to be Provided

Water Service

A Description of Requested Service Area

See exhibit map

Commission Docket Number

W-XXXXXX-XX-XXXX

Instructions on How to Obtain a COPY of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Valley Utilities Water Co., Inc. 6808 N. Dysart Rd., Ste. 112, Glendale, AZ 85307. In addition, upon request, VUWCO will provide a printed copy or electronic copy upon request.

6808 N. DYSART RD, STE 112 GLENDALE, AZ 85307 PHONE (623) 935-1100

**Legal Description
Valley Utilities Water Company Inc.
Water CC&N Extension**

That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northeast Quarter;

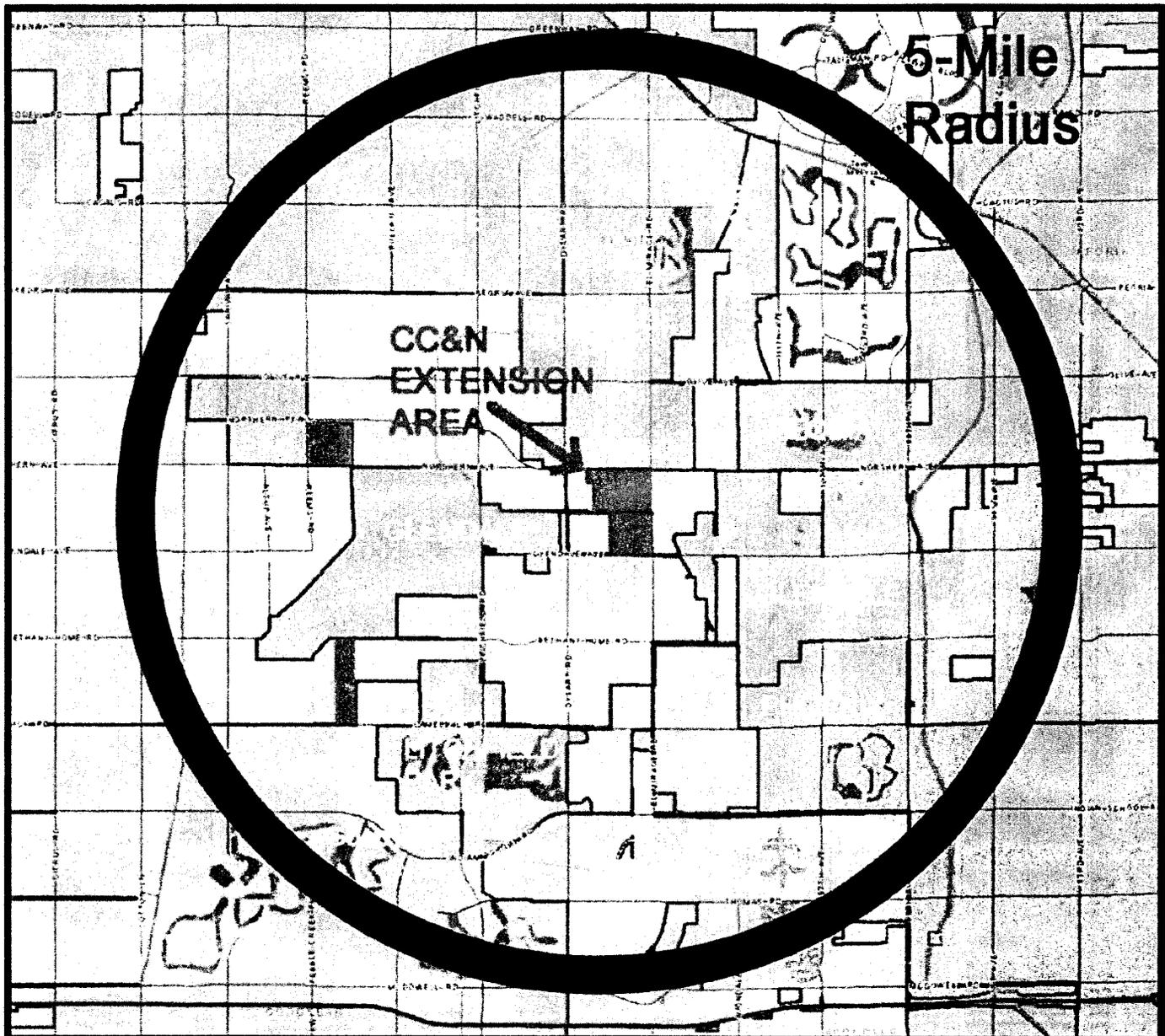
The East ½ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;

The west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

**CC&N Expansion and Nearby Utilities
Valley Utilities Water Co., Inc.**

EXHIBIT J

Valley Utilities Water Co., Inc.
 Marbella Ranch
 Projected Revenue and Expenses Years 1 through 5

<u>Customer Additions</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
* Residential	40	200	200	200	200
<u>Cumulative Customers</u>					
Residential	40	240	440	640	840
** Metered Water Revenue	\$23,826	\$142,958	\$262,090	\$381,222	\$500,354
Other Water Revenue	<u>\$2,320</u>	<u>\$12,320</u>	<u>\$15,920</u>	<u>\$19,520</u>	<u>\$23,120</u>
Total Revenue	<u>\$26,146</u>	<u>\$155,278</u>	<u>\$278,010</u>	<u>\$400,742</u>	<u>\$523,474</u>
<u>Additional Expenses:</u>					
Pumping Power	\$3,444	\$20,662	\$37,880	\$55,098	\$72,316
Chemicals	\$277	\$1,663	\$3,049	\$4,435	\$5,821
Repair & Maintenance	\$1,148	\$6,888	\$12,628	\$18,368	\$24,108
Insurance	\$511	\$3,065	\$5,619	\$8,173	\$10,727
Billing & Postage	\$183	\$1,099	\$2,015	\$2,931	\$3,847
*** Depreciation	\$58,808	\$125,609	\$147,436	\$211,106	\$267,252
Property Tax	\$999	\$5,932	\$10,620	\$15,308	\$19,997
Income Tax	<u>-\$8,629</u>	<u>-\$2,121</u>	<u>\$12,928</u>	<u>\$18,771</u>	<u>\$26,269</u>
Total Expenses	<u>\$56,741</u>	<u>\$162,797</u>	<u>\$232,175</u>	<u>\$334,190</u>	<u>\$430,337</u>
Operating Income	<u>-\$30,595</u>	<u>-\$7,519</u>	<u>\$45,835</u>	<u>\$66,552</u>	<u>\$93,137</u>

*The number of residential customers is based on the Liberty Utilities Application.
 Irrigation & commercial customers were not included due to unavailable consumption data.

** The Metered Water Revenue is based on average monthly usage of 9,072 gallons per
 VUWCO customers from 2011 through 2013 (using current rates).

*** Depreciation expense based on Liberty Utilities Application.

EXHIBIT K

ORIGINAL



0000146209

RECEIVED

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

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

2013 JUL -1 P 3 39
ARIZONA CORP COMMISSION
DOCKET CONTROL

Attorneys for Valley Utilities Water Co., Inc.

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION
OF VALLEY UTILITIES WATER
COMPANY, INC., AN ARIZONA
CORPORATION, FOR A DETERMINATION
OF THE FAIR VALUE OF ITS UTILITY
PLANT AND PROPERTY AND FOR AN
INCREASE IN ITS RATES AND CHARGES
FOR UTILITY SERVICE BASED THEREON.

DOCKET NO. W-01412A-12-0195

NOTICE OF COMPLIANCE

Pursuant to Decision No. 73913 (June 27, 2013), Valley Utilities Water Co., Inc. (the "Company") hereby submits this Notice of Compliance. Attached as Exhibit A is the Company's revised statement of charges.

RESPECTFULLY SUBMITTED this 1st day of July, 2013.

FENNEMORE CRAIG, P.C.

By:


Jay L. Shapiro
Attorneys for Valley Utilities Water Co.,
Inc.

Arizona Corporation Commission
DOCKETED

JUL - 1 2013

DOCKETED BY 

1 ORIGINAL and 13 copies filed
2 this 1st day of July, 2013 with:

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

7 COPY of the foregoing
8 was hand-delivered
9 this 1st day of July, 2013 to:

10 Wes Van Cleve
11 Bridget Humphrey
12 Legal Division
13 Arizona Corporation Commission
14 1200 West Washington Street
15 Phoenix, Arizona 85007

16 Carmel Hood, Compliance
17 Utilities Division
18 Arizona Corporation Commission
19 1200 West Washington Street
20 Phoenix, Arizona 85007

21 By: *Maria San Jose*
22 8289655.1/024964.0005

EXHIBIT

A

Valley Utilities Water Co., Inc. (Name of Company)		Revised	SHEET NO.	i
W-01412A-12-0195	ALL SERVICE AREAS			

STATEMENT OF CHARGES

TABLE OF CONTENTS

SHEET NO.

I.	RATES.....	1.0
II.	TAXES AND ASSESSMENTS.....	2.0
III.	OTHER SERVICE CHARGES.....	3.0
IV.	PERMITTED COSTS	4.0

ISSUED:		EFFECTIVE:	
Month Day Year		Month Day Year	
	ISSUED BY: Robert Prince, President Valley Utilities Water Co., Inc. 6808 N. Dysart Rd., Suite 112 Glendale, Arizona 85307		July 1, 2013
	Decision No. 73913		

Valley Utilities Water Co., Inc.		Revised	SHEET NO.	1.0
(Name of Company)	ALL SERVICE AREAS			
W-01412A-12-0195				

STATEMENT OF CHARGES

I. RATES

On June 27, 2013, in Decision No. 73913, the Arizona Corporation Commission issued an Order approving the following rates and charges to have become effective on July 1, 2013:

A. GENERAL RESIDENTIAL COMMERCIAL AND INDUSTRIAL SERVICE

1. Monthly Usage Charge:

<u>Meter Size</u>	<u>Minimum Charge</u>
Inches	Per Month
5/8" x 3/4" Residential Meter	\$ 18.40
3/4" Residential Meter	27.60
5/8" x 3/4" Commercial Meter	18.40
3/4" Commercial Meter	27.60
1" All Meters	46.00
1 1/2" All Meters	92.00
2" All Meters	147.20
3" All Meters	294.40
4" All Meters	460.00
6" All Meters	920.00
Construction Water	By Meter Size
Fire Sprinkler All Meters	***

*** Greater of \$10.00 or 2% of the general service rate for a similar size meter.

ISSUED:		EFFECTIVE:	
Month Day Year		Month Day Year	
	ISSUED BY: <u>Robert Prince, President</u> <u>Valley Utilities Water Co., Inc.</u>		July 1, 2013
	<u>6808 N. Dysart Rd., Suite 112</u> <u>Glendale, Arizona 85307</u>		
	Decision No. 73913		

Valley Utilities Water Co., Inc.		Revised	SHEET NO.	1.1
(Name of Company)	ALL SERVICE AREAS			
W-01412A-12-0195				

STATEMENT OF CHARGES

SECTION I (Cont.)

2. Commodity Rates (per 1,000 Gallons):

5/8 x 3/4" Meter (Residential)	
First 3,000 Gallons	\$ 1.60
3,001 to 10,000 Gallons	2.88
Over 10,000 Gallons	3.80
5/8 x 3/4" Meter (Commercial)¹	
First 10,000 Gallons	\$ 2.88
Over 10,000 Gallons	3.80
3/4" Meter (Residential)	
First 3,000 Gallons	\$ 1.60
3,001 to 10,000 Gallons	2.88
Over 10,000 Gallons	3.80
3/4" Meter (Commercial)	
First 10,000 Gallons	\$ 2.88
Over 10,000 Gallons	3.80
1" All Meters	
First 23,000 Gallons	\$ 2.88
Over 23,000 Gallons	3.80
1 1/2" All Meters	
First 58,000 Gallons	\$ 2.88
Over 58,000 Gallons	3.80
2" All Meters	
First 95,000 Gallons	\$ 2.88
Over 95,000 Gallons	3.80
3" All Meters	
First 207,000 Gallons	\$ 2.88
Over 207,000 Gallons	3.80

¹ Irrigation customers are considered to be commercial customers.

ISSUED:		EFFECTIVE:	
Month	Day	Year	Month Day Year
			July 1, 2013
ISSUED BY: Robert Prince, President Valley Utilities Water Co., Inc. 6808 N. Dysart Rd., Suite 112 Glendale, Arizona 85307			
Decision No. 73913			

Valley Utilities Water Co., Inc.		Revised	SHEET NO.	1.2
(Name of Company)	ALL SERVICE AREAS			
W-01412A-12-0195				

STATEMENT OF CHARGES

SECTION I (Cont.)

2. Commodity Rates (per 1,000 Gallons):

4" All Meters

First 335,000 Gallons \$ 2.88

Over 335,000 Gallons 3.80

6" All Meters

First 690,000 Gallons \$ 2.88

Over 690,000 Gallons 3.80

Construction Water \$ 3.80

ISSUED:		EFFECTIVE:	
Month Day Year		Month Day Year	
	ISSUED BY: Robert Prince, President		July 1, 2013
	Valley Utilities Water Co., Inc.		
	6808 N. Dysart Rd., Suite 112		
	Glendale, Arizona 85307		
	Decision No. 73913		

		Revised	SHEET NO.	3.0
Valley Utilities Water Co., Inc.				
(Name of Company)	ALL SERVICE AREAS			
W-01412A-12-0195				

STATEMENT OF CHARGES

III. OTHER SERVICE CHARGES

In addition to all other rates and charges authorized herein, the Company shall collect the following:

Establishment	\$ 40.00
Establishment (After Hours)	n/t
Reconnection (Delinquent)	\$ 40.00
Reconnection (Delinquent and After Hours)	n/t
Meter Test (if correct)	\$ 30.00
After Hours Charge	40.00
Deposit Requirement (Residential)	2 times the average bill
Deposit Requirement (Non-residential meter)	2 ½ times the average bill
Deposit Interest	6.0%
Re-establishment (Within 12 Months)	number of months of system times monthly minimum bill
NSF Check	\$ 30.00
Deferred Payment, Per Month	1.5%
Meter Re-read (if correct)	\$ 30.00
Moving Customer Meter at Customer Request	Cost
Late Charge per Month	\$ 10.00
After Hours Service Charge, per R14-2-403(D)	n/t

All items billed at cost shall include labor, materials and parts, overheads and all applicable taxes.
n/t - no tariff

ISSUED:		EFFECTIVE:	
Month Day Year		Month Day Year	
	ISSUED BY: Robert Prince, President Valley Utilities Water Co., Inc. 6808 N. Dysart Rd., Suite 112 Glendale, Arizona 85307		July 1, 2013
	Decision No. 73913		

Valley Utilities Water Co., Inc. (Name of Company)	W-01412A-12-0195	Revised	SHEET NO.	3.1
		ALL SERVICE AREAS		

STATEMENT OF CHARGES

SECTION III (Cont.)

Q. Service Line and Meter Installation Charges

	<u>Service Line Charge*</u>	<u>Meter Charge</u>	<u>Total Charge</u>
5/8" x 3/4" Meter	\$ 445	\$ 155	\$ 600
3/4" Meter	445	255	700
1" Meter	495	315	810
1 1/2" Meter	550	525	1,075
2" Turbine Meter	830	1,045	1,875
2" Compound Meter	830	1,890	2,720
3" Turbine Meter	1,045	1,670	2,715
3" Compound Meter	1,165	2,545	3,710
4" Turbine Meter	1,490	2,670	4,160
4" Compound Meter	1,670	3,645	5,315
6" Turbine Meter	2,210	5,025	7,235
6" Compound Meter	2,330	6,920	9,250
8" or Larger Meter	Cost	Cost	Cost

* Note: To include the actual cost incurred when road crossing is required.

In addition to the collection of regular rates, the utility will collect from its customers a proportionate share of any privilege, sales, use, and franchise tax, per Commission Rule A.A.C. R14-2-409.D(5).

All advances and/or contributions are to include labor, materials, overheads, and all applicable taxes, including all gross-up taxes for income taxes, if applicable.

All items billed at cost shall include labor, materials, overheads, and all applicable taxes.

ISSUED:	Month Day Year	EFFECTIVE:	Month Day Year
		ISSUED BY: Robert Prince, President Valley Utilities Water Co., Inc. 6808 N. Dysart Rd., Suite 112 Glendale, Arizona 85307	July 1, 2013
		Decision No. 73913	

Valley Utilities Water Co., Inc.		Revised	SHEET NO.	4.0
(Name of Company)	ALL SERVICE AREAS			
W-01412A-12-0195				

STATEMENT OF CHARGES

IV. PERMITTED COSTS

- A. Costs shall be verified by invoice.
- B. For services that are provided by the Company at cost, cost shall include labor, materials, other charges incurred, and overhead. However, prior to any such service being provided, the estimated cost of such service will be provided by the Company to the customer. After review of the cost estimate, the customer will pay the amount of the estimated cost to the Company.
- C. In the event that the actual cost is less than the estimated cost, the Company will refund the excess to the customer within 30 days after completion of the provision of the service or after Company's receipt of invoices, time sheets or other related documents, whichever is later.
- D. In the event the actual cost is more than the estimated cost, the Company will bill the customer for the amount due within 30 days after completion of the provision of the service or after the Company's receipt of invoices, time sheets or other related documents, whichever is later. The amount so billed will be due and payable 30 days after the invoice date.
- E. At the customer's request, the Company shall make available to the customer all invoices, time sheets or related documents that support the cost for providing such service.
- F. Permitted costs shall include any State or Federal income taxes that are or may be payable by the Company as a result of any tariff or contract for water facilities under which the Customer advances or contributes funds or facilities to the Company.

ISSUED:			EFFECTIVE:		
Month	Day	Year	Month	Day	Year
ISSUED BY: <u>Robert Prince, President</u> Valley Utilities Water Co., Inc. <u>6808 N. Dysart Rd., Suite 112</u> Glendale, Arizona 85307					July 1, 2013
Decision No. 73913					

EXHIBIT L

<u>Valley Utilities Water Company, Inc.</u>	<u>All Service Areas</u>	Revised	SHEET NO.	1
<u>W-01412A-08-0586</u>				

Youth Conservation Education Program Tariff – BMP 2.2

PURPOSE

A program for the Company to promote water conservation by increasing students' understanding of water resources and the need to conserve (Modified Non-Per Capita Conservation Program BMP Category 2: Conservation Education and Training 2.2: Youth Conservation Education Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Company or designated representative shall work with schools in its service area to increase students' understanding of water resources and to promote water conservation.
2. The Company shall provide a combination of instructional assistance, education materials, teacher education, classroom presentations, and field trips to water related facilities.
3. The Company shall provide the following teacher resources.
 - a. Offer Project WET (Water Education for Teachers) workshops to teachers twice yearly.
 - b. Provide free resource materials and information upon request.
 - c. Provide in-classroom presentations upon request.
4. The Company shall make available free water conservation workbooks for elementary school students.
5. The Company shall keep a record of the following information and make it available upon request.
 - a. A description of the youth conservation education process implemented.
 - b. The number of students reached (or an estimate).
 - c. A description of the written water conservation material provided free to students.
 - d. Costs of the Youth Conservation Education Program implementation.

Revised 4-15-10

ISSUED:		EFFECTIVE:
January 10, 2011		December 10, 2010
	ISSUED BY: Robert Prince, President Valley Utilities Water Company, Inc.	
	12540 W. Bethany Home Rd., Litchfield Park, Arizona 85340	Decision No. 72005

Valley Utilities Water Company, Inc.	All Service Areas	Revised	SHEET NO	2
W-01412A-08-0586				

Water Budgeting Program (Non-residential) Tariff – BMP 3.3

PURPOSE

A program for the Company to provide assistance to non-residential water user groups in developing water use target amounts that reflect highly water efficient water use/application rates (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.3: Water Budgeting Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' ("ADWR") Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Company or designated representative shall offer assistance to one or more non-residential water user groups (such as homeowner associations, industry, commercial properties, government facilities or parks) in its service area to offer customized water budgets (water use target amounts), water saving options, and water conservation information.
2. The Company shall provide assistance in developing monthly and/or annual water use target amounts for outdoor and/or indoor water use that reflect highly water efficient use/application rates. These rates should meet or exceed water use efficiencies required for similar uses in ADWR's Third Management Plan. If they are not addressed in the Plan, water use rates should be commensurate with state of the art water efficiency standards found in water conservation literature.
3. The Company shall provide water conservation information that could benefit the customer, such as, but not limited to, audit programs, publications, and rebate programs (rebate programs must be approved by the Commission).
4. If requested, the Company shall assist the customer in a self-water audit and assist the customer in determining what might be causing high water usage as well as supply customer with information regarding water conservation and landscape watering guidelines. As part of the water audit, and if requested to do so by the customer, the Company shall confirm the accuracy of the customer meter (applicable meter testing fees shall apply).
5. The Company shall keep a record of the following information and make it available upon request.
 - a. A description of the water budgeting program implemented for each non-residential water user group.
 - b. A list of the non-residential water user groups assisted.
 - c. Implementation costs of the Water Budgeting Program for each non-residential water user group.

Revised 6-25-10

ISSUED: January 10, 2011		EFFECTIVE: December 10, 2010
	ISSUED BY: <u>Robert Prince, President</u> Valley Utilities Water Company, Inc.	
	12540 W. Bethany Home Rd., Litchfield Park, Arizona 85340	Decision No. 72005

<u>Valley Utilities Water Company, Inc.</u>	<u>All Service Areas</u>	Revised	SHEET NO	4
<u>W-01412A-08-0586</u>				

Customer High Water Use Inquiry Resolution Tariff – BMP 3.6

PURPOSE

A program for the Company to assist its customers with their high water-use inquires and complaints (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.6: Customer High Water Use Inquiry Resolution).

REQUIREMENTS

The Requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Company shall handle high water use inquires as calls are received.
2. Calls shall be taken by a customer service representative who has been trained on typical causes of high water consumption as well as leak detection procedures that customers can perform themselves.
3. Upon request by the customer or when the Company determines it is warranted, a trained Field Technician shall be sent to the customer's residence to conduct a leak detection inspection and further assist the customer with water conservation measures.
4. The Company shall follow up in some way on every customer inquiry or complaint and keep a record of inquiries and follow-up activities.

Revised 4-15-10

ISSUED:		EFFECTIVE:
January 10, 2011		December 10, 2010
	ISSUED BY: Robert Prince, President Valley Utilities Water Company, Inc.	
	12540 W. Bethany Home Rd., Litchfield Park, Arizona 85340	Decision No. 72005

Valley Utilities Water Company, Inc.	All Service Areas	Revised	SHEET NO	3
W-01412A-08-0586				

Water Waste Investigations and Information Tariff – BMP 3.8

PURPOSE

A program for the Company to assist customers with water waste complaints and provide customers with information designed to improve water use efficiency (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.8: Water Waste Investigations and Information).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission specifically R14-2-403 and R14-2-410 and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. The Company shall handle water waste complaints as calls are received.
2. Calls shall be taken by a customer service representative who has been trained to determine the type of water waste and to determine if it may be attributed to a leak or broken water line.
3. The Company shall follow up on every water waste complaint.
4. Upon request by the customer or when the Company determines it is warranted, a trained Field Technician shall be sent to investigate further and notify the responsible party of the waste and offer assistance and information to prevent waste in the future.
5. A letter of enforcement will be issued to customers with water running beyond the curb and/or off the customer's property due to such things as, but not limited to, backwashing of pools, broken sprinkler heads, and over watering of lawns beyond the saturation point.
6. The same procedures outlined in item #4 will be followed in the event of a second violation. Termination of service may result in the event of the third violation within a 12 month period. In the event of a third violation the customer's service may be terminated per Arizona Administrative Code R14-2-410C, R14-2-410D and R14-2-410E (applicable service reconnection fees shall apply).
7. The Company shall record each account and each instance noted for water waste, the action taken and any follow-up activities.
8. Subject to the provisions of this tariff, compliance with the water waste restriction will be a condition of service.
9. The Company shall provide to its customers a complete copy of this tariff and all attachments upon request and to each new customer. The customer shall abide by the water waste restriction.
10. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

Revised 4-15-10

ISSUED:		EFFECTIVE:
January 10, 2011		December 10, 2010
	ISSUED BY: Robert Prince, President Valley Utilities Water Company, Inc.	
	12540 W. Bethany Home Rd., Litchfield Park, Arizona 85340	Decision No. 72005

<u>Valley Utilities Water Company, Inc.</u>	<u>All Service Areas</u>	Revised	SHEET NO	5
<u>W-01412A-08-0586</u>				

Meter Repair and/or Replacement Tariff – BMP 4.2

PURPOSE

A program for the Company to systematically assess all in-service water meters (including Company production meters) in its water service area to identify under-registering meters and to repair or replace them (Modified Non-Per Capita Conservation Program Best Management Practice Category 4: Physical System Evaluation and Improvement 4.2 Meter Repair and/or Replacement Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

1. On a systematic basis, the Company will inspect 100 percent of its 1-inch and smaller in-service water meters at least once every ten years for one of the following reasons (whichever occurs first):
 - a. A meter reading complaint is filed with the Company by a customer or Arizona Corporation Commission Staff,
 - b. A meter has registered 1,000,000 gallons of usage,
 - c. A meter has been in service for ten years.
2. Meters larger than 1-inch shall be inspected for one of the following reasons:
 - a. A meter reading complaint is filed with the Company by a customer or Arizona Corporation Commission Staff,
 - b. A meter has been in service for five years.
3. The inspection will be accomplished by having the meter pulled and having a Company Technician physically inspect each meter and its fittings for leaks, registers which may have become loose or are not properly attached to the meter and could be under-registering or other broken parts which need repair. In addition, meters shall be randomly selected for flow testing to identify potentially under-registering meters.
4. The Company shall also replace or reprogram any water meters that do not register in gallons. Within 5 years of the initial effective date of this tariff, the Company shall replace or reprogram all:
 - a. 1-inch and smaller meters such that they register usage in 1 gallon increments,
 - b. 1-1/2 inch through 4-inch meters such that they register in 10 gallon increments, or less, and
 - c. 6-inch and larger meters such that they register in 100 gallon increments or less.

Revised 8-16-10

ISSUED:		EFFECTIVE:
January 10, 2011		December 10, 2010
	ISSUED BY: Robert Prince, President	
	Valley Utilities Water Company, Inc.	
	12540 W. Bethany Home Rd., Litchfield Park, Arizona 85340	Decision No. 72005

EXHIBIT M

VALLEY UTILITIES WATER COMPANY, INC.

DOCKET W-01412

TARIFF

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

**Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340**

93055.00000.124

TABLE OF CONTENTS

PART ONE, STATEMENT OF CHARGES WATER SERVICE 1

I. RATES 1

 A. All..... 1

 B. Fire Sprinkler Service..... 2

II. TAXES AND ASSESSMENTS 3

III. ADDITIONAL CHARGES 4

 A. Establishment of Service..... 4

 B. Re-establishment of Service..... 4

 C. Reconnection of Service..... 4

 D. Charge for Moving Meter..... 5

 E. Minimum Deposit Requirement..... 5

 F. Meter Test..... 5

 G. Meter Reread..... 5

 H. Charge for NSF Check..... 5

 I. Deferred Payment Finance Charge..... 6

 J. Late Payment Charge..... 6

 K. Service Line Tariff and Meter Advance Policy..... 7

 L. Main Extension Tariff..... 7

IV. PERMITTED COSTS 8

PART TWO, STATEMENT OF TERMS AND CONDITIONS WATER SERVICE 10

I. CROSS-CONNECTION CONTROL 10

 A. Purpose..... 10

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340

DOCKET W-01412

Cancelling Sheet No.

B. Inspections.....	10
C. Requirements.....	10
D. Discontinuance of Service.....	12
II FIRE HYDRANT, INTERIOR FIRE SPRINKLER SERVICE AND INTERRUPTIBLE SERVICE	13
III. MULTI-UNIT SERVICE	16
IV. TERMINATION OF WATER SERVICE FOR NON-PAYMENT OF WASTEWATER BILL	17
V. CURTAILMENT PLAN FOR VALLEY UTILITIES WATER COMPANY, INC.....	17
VI. RULES AND REGULATIONS.....	22

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340

Applies to all WATER service areas

PART ONE
STATEMENT OF CHARGES
WATER SERVICE

I. RATES

In Opinion and Order No. 62908, dated September 18, 2000, the Commission approved the following rates and charges to become effective with October 1, 2000 usage.

<u>Meter Size</u> Inches	<u>Usage Included in</u> <u>Minimum Charge</u> Gallons	<u>Minimum</u> <u>Charge</u> Per Month
A. All Services		
5/8" X 3/4" Meter	-0-	9.60
3/4" Meter	-0-	14.50
1" Meter	-0-	24.00
1 1/2" Meter	-0-	48.00
2" Meter	-0-	77.00
3" Meter	-0-	144.00
4" Meter	-0-	240.00
6" Meter	-0-	480.00

THE RATE FOR USE IN ADDITION TO THE MINIMUM STATED ABOVE SHALL BE THE SAME FOR ALL SIZES OF METERS. ADDITIONAL USAGE SHALL BE AT THE RATE PER 1,000 GALLONS AS FOLLOWS:

<u>Block</u>	<u>Rate/1000</u>
01 - 24,999	\$1.80
25,000 & over	\$2.20

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
 Valley Utilities Water Company, Inc.
 12540 W. Bethany Home Road
 Litchfield Park, Arizona 85340

Applies to all WATER service areas

**PART ONE
STATEMENT OF CHARGES
WATER SERVICE**

B. Fire Sprinkler Service^{1, 2}

4" Meter	-0-	\$20.00
6" Meter	-0-	\$34.00
8" Meter	-0-	\$50.00

FIRE PROTECTION RATES INCLUDE WATER FOR FIREFIGHTING PURPOSES ONLY. OTHER CONSUMPTION THROUGH FIRE PROTECTION FACILITIES WILL BE ESTIMATED BY THE COMPANY AND BILLED AT GENERAL SERVICE RATES.

¹ See "Fire Hydrant and Interior Fire Sprinkler Service", Sheet No. 14.

² Rates authorized in Decision No. 55587, dated June 4, 1987.

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340

Applies to all WATER service areas

PART ONE

STATEMENT OF CHARGES
WATER SERVICE

II. TAXES AND ASSESSMENTS

In addition to all other rates and charges authorized herein, the Company shall collect from its customers all applicable sales, transaction, privilege, regulatory or other taxes and assessments as may apply now or in the future, per Rule R14-2-409(D)(5).

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340

Applies to all WATER service areas

PART ONE

STATEMENT OF CHARGES
WATER SERVICE

III. ADDITIONAL CHARGES

A.	Establishment of Service per Rule R14-2-403D (new customer charge, in addition to E, K and L below)	\$ 30.00
1.	If after hours	\$ 45.00
B.	Re-establishment of Service per Rule R14-2-403D (same customer, same location within 12 months)	\$ Note ³
C.	Reconnection of Service per Rule R14-2-403D	\$ 40.00

³ Number of months off system times the monthly minimum.

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340

Applies to all WATER service areas

PART ONE

STATEMENT OF CHARGES
WATER SERVICE

D.	Charge for moving meter at customer request per Rule R14-2-405B	Cost ⁴
E.	Minimum Deposit Requirement per Rule R14-2-403B	
	1. Residential customer	(2 times estimated average monthly bill)
	2. Non residential customer	(2-1/2 times estimated maximum monthly bill)
	3. Deposit Interest	6.0%
F.	Meter test per Rule R14-2-408F	\$ 30.00
G.	Meter Reread per Rule R14-2-408C	\$ 10.00
H.	Charge for NSF Check per Rule R14-2-409F	\$ 25.00

⁴ See Sheet No. 9.

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340

DOCKET W-01412

Cancelling Sheet No.

Applies to all WATER service areas

PART ONE

STATEMENT OF CHARGES
WATER SERVICE

I.	Deferred Payment Finance Charge, per month	1.5%
J.	Late Payment Charge, Per Month	10.00 ⁵ ⁶ ⁷

⁵ This charge shall not apply if the customer has arranged for a Deferred Payment Plan.

⁶ Bills for utility services are due and payable when rendered. Any payment not received within fifteen (15) days from the date the bill was rendered shall be considered delinquent and subject to the termination policy set forth in the Company's rate tariff. All late payment penalties shall be billed on the customer's next regularly scheduled billing. If the customer fails to pay the late payment penalty by the due date on the next billing, the customer will receive a ten (10) day termination notice. If the customer does not pay the late payment penalty by that date the service will be terminated. Service shall be terminated only for that service for which the customer is delinquent or is in violation. All customers whose service is terminated for failure to pay the late payment penalty are subject to the Company's reconnection charges set forth in the Company's tariff.

⁷ Rate authorized in Decision No. 56682, dated October 25, 1989.

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340

Applies to all WATER service areas

PART ONE

**STATEMENT OF CHARGES
WATER SERVICE**

**K. Service Line Tariff and Meter Advance Policy,
 Refundable per Rule R14-2-405B:**

5/8" X 3/4" Meter	455.00
3/4" Meter	515.00
1" Meter	590.00
1 1/2" Meter	820.00
2" Turbine Meter	1,380.00
2" Compound Meter	2,010.00
3" Turbine Meter	1,935.00
3" Compound Meter	2,650.00
4" Turbine Meter	3,030.00
4" Compound Meter	3,835.00
6" Turbine Meter	5,535.00
6" Compound Meter	7,130.00

L. Main Extension Tariff, per Rule R14-2-406B **Cost⁸**

⁸ See Sheet No. 9.

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
 Valley Utilities Water Company, Inc.
 12540 W. Bethany Home Road
 Litchfield Park, Arizona 85340

Applies to all **WATER** service areas

PART ONE

STATEMENT OF CHARGES
WATER SERVICE

IV. PERMITTED COSTS

A. Costs shall be verified by invoice.

B. For services that are provided by the Company at costs, cost shall include labor, materials, other charges incurred, and overhead not to exceed 10%. However, prior to any such service being provided, the estimated cost of such service will be provided by the Company to the customer. After review of the cost estimate, the customer will pay the amount of the estimated cost to the Company.

C. In the event that the actual cost is less than the estimated cost, the Company will refund the excess to the customer within 30 days after completion of the provision of the service or after Company's receipt of invoices, timesheets or other related documents, whichever is later.

D. In the event the actual cost is more than the estimated cost, the Company will bill the customer for the amount due within 30 days after completion of the provision of the service or after the Company's receipt of invoices, timesheets or other related documents, whichever is later. The amount so billed will be due and payable 30 days after the invoice date. However, if the actual cost is more than five percent (5%) greater than the total amount paid, the customer will only be required to pay five percent (5%) more than the total amount paid, unless the Company can demonstrate that the increased costs were beyond its control and could not be foreseen at the time the estimate for the total amount paid was made.

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340

DOCKET W-01412

Cancelling Sheet No.

Applies to all WATER service areas

PART ONE

STATEMENT OF CHARGES
WATER SERVICE

E. At the customer's request, the Company shall make available to the customer all invoices, timesheets or related documents that support the cost for providing such service.

F. Permitted costs shall include any State or Federal income taxes that are or may be payable by the Company as a result of any tariff or contract for water facilities under which the Customer advances or contributes funds or facilities to the Company.

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340

Applies to all WATER service areas

PART TWO

STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE

I. CROSS-CONNECTION CONTROL

A. Purpose.

To protect the public water supply in the Company's water supply in the Company's water system from the possibility of contamination caused by backflow through unprotected cross-connections by requiring the installation and periodic testing of backflow-prevention assemblies pursuant to the provisions of the Arizona Administrative Code, Title 14, Chapter 2, Section 405.B.6 as adopted by the Arizona Corporation Commission, and Title 18, Chapter 4, Section 115, as adopted by the Arizona Department of Environmental Quality, as those regulations may be revised from time to time.

B. Inspections.

The customers shall cooperate fully with the Company in its efforts to investigate and determine the degree of potential health hazard to the public water supply which may result from conditions existing on the customer's premises.

C. Requirements.

In compliance with the Rules and Regulations of the Arizona Corporation Commission and the Arizona Department of Environmental Quality, specifically A.A.C. R14-2-405.B.6 and A.A.C. R18-4-115 relating to backflow prevention:

1. The Company may require a customer to pay for and have installed, maintain, test and repair a backflow-prevention assembly if A.A.C. R18-4-115.B or C applies.

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340

Applies to all WATER service areas

PART TWO

STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE

2. A backflow-prevention assembly required to be installed by the customer under this tariff shall comply with the requirements set forth in A.A.C. R18-4-115.D and E.

3. The Company shall give any customer who is required to install and/or test a backflow-prevention assembly written notice of said requirement. If A.A.C. R14-2-410.B.1.a. is not applicable, the customer shall be given thirty (30) days in which to comply with this notice. If the customer can show good cause as to why he cannot install the device within thirty (30) days, the Company or the Arizona Corporation Commission Staff may grant additional time for this requirement.

4. Testing shall be in conformance with the requirements of A.A.C. R18-4-115.F. The Company shall not require an unreasonable number of tests.

5. The customer shall provide the Company with records of installation and testing. For each backflow-prevention assembly, these records shall include:

- a. assembly identification number and description;
- b. location;
- c. date(s) of test(s);
- d. description of repairs made by tester; and
- e. tester's name and certificate number.

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340

Applies to all WATER service areas

PART TWO

STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE

D. Discontinuance of Service.

In accordance with A.A.C. R14-2-407 and 410 and provisions of this tariff, the Company may terminate service or deny service to a customer who fails to install and/or test a backflow-prevention assembly as required by this tariff.

1. In the event the backflow-prevention assembly has not been installed or fails any test and A.A.C. R14-2-410.B.1.a. is applicable, the Company may terminate service immediately and without notice. The backflow-prevention assembly shall be installed and repaired by the customer and retested before service is restored.

2. In the event the backflow-prevention assembly has not been installed or fails any test and A.A.C. R14-2-410.B.1.a. is not applicable, the backflow-prevention assembly shall be installed and/or repaired by the customer and tested within fourteen (14) days of written notice by the Company. Failure to install or to remedy the deficiency or dysfunction of the assembly, or failure to retest shall be grounds for termination of water utility service in accordance with A.A.C. R14-2-410.

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340

Applies to all WATER service areas

PART TWO

STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE

II. FIRE HYDRANT, INTERIOR FIRE SPRINKLER SERVICE AND INTERRUPTIBLE SERVICE

The Company will provide Fire Protection Service under the following conditions:

A. Facility Specifications

The size, location, number, and technical specifications of facilities used to provide Fire Protection Service shall be prescribed by the Fire Protection Service Customer, developer, or any authorized agency having jurisdiction over those facilities, so long as:

1. Those facilities do not adversely affect the Company's ability to provide General Service, and
2. The maximum diameter of the service connection is not larger than the diameter of the main to which the service is connected, and
3. In the case of a fire hydrant, that the facilities are located in the public right of way, and
4. In the case of a fire sprinkler system, that the sprinkler system is separate from the General Service facilities, unless the Company has specifically approved an integrated system and Company-approved check valves are installed.

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340

Applies to all WATER service areas

PART TWO

STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE

B. Construction Specifications; Ownership of Facilities; Relocation

Fire hydrants, and all valves, pipe fittings and appurtenances related to the hydrant shall be installed to Company's specifications under non-refundable Advances in Aid of Construction by the Developer or Fire Protection Service Customer and shall become the property of the Company.

Fire sprinkler systems up to a mutually-agreed upon point of interconnection shall be installed to the Company's construction specifications under non-refundable Advances in Aid of Construction by the Developer for Fire Protection Service Customer, and shall become the property of the Company. The installation, maintenance and operation of fire sprinkler systems within the Customer's facility, and beyond the point of interconnection, shall be the responsibility of the Customer.

Relocation costs of any Company-owned fire protection facilities shall be paid by the Customer or the party requesting relocation. Relocation cost includes cost incurred due to moving facilities to accommodate reconstruction, widening, realignment, or grade changes to alleys, streets, roads, or highways.

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340

Applies to all WATER service areas

PART TWO

STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE

C. Interruptible Service; Company's Liability Limitations

The Company will supply only such water at such pressures as may be available from time to time as a result of the normal operation of its water system. The Company will maintain a minimum water pressure of 20 p.s.i. and will not guarantee a specific gallons per minute flow rate at any public fire hydrants or fire sprinkler service. In the event service is interrupted, irregular or defective, or fails from causes beyond the Company's control or through ordinary negligence of its employees or agents, the Company will not be liable for any injuries or damages arising therefrom.

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340

Applies to all WATER service areas

PART TWO

STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE

III. MULTI-UNIT SERVICE

A. Separate Meter Required

All multiple unit developments requesting water service from the Company, whether residential or commercial, including but not limited to townhouses, condominiums, offices, shopping centers, and industrial facilities but not including residential apartment complexes or recreational vehicle parks in which the average occupancy of individual spaces, in the sole opinion of the Company, is estimated to be less than six months, shall be required to obtain a separate and metered water service connection. Developments requiring water service for common facilities shall receive said service only through a separate, appropriately sized, meter.

B. Existing Master Meters Grandfathered

Master meter service shall not be provided to facilities other than those receiving master metered service as of the effective date of this tariff.

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340

Applies to all WATER service areas

PART TWO

STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE

IV. TERMINATION OF WATER SERVICE FOR NON-PAYMENT OF WASTEWATER BILL

Company customers who also receive wastewater service from Litchfield Park Service Company ("LPSCO") are hereby notified that the Companies have been authorized by the Commission that in the event the wastewater bill of LPSCO is not paid in a timely fashion, and following notice by both Companies, the water service from Valley may be terminated. Water service will not be restored until the customer pays to LPSCO the delinquent balance, plus all-Reconnection of Service and Deposit Requirements pursuant to the LPSCO Tariff, and the payment to the Company of the applicable Reconnection of Service charges pursuant to the Company's Tariff PART ONE-SECTION III. Please see the LPSCO tariff in this regard.

(Approved in Decision No. 66036)

V. CURTAILMENT PLAN FOR VALLEY UTILITIES WATER COMPANY, INC.

ADEQ Public Water System Number: PWS I.D. # _____

Valley Utilities Water Company, Inc. ("Company") is authorized to curtail water service to all customers, within its certificated area under the terms and conditions listed in this tariff.

This curtailment plan shall become part of the Arizona Department of Environmental Quality Emergency Operations Plan for the Company.

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340

Applies to all WATER service areas

PART TWO

STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE

The Company shall notify its customers of this new tariff as part of its next regularly scheduled billing after the effective date of the tariff or no later than sixty (60) days after the effective date of the tariff.

The Company shall provide a copy of the curtailment tariff to any customer, upon request.

Stage 1 Exists When:

Company is able to maintain water storage in the system at 100 percent of capacity and there are no known problems with its well production or water storage in the system.

Restrictions: Under Stage 1, Company is deemed to be operating normally and no curtailment is necessary.

Notice Requirements: Under Stage 1, no notice is necessary.

Stage 2 Exists When:

- a. Company's water storage or well production has been less than 80 percent of capacity for at least 48 consecutive hours, and
- b. Company has identified issues such as steadily declining water table, an increased draw-down threatening pump operations, or poor water production creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340

Applies to all WATER service areas

PART TWO

STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE

Restrictions: Under Stage 2, the Company may request the customers to voluntarily employ water conservation measures to reduce water consumption by approximately 50 percent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays.

Notice Requirements: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

Stage 3 Exists When:

- a. Company's total water storage or well production has been less than 50 percent of capacity for at least 24 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 3, Company shall request the customer to voluntarily employ water conservation measures to reduce daily consumption by approximately 50 percent. All outside watering should be eliminated, except livestock, and indoor water conservation techniques should be employed whenever possible.

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340

DOCKET W-01412

Cancelling Sheet No.

Applies to all WATER service areas

PART TWO

STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option both. Such Notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Beginning with Stage 3, Company shall post at least two (2) signs showing the curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to the major subdivision served by the Company.
3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering stage 3.

Once Stage 3 has been reached, the Company must begin to augment the supply of water by either hauling or through an emergency interconnect with an approved water supply in an attempt to maintain the curtailment at a level no higher than stage three until a permanent solution has been implemented.

Stage 4 Exists When:

- a. Company's total water storage or well production has been less than 25 percent of capacity for at least 12 consecutive hours, and

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340

Applies to all WATER service areas

PART TWO

STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE

- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 4, Company shall inform the customers of a **mandatory** restriction to employ water conservation measures to reduce daily consumption. Failure to comply will result in customer disconnection. The following uses of water shall be prohibited:

- ◆ Irrigation of outdoor lawns, trees, shrubs, or any plant life is prohibited
- ◆ Washing of any vehicle is prohibited
- ◆ The use of water for dust control or any outdoor cleaning uses is prohibited
- ◆ The use of drip or misting systems of any kind is prohibited
- ◆ The filling of any swimming pool, spas, fountains or ornamental pools is prohibited
- ◆ Restaurant patrons shall be served water only upon request
- ◆ Any other water intensive activity is prohibited

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340

Applies to all WATER service areas

PART TWO

STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE

2. Company shall post at least two (2) signs showing curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to the major subdivision served by the Company.
3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering stage 4.

Customers who fail to comply with cessation of outdoor use provisions will be given a written notice to end all outdoor use. Failure to comply with in two (2) working days of receipt of the notice will result in temporary loss of service until an agreement can be made to end unauthorized use of outdoor water. To restore service, the customer shall be required to pay all authorized reconnection fees. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

Once Stage 4 has been reached, the Company must augment the supply of water by hauling or through an emergency interconnect from an approved supply in an attempt to maintain the supply until a permanent solution has been implemented

VI. RULES AND REGULATIONS

The Company has adopted the Rules and Regulations established by the Commission as the basis for its operating procedures. A.A.C. R14-2-401 through A.A.C. R14-2-411 will be controlling of Company procedures, unless specific Commission Order(s) provide otherwise.

Issued September 29, 2000

Effective October 1, 2000

ISSUED BY:

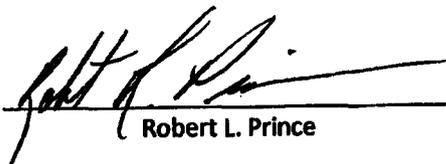
Robert L. Prince
Valley Utilities Water Company, Inc.
12540 W. Bethany Home Road
Litchfield Park, Arizona 85340

EXHIBIT N

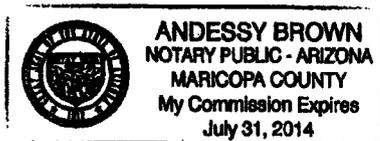
AFFIDAVIT OF ROBERT L. PRINCE

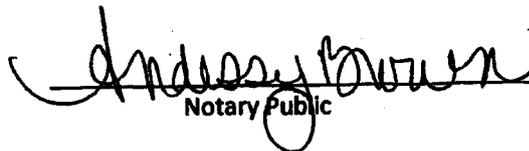
Robert L. Prince, being duly sworn, deposes and says:

1. I am a resident of Maricopa County, over 18 years of age, and make this affidavit based on my own personal knowledge.
2. I am the President of Valley Utilities Water Company, Inc. ("VUWCO").
3. The Application for an Extension of VUWCO's existing water CC&N, to which this affidavit is attached, was prepared under my supervision.


Robert L. Prince

SUBSCRIBED and sworn to before me this 30th day of June 2014.




Notary Public

My Commission Expires:

July 31, 2014

EXHIBIT O

COMPANY NAME: VALLEY UTILITIES WATER CO., INC.

Name of System: ADEQ Public Water System Number: 07-079

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2013

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	1,409	19,355	21,408	
FEBRUARY	1,406	16,330	18,106	
MARCH	1,421	22,599	24,580	
APRIL	1,419	25,590	24,261	
MAY	1,422	28,936	31,554	
JUNE	1,425	34,905	34,260	
JULY	1,428	36,040	36,555	
AUGUST	1,432	30,680	38,623	
SEPTEMBER	1,439	29,214	31,204	
OCTOBER	1,438	26,031	28,963	
NOVEMBER	1,441	22,996	22,774	
DECEMBER	1,445	16,601	18,369	
TOTALS →		301,956	330,657	0

What is the level of arsenic for each well on your system? _____ mg/l
(If more than one well, please list each separately.)

See Attachment A

If system has fire hydrants, what is the fire flow requirement? 1000 GPM for 2 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
 Yes No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 Yes No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 Yes No

If yes, provide the GPCPD amount: _____

ATTACHMENT A

VALLEY UTILITIES WATER CO. INC. ANNUAL REPORT 2013

BOOSTER PUMPS:

2 - 15 HORSE POWER
3 - 20 HORSE POWER
2 - 30 HORSE POWER
3 - 40 HORSE POWER
2 - 50 HORSE POWER

STORAGE TANKS:

3 - 100,000 GALLON CAPACITY
1 - 200,000 GALLON CAPACITY
1 - 560,000 GALLON CAPACITY
1 - 1,000,000 GALLON CAPACITY

PRESSURE VESSELS:

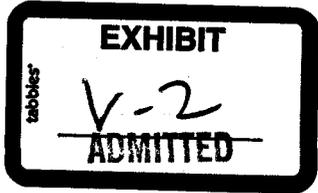
2 - 5,000 GALLON CAPACITY
1 - 7,500 GALLON CAPACITY
1 - 10,000 GALLON CAPACITY

WELL INFORMATION:

DWR #	HORSE POWER	Q (GPM)	CASING DEPTH/DIAMETR	METER SIZE	YEAR DRILLED	As m/L
1 - 55-639720	25	75	650' / 12"	3"	1942	10.3
2 - 55-639721	30	125	650' / 10"	3"	1969	13*
3 - 55-639723	25	90	425' / 8"	4"	1965	8.1
4 - 55-639722	25	90	800' / 12"	4"	1970	13*
5 - 55-503273	75	450	850' / 20"	6"	1982	12.7
6 - Out of Service						
6A - 55-216455	125	250	810 / 16"	8"	2008	13.1
7 - 55-208819	125	450	715 / 16"	8"	2007	12.5

* Number 2 well at the GWY has been taken out of service and retired as of December 31, 2011.

* Number 4 well at the BHW has been taken out of service and retired as of December 31, 2013.



RECEIVED

BEFORE THE ARIZONA CORPORATION COMMISSION

2014 AUG 22 P 2:05

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

COMMISSIONERS

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

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER), CORP. FOR APPROVAL OF AN EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN MARICOPA COUNTY, ARIZONA.

DOCKET NO. W-01427A-14-0134

IN THE MATTER OF THE APPLICATION OF LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER), CORP. FOR APPROVAL OF AN EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WASTEWATER UTILITY SERVICE IN MARICOPA COUNTY, ARIZONA.

DOCKET NO. SW-01428A-14-0180

IN THE MATTER OF THE APPLICATION OF VALLEY UTILITIES WATER COMPANY, INC. FOR AN EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN MARICOPA COUNTY, ARIZONA.

DOCKET NO. W-01412A-14-0262

NOTICE OF FILING FRANCHISE AGREEMENT BETWEEN VALLEY UTILITIES WATER COMPANY, INC. AND MARICOPA COUNTY

Valley Utilities Water Company, Inc. hereby files its Franchise agreement between Valley Utilities Water Company, Inc. and Maricopa County as a supplement to its Application for Extension of CC&N, filed on July 10, 2014. The Franchise agreement is attached as Exhibit A.

DATED this 22nd day of August, 2014.

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

MUNGER CHADWICK, P.L.C.



Robert J. Metli
2398 E. Camelback Road, Suite 240
Phoenix, Arizona 85016
Attorneys for Applicant Valley Utilities
Water Company, Inc.

Original and 13 copies of the foregoing
filed this 22nd day of August, 2014, with:

Docket Control
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

Copies of the foregoing mailed this
22nd day of August, 2014, to:

Patrick Black
FENNEMORE CRAIG, P.C.
2394 E. Camelback Road, Suite 600
Phoenix, Arizona 85016

Sasha Paternoster
Administrative Law Judge
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

Janice Alward, Chief Counsel
Legal Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

Steven M. Olea, Director
Utilities Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

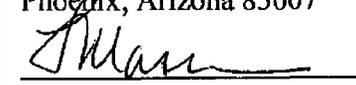


Exhibit A

BEFORE THE BOARD OF SUPERVISORS

OF

MARICOPA COUNTY, STATE OF ARIZONA

IN THE MATTER OF THE APPLICATION OF)
)
 VALLEY UTILITES WATER COMPANY, INC.) FRANCHISE
)
)
 _____)
 FOR A FRANCHISE

BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF MARICOPA COUNTY, STATE OF ARIZONA, THAT:

WHEREAS, VALLEY UTILITES WATER COMPANY, INC., hereinafter designated as the Grantee, doing business in Maricopa County, Arizona, bearing date of May 18, 1998, praying for the right, privilege, license and franchise to construct, maintain and operate a domestic water distribution system, consisting of pipelines, meters, connections, and all necessary equipment; and an irrigation water distribution system, consisting of pipelines, ditches, gates and all necessary equipment for a period not to exceed twenty-five (25) years or for a period of one (1) year after the franchised area or a portion thereof is annexed by a municipality, whichever is shorter, for VALLEY UTILITES WATER COMPANY, INC., along, upon, under and across public highways, roads, alleys and thoroughfares (excepting State Highways), within that portion of Maricopa County, Arizona, known and described as follows, to-wit:

- Parcel No. 1 - All of Sections 1, 2 and 3,
 - Parcel No. 2 - The south half of the southwest quarter of Section 9,
 - Parcel No. 3 - All of Section 10, except the northwest quarter of the northeast quarter and except the south half of the southwest quarter,
 - Parcel No. 4 - All of Section 11, except the southeast quarter of the southeast quarter,
 - Parcel No. 5 - The east half, and the northeast quarter of the northwest quarter, and the southwest quarter of the southwest quarter, all in Section 12,
 - Parcel No. 6 - Northwest quarter of Section 14,
 - Parcel No. 7 - Southeast quarter, and the east half of the southwest quarter, and the southeast quarter of the northwest quarter, and the south half of the northeast quarter, and the northeast quarter of the northeast quarter, all in Section 15,
- All said parcels being located within T2N, R1W, G&SRB&M, Maricopa County, Arizona.

and not within the confines of any incorporated city or town, and under such restrictions and limitations and upon such terms as the Board of Supervisors may provide, not inconsistent with the laws of the State of Arizona, or the orders and rules of the Corporation commission of the State of Arizona, and that the Board take such proceedings herein as is provided by laws of the State of Arizona; and

WHEREAS, upon filing said application, the said Board of Supervisors on the 3rd day of June, 1998, ordered that public notice of the intention of said Board to make such grants be given by publishing a notice in the official newspaper of Maricopa County, published in the County of Maricopa, State of Arizona, and that 9:00 a.m., on the 1st day of July, 1998, at the meeting room of said Board of Supervisors located at 205 West Jefferson Street, in the City of Phoenix, Arizona, be set as the time and place of hearing the said application; and

WHEREAS, the said application coming on regularly for hearing on said day and it appearing by the affidavit of the duly authorized agent of the said time and place set for the consideration of such application has been published for at least once a week for the three-week period prior to said date set forth herein, to-wit:

In the issues of the said newspaper on June 10, 12, and 15, 1998, and it appearing that no sufficient protest has been filed by the qualified electors of the said County petitioning said Board of Supervisors to deny such license and franchise, and it further appearing the best interests of Maricopa County will be served by the granting of said application and the franchise referred to therein;

NOW, THEREFORE, the Board of Supervisors of Maricopa County, State of Arizona, acting on behalf of said County does hereby grant unto VALLEY UTILITIES WATER COMPANY, INC., doing business in Maricopa County, Arizona, subject to the terms, conditions and limitations hereinafter contained, the right, privilege, license and franchise to construct, maintain and operate a domestic water distribution system, consisting of pipelines, meters, connections, and all necessary equipment; and an irrigation water distribution system, consisting of pipelines, ditches, gates and all necessary equipment, for a period of not to exceed twenty-five (25) years or for a period of one (1) year after the franchised area is annexed by a municipality, whichever is shorter, for the supplying of this service along, upon, under and across the public highways, roads, alleys and thoroughfares (excepting State highways) within that portion of Maricopa County, Arizona, hereinabove described, under such restrictions and limitations and upon such terms as this Board at any time may provided, not inconsistent with the laws of the State of Arizona, or the orders and rules of the Corporation Commission of the State of Arizona, specifically providing, however, that:

- 1) All rights hereunder are granted under the express condition that the Board of Supervisors of said Maricopa County shall have the power at any time to impose such restrictions and limitations and to make such regulations on such highways, roads, and thoroughfares as may be deemed best for the public safety, health, welfare and convenience.
- 2) All rights hereby granted shall be exercised so as to not interfere or conflict with any easements or rights-of-way heretofore granted by said Board of Supervisors and now in force.
- 3) All rights hereby granted shall be exercised so as not to interfere or conflict with any easement, either public or private, of whatsoever nature, which has been acquired in or to the proper use of said highway, roads, and thoroughfares, or any portion thereof.
- 4) All rights hereby granted shall be exercised so as not to interfere or conflict with or endanger in any way the proper use by the public of said highways, roads, and thoroughfares, or any portion thereof.
- 5) That the said Grantee shall bear all expenses incurred including damages and compensation for the alteration of the course, direction, surface, grade or alignment of any of the said highways, roads and thoroughfares necessarily made by the said grantee for the purpose of this franchise; that said grantee will maintain his equipment from time to time as may be needed, without the necessity of notice from Maricopa County. In the event the said grantee shall fail to make any repairs within ten days from the time

same becomes necessary, then Maricopa County may cause the same to be made, and said grantee agrees to pay Maricopa County the cost thereof.

- 6) That all property of the franchise be installed and operated by the said grantee and shall be placed, removed or relocated, initially and throughout the term of this franchise, along, in, over, under and across the said highway, roads and thoroughfares, in such a manner and location as the Board of Supervisors or its duly authorized agents may designate. Such placement, removal or relocation shall be done at the sole expense of the grantee upon a determination by the Board of Supervisors of Maricopa County that such placement, removal or relocation is necessary.

If the grantee fails or refuses to so remove or relocate, Maricopa County may so remove or relocate, at the sole expense of grantee, such expense to include any and all damages and compensation of whatsoever nature arising therefrom.

In this section the term "property" includes conduits, pipe, wires, poles, or other structures and appliances used to supply or deal in gas, electricity, lights, water, heat, refrigeration, power, telephones, telegraph, television and other public utilities.

Any finding or determination made by the Board of Supervisors pursuant hereto shall be final and binding upon the grantee whether or not such findings or determinations relates to the requirements of public safety or welfare, the use of public roads or the need for proposed improvements, and whether or not the function to be served by such removal or relocation is of a governmental or proprietary nature.

- 7) That said grantee shall indemnify and save harmless, the said County of Maricopa from all costs, expense and liabilities in connection with the granting of this franchise and exercise of the same by them.
- 8) That the rights of any person claiming to be injured in any manner by the maintenance of said projects and equipment shall not be affected hereby.
- 9) That the terms and conditions of this franchise shall inure to the benefit of, and be binding upon, all the heirs and assigns of the said Grantee.
- 10) That the franchise and privilege herein granted shall not be deemed to be exclusive and the said Board of Supervisors hereby expressly reserves the right and power to grant from time to time similar franchises and privileges over the same territory and highways, roads and thoroughfares.
- 11) This franchise is granted upon the express condition that the Certificate of Convenience and Necessity be procured from the Corporation Commission of the State of Arizona and the Certificate of Assured Water Supply be procured from the Arizona Department of Water Resources and proof thereof submitted to the Board of Supervisors within six months from the date of granting of this franchise; and if such Certificates are not granted within six months

from said date, then this franchise to be void, otherwise to be in full force and effect for the time herein specified.

- 12) All materials and construction methods used with the public right-of-way shall conform to the applicable standards, specifications and special provisions currently in effect in Maricopa County.
- 13) The Franchise holder shall obtain a construction permit from the Office of the County Engineer prior to construction of any facilities in the public right-of-way.

DATED this 1st day of July, 1998.


Chairman, Board of Supervisors

ATTEST:


Clerk, Board of Supervisors



RECEIVED

BEFORE THE ARIZONA CORPORATION COMMISSION

A.Z. CORP COMMISSION
DOCKET CONTROL

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

COMMISSIONERS

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

IN THE MATTER OF THE APPLICATION OF LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER), CORP. FOR APPROVAL OF AN EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN MARICOPA COUNTY, ARIZONA.

DOCKET NO. W-01427A-14-0134

IN THE MATTER OF THE APPLICATION OF LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER), CORP. FOR APPROVAL OF AN EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WASTEWATER UTILITY SERVICE IN MARICOPA COUNTY, ARIZONA.

DOCKET NO. SW-01428A-14-0180

IN THE MATTER OF THE APPLICATION OF VALLEY UTILITIES WATER COMPANY, INC. FOR AN EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN MARICOPA COUNTY, ARIZONA.

DOCKET NO. W-01412A-14-0262

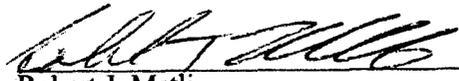
VALLEY UTILITIES WATER COMPANY, INC.'S NOTICE OF FILING RESPONSIVE TESTIMONY TO STAFF REPORT

Valley Utilities Water Company, Inc. ("VUWCO"), through undersigned counsel, hereby files its Responsive Testimony to Staff Report, attached hereto as Exhibit A.

DATED this 17th day of September, 2014.

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

MUNGER CHADWICK, P.L.C.



Robert J. Metli
2398 E. Camelback Road, Suite 240
Phoenix, Arizona 85016
Attorneys for Applicant Valley Utilities
Water Company, Inc.

Original and 13 copies of the foregoing
filed this 17th day of September, 2014, with:

Docket Control
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

Copies of the foregoing hand-delivered/mailed
this 17th day of September, 2014, to:

Sasha Paternoster
Administrative Law Judge
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

Janice Alward, Chief Counsel
Legal Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

Steven M. Olea, Director
Utilities Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

Patrick Black
FENNEMORE CRAIG, P.C.
2394 E. Camelback Road, Suite 600
Phoenix, Arizona 85016

William E. Lally
TIFFANY & BOSCO, P.A.
2525 E. Camelback Road, Seventh Floor
Phoenix, Arizona 85016

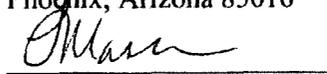


Exhibit A

COMMISSIONERS

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

IN THE MATTER OF THE APPLICATION
OF LIBERTY UTILITIES (LITCHFIELD
PARK WATER AND SEWER), CORP. FOR
APPROVAL OF AN EXTENSION OF ITS
CERTIFICATE OF CONVENIENCE AND
NECESSITY TO PROVIDE WATER
UTILITY SERVICE IN MARICOPA
COUNTY, ARIZONA.

DOCKET NO. W-01427A-14-0134

IN THE MATTER OF THE APPLICATION
OF LIBERTY UTILITIES (LITCHFIELD
PARK WATER AND SEWER), CORP. FOR
APPROVAL OF AN EXTENSION OF ITS
CERTIFICATE OF CONVENIENCE AND
NECESSITY TO PROVIDE WASTEWATER
UTILITY SERVICE IN MARICOPA
COUNTY, ARIZONA.

DOCKET NO. SW-01428A-14-0180

IN THE MATTER OF THE APPLICATION
OF VALLEY UTILITIES WATER
COMPANY, INC. FOR AN EXTENSION OF
ITS CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER
UTILITY SERVICE IN MARICOPA
COUNTY, ARIZONA.

DOCKET NO. W-01412A-14-0262

TESTIMONY
of
Robert L. Prince

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Robert L. Prince. My business address is 6808 N. Dysart Road, Suite 112, Glendale, Arizona 85307.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am the President of Valley Utilities Water Company, Inc. ("Valley" or the "Company").

Q. PLEASE OUTLINE YOUR RESPONSIBILITIES AS THEY RELATE TO VALLEY.

A. As the President, I am generally responsible for the managing of all the operational, administrative, financial, and regulatory matters.

Q. HOW LONG HAVE YOU BEEN INVOLVED WITH VALLEY?

A. I started as a part-time employee in 1962, and became full-time in 1987.

Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE ARIZONA CORPORATION COMMISSION?

A. Yes, on several prior occasions, and most recently in Valley's 2013 rate proceeding, Docket No. W-01412A-12-0195 ("2013 rate case").

Q. IN A PREVIOUS RATE CASE, DECISION NO. 68309 DATED NOVEMBER 14, 2005, YOU WERE ORDERED BY THE COMMISSION TO PRODUCE A POSITIVE EQUITY POSITION. HAVE YOU HAD SUCCESS WITH RESPECT TO THIS ISSUE?

A. Valley has made great strides in producing a positive equity position as well as increasing rate base. Valley's equity position has improved from a negative (\$413,442) for the test year ended December 31, 2003 to a positive \$313,720 as of December 31, 2013, an increase of \$727,162. Valley's rate base has increased from a negative (\$169,027) as of test year ended June 30, 2008 to a positive \$1,769,212 as of December 31, 2013 an increase of \$1,938,239.

Q. WHY DID VALLEY FILE A COMPETING CC&N EXTENSION APPLICATION?

A. First, Valley did not file a CC&N Extension Application merely as an opportunity to expand; Valley was approached by the developer, Mr. John Wittrock, as to our willingness and ability to provide water service to Marbella Ranch. Second, Valley surrounds the extension area on three sides and is contiguous on two sides. Third, with the addition of the Marbella Ranch customers, the economies of scale for Valley's current and future customers will benefit from this CC&N extension. Fourth, we entered into a Main Extension Agreement, approved by the Commission, with the City of Glendale ("City") on a 16-inch water main that extends from Glendale Avenue north to Northern Avenue in Dysart Road. This main extension was entered into with the City to provide water service to assist in the development of the new Northern Parkway and contemplates, as part of the reimbursement, additional development and growth on both the east and west side of Dysart Road.

Q. WHEN WERE YOU CONTACTED BY THE DEVELOPER OR ITS REPRESENTATIVES TO PROVIDE WATER SERVICE TO THE MARBELLA RANCH PROJECT?

A. We had two meetings with Mr. Wittrock, representing TRS 8, LLC and Mr. Ray Jones with Aricor Water Solutions. The meetings were held at Valley's office, on December 3, 2013 and March 10, 2014.

Q. MR. WITTROCK FILED A LETTER IN THE DOCKET, WHICH STATES HE HAS NOT REQUESTED WATER SERVICE FROM VALLEY, IS THIS CORRECT?

A. Mr. Wittrock did not make a written request for water service from Valley; however, in the meetings mentioned previously, Mr. Wittrock and Mr. Jones led us to believe that a verbal request for water service was made to Valley.

Q. WERE YOU AWARE THAT LIBERTY WAS ALSO APPROACHED IN REGARD TO PROVIDING SERVICE TO MARBELLA RANCH?

A. On January 23, 2014, we were informed by Mr. Jones that he and the developer met with Liberty and that Liberty was willing to provide wastewater service and would not oppose Valley providing water service to Marbella Ranch.

Q. EARLIER YOU STATED THAT VALLEY IS CONTIGUOUS ON TWO SIDES OF THE PROPOSED EXTENSION AREA. WHERE ARE THE CLOSEST WATER MAINS IN VALLEY'S CURRENT SERVICE AREA?

A. Valley is not only contiguous on two sides; it also has water mains to the south and to the west of the proposed extension area. We have 8-inch and 12-inch water mains that are 1,490 feet and 1,100 feet, respectively, south of the extension area. Valley also has a 16-inch water main just west of the extension area which provides water to the City of Glendale.

Q. HOW WOULD VALLEY AND ITS CUSTOMERS BENEFIT FROM ECONOMIES OF SCALE?

A. The Marbella Ranch development would increase Valley's customer base by 87%, as compared to a 7% increase for Liberty. Valley would be able to allocate its expenses over a much larger customer base resulting in stabilized rates which benefits current and future customers.

Q. ARE THERE ANY BENEFITS TO THE PUBLIC INTEREST IF VALLEY WAS GRANTED THE CC&N EXTENSION?

A. As I mentioned previously, Valley has a 16-inch water main in Dysart Road that supplies water to the City of Glendale for the Northern Parkway. As part of the approved Main Extension Agreement, the City will be reimbursed by any growth on both the east and west side of Dysart Road. If Valley is not granted the extension, the likelihood of the east side of Dysart being developed and Valley being the water provider would be greatly diminished which would negatively

impact the City.

Q. IS STAFF CORRECT IN STATING THAT VALLEY HAS ADEQUATE PRODUCTION CAPACITY TO SUPPORT THE EXISTING CUSTOMER BASE AND GROWTH IN PHASE I OF THE REQUESTED AREA?

A. No. The proposed Well #1 will provide water to Phase I of Marbella Ranch, not Phase II. The proposed Well #2 will provide water to Phase II of Marbella Ranch and both wells were included in Valley's cost estimate.

Q. WHY DID VALLEY ADOPT LIBERTY'S ON SITE WATER PLAN AND COST ESTIMATES AS WELL AS ITS CONSTRUCTION SCHEDULE?

A. Valley sent a registered letter to Mr. Wittrock on June 19, 2014 requesting all available data specific to the water use for Marbella Ranch. Valley did not receive a response and had no choice but to adopt the on-site plans and construction schedule that were provided to Liberty by the developer.

Q. STAFF STATES THAT VALLEY HAS AN OFF SITE HOOKUP FEE TARIFF. IS THIS CORRECT?

A. No. Valley does not have an off-site hookup fee tariff. Valley does have an Arsenic Impact Fee that is expected to terminate in 2015.

Q. DOES STAFF'S RECOMMENDATION TO REQUIRE VALLEY TO FUND THE ENTIRE CONSTRUCTION COSTS WITH EQUITY SEEM REASONABLE?

A. To require Valley to assume all of the financial risk of construction, typically the responsibility of the developer, is unreasonable and dangerous. Public Service Corporations must not be forced into speculative high risk ventures, irrespective of their debt to equity position. This violates the conservative nature of the water utility industry and unnecessarily jeopardizes the financial wellbeing of any small utility. Furthermore, it is unreasonable to require the shareholders of Valley to make an investment of \$7,450,762, resulting in an investment which would

increase Valley's rate base by 421%, yet only increase Valley's customer base by 87%. This places companies the size of Valley in an untenable position and sets a precedent for growth that only includes larger multinational companies and excludes smaller companies like Valley.

Q. STAFF STATES THAT LIBERTY IS LIKELY TO HAVE EFFICIENCIES THAT VALLEY WOULD NOT HAVE. DOES LIBERTY PROVIDE WASTEWATER SERVICE TO ANY OF VALLEY'S CUSTOMERS NOW AND WHAT HAS THAT EXPERIENCE BEEN LIKE?

A. Currently, 49% of Valley's water customers are provided wastewater services by Liberty. We have worked efficiently with Liberty since the first customer was served in the Dreaming Summit Development in 2001 and we are currently adding new customers for both water and wastewater each month. Valley has been sending and will continue to send monthly reports as needed without any problems. This relationship has not resulted in any complaints by Liberty or customers nor have there been any adverse consequences. There may be small efficiencies by having a single service provider but Staff has not quantified these efficiencies and it seems to be immaterial in relation to the size of the Marbella Ranch Project.

Q. WHAT WILL THE FINANCIAL IMPACT BE TO VALLEY IF ITS CC&N EXTENSION IS GRANTED?

A. The growth that Marbella Ranch would bring to Valley would allow Valley to benefit from economies of scale that would include increases to its retained earnings and to provide for capital improvements at a financially healthier pace. This would result in an improved debt to equity ratio, allowing Valley to achieve a better balance of financial resources.

Q. IS IT POSSIBLE THAT BOTH COMPANIES CAN BENEFIT FROM THE CC&N EXTENSION?

A. If the Commission grants Valley its CC&N extension request, both companies would increase their customer bases. I have already explained above how such expansion would benefit Valley. However, if the Commission grants Liberty its CC&N extension request for water service, there would be no benefit to Valley or its customers.

Q. WHAT OPPORTUNITIES CAN BE ACHIEVED BY THE COMMISSION'S DECISION IN THIS MATTER?

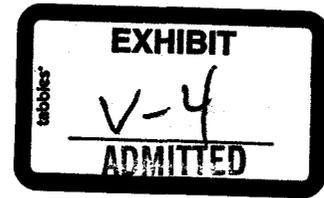
A. This is the Commission's opportunity to allow a small water company to become financially healthier by expansion, which would allow that company to enjoy the economies of scale that are needed for any successful company to thrive. Such expansion will create a financially stronger, larger and more efficient water company, which would benefit all of Valley's customers and ultimately be in the public interest.

Q. DOES THAT CONCLUDE YOUR TESTIMONY?

A. Yes it does.



Valley Utilities Water Co. Inc.



June 18, 2014

TRS 8, LLC, Developer of Marbella Ranch
In Care of Mr. John Wittrock, Agent
18835 North Thompson Peak Parkway, Suite 215
Scottsdale, Arizona 85255

Subject: Water Service for Marbella Ranch

Dear Sir,

Valley Utilities Water Company, Inc. (VUWCO) requests all available data specific to the water use for Marbella Ranch, located approximately at Glendale Avenue on the south, El Mirage Road on the east and Northern Avenue on the north. The information should include but not be limited to land use including residential single family and multi family dwelling units, commercial, industrial, open landscaped areas, platting (preliminary or final), water use demand (as would be found in an Assured Water Supply Document from the Arizona Department of Water Resources) and water main sizes and lengths as suggested by the developer and all other pertinent data that is required in the completion of a CC&N Expansion Application for the Arizona Corporation Commission (ACC). Also, if there is to be a phasing in of the project, please provide information as to the projected time line.

Your timely response is appreciated and necessary as VUWCO is filing as an Intervenor in the Liberty Utilities application and will be filling for its own CC&N Extension for this area.

Thank you in advance for your cooperation.

Regards,

Robert L. Prince
President
Valley Utilities Water Co., Inc
bobprince@vuwco.com



RECEIVED

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

BEFORE THE ARIZONA CORPORATION COMMISSION JULY 17, 2014 11:22

COMMISSIONERS

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

AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION
OF VALLEY UTILITIES WATER
COMPANY, INC. FOR AN EXTENSION OF
THEIR CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER
UTILITY SERVICE IN MARICOPA
COUNTY, ARIZONA.

DOCKET NO. W-01412A-14-0262

NOTICE OF FILING

Pursuant to A.A.C. R14-2-402(B)(5)(v), Valley Utilities Water Company, Inc. ("Applicant"), an Arizona public service corporation, hereby files copies of the written notice sent to all municipal managers within a five (5) mile radius of the proposed extension.

RESPECTFULLY SUBMITTED this 17th day of July, 2014.

MUNGER CHADWICK, P.L.C.

Robert J. Metli
2398 E. Camelback Road, Suite 240
Phoenix, Arizona 85016
Attorneys Valley Utilities Water Company, Inc.

Original and 13 copies of the foregoing
filed this 17th day of July, 2014, with:

Docket Control
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

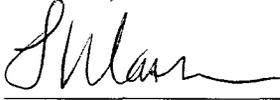
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

Copies of the foregoing hand-delivered/emailed
this 17th day of July, 2014, to:

Lyn Farmer
Chief Administrative Law Judge
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

Janice Alward, Chief Counsel
Legal Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

Steven M. Olea, Director
Utilities Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007





July 15, 2014

Mr. David Fitzhugh
Acting City Manager
City of Avondale
11465 W. Civic Center Drive
Avondale, AZ 85323

Notice Required Pursuant to R14-2-402.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Valley Utilities Water Co., Inc.

Pursuant to A.A.C. R14-2-402.B.4, Valley Utilities Water Co., Inc. ("VUWCO") is providing this notice that VUWCO has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide water service to properties contiguous to its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Valley Utilities Water Co., Inc.
6808 N. Dysart Rd., Ste. 112
Glendale, AZ 85307
623-935-1100

Date Application was Filed

July 10, 2014

Type of Service to be Provided

Water Service

A Description of Requested Service Area

See exhibit I - legal description and map, attached from the ACC Application.

Commission Docket Number

W-01412A-14-0262

Instructions on How to Obtain a COPY of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Valley Utilities Water Co., Inc. 6808 N. Dysart Rd., Ste. 112, Glendale, AZ 85307. In addition, upon request, VUWCO will provide a printed copy or electronic copy upon request.

Legal Description
Valley Utilities Water Company Inc.
Water CC&N Extension

That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section2;

EXCEPT the south 20.00 feet of said Northeast Quarter;

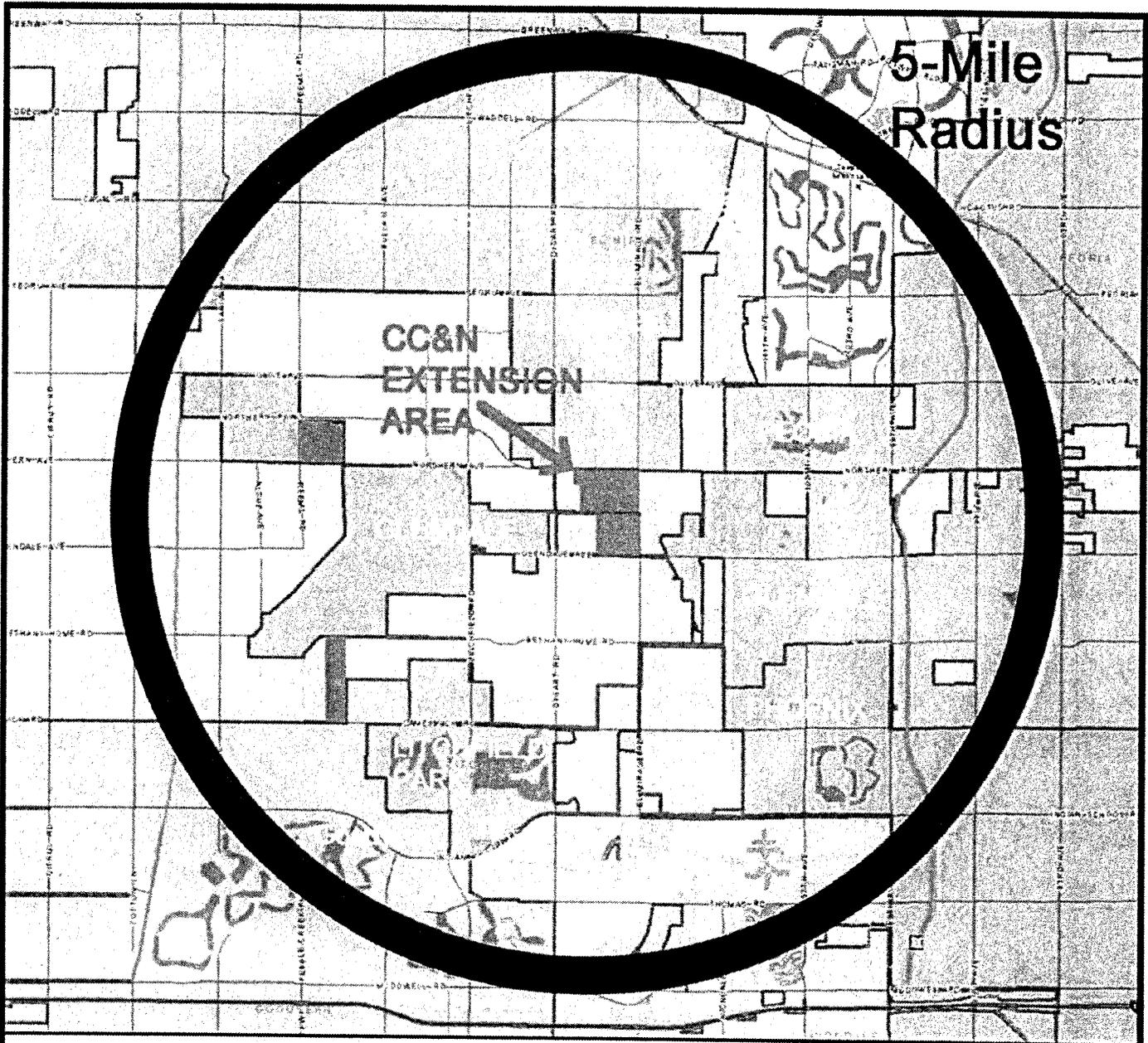
The East $\frac{1}{2}$ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;

The west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Expansion and Nearby Utilities
Valley Utilities Water Co., Inc.



July 15, 2014

Dr. Spencer A. Isom
City Manager
City of El Mirage
12145 NW Grand Ave.
El Mirage, AZ 85335

Notice Required Pursuant to R14-2-402.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Valley Utilities Water Co., Inc.

Pursuant to A.A.C. R14-2-402.B.4, Valley Utilities Water Co., Inc. ("VUWCO") is providing this notice that VUWCO has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide water service to properties contiguous to its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Valley Utilities Water Co., Inc.
6808 N. Dysart Rd., Ste. 112
Glendale, AZ 85307
623-935-1100

Date Application was Filed

July 10, 2014

Type of Service to be Provided

Water Service

A Description of Requested Service Area

See exhibit I - legal description and map, attached from the ACC Application.

Commission Docket Number

W-01412A-14-0262

Instructions on How to Obtain a COPY of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Valley Utilities Water Co., Inc. 6808 N. Dysart Rd., Ste. 112, Glendale, AZ 85307. In addition, upon request, VUWCO will provide a printed copy or electronic copy upon request.

6808 N. DYSART RD, STE 112 GLENDALE, AZ 85307 PHONE (623) 935-1100

Legal Description
Valley Utilities Water Company Inc.
Water CC&N Extension

That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section2;

EXCEPT the south 20.00 feet of said Northeast Quarter;

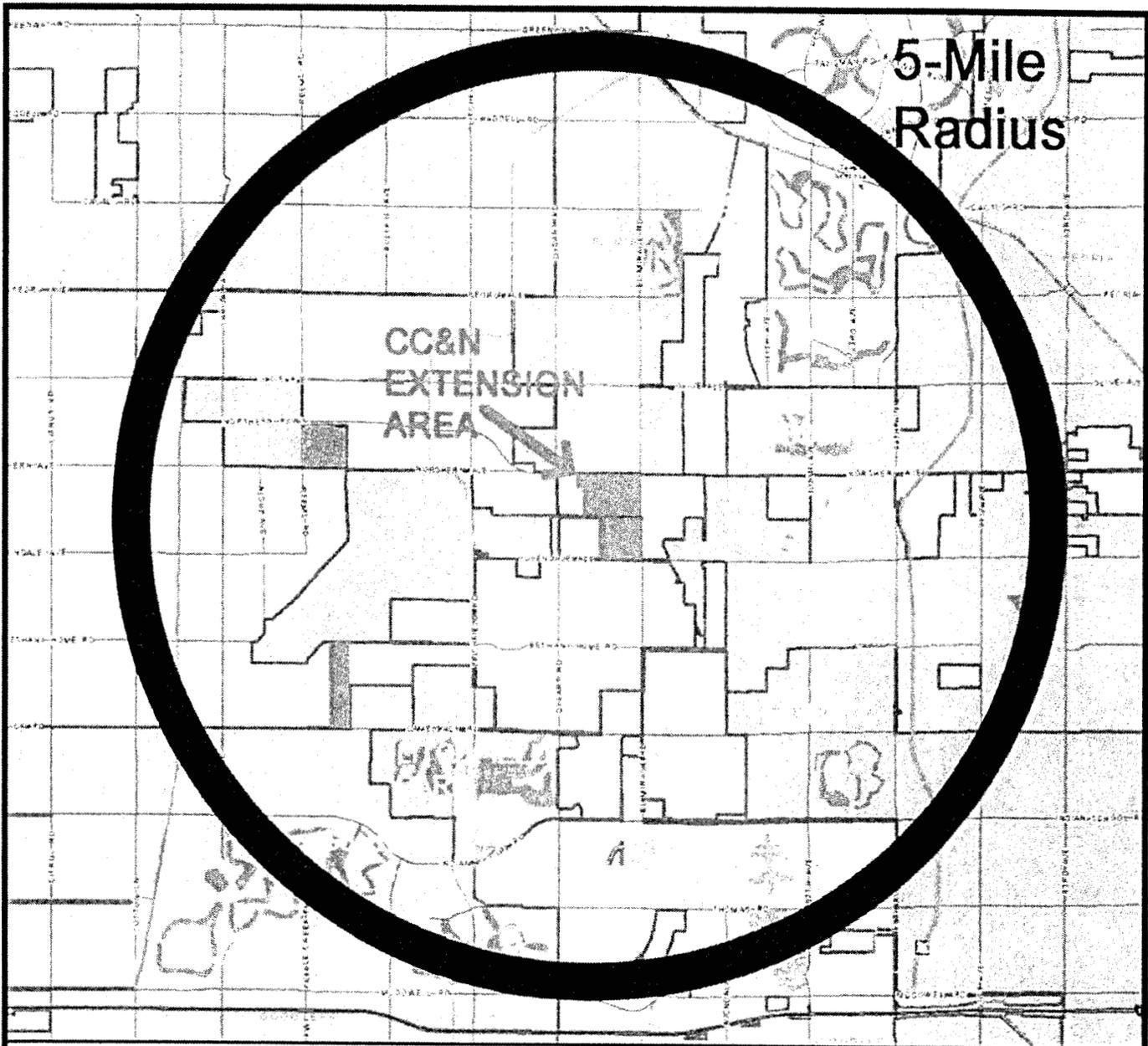
The East ½ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;

The west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



**5-Mile
Radius**

**CC&N
EXTENSION
AREA**

The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

**CC&N Expansion and Nearby Utilities
Valley Utilities Water Co., Inc.**



July 15, 2014

Ms. Brenda Fisher
City Manager
City of Glendale
5850 W. Glendale Avenue
Glendale, AZ 85301

Notice Required Pursuant to R14-2-402.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Valley Utilities Water Co., Inc.

Pursuant to A.A.C. R14-2-402.B.4, Valley Utilities Water Co., Inc. ("VUWCO") is providing this notice that VUWCO has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide water service to properties contiguous to its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Valley Utilities Water Co., Inc.
6808 N. Dysart Rd., Ste. 112
Glendale, AZ 85307
623-935-1100

Date Application was Filed

July 10, 2014

Type of Service to be Provided

Water Service

A Description of Requested Service Area

See exhibit I - legal description and map, attached from the ACC Application.

Commission Docket Number

W-01412A-14-0262

Instructions on How to Obtain a COPY of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Valley Utilities Water Co., Inc. 6808 N. Dysart Rd., Ste. 112, Glendale, AZ 85307. In addition, upon request, VUWCO will provide a printed copy or electronic copy upon request.

6808 N. DYSART RD, STE 112 GLENDALE, AZ 85307 PHONE (623) 935-1100

Legal Description
Valley Utilities Water Company Inc.
Water CC&N Extension

That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northeast Quarter;

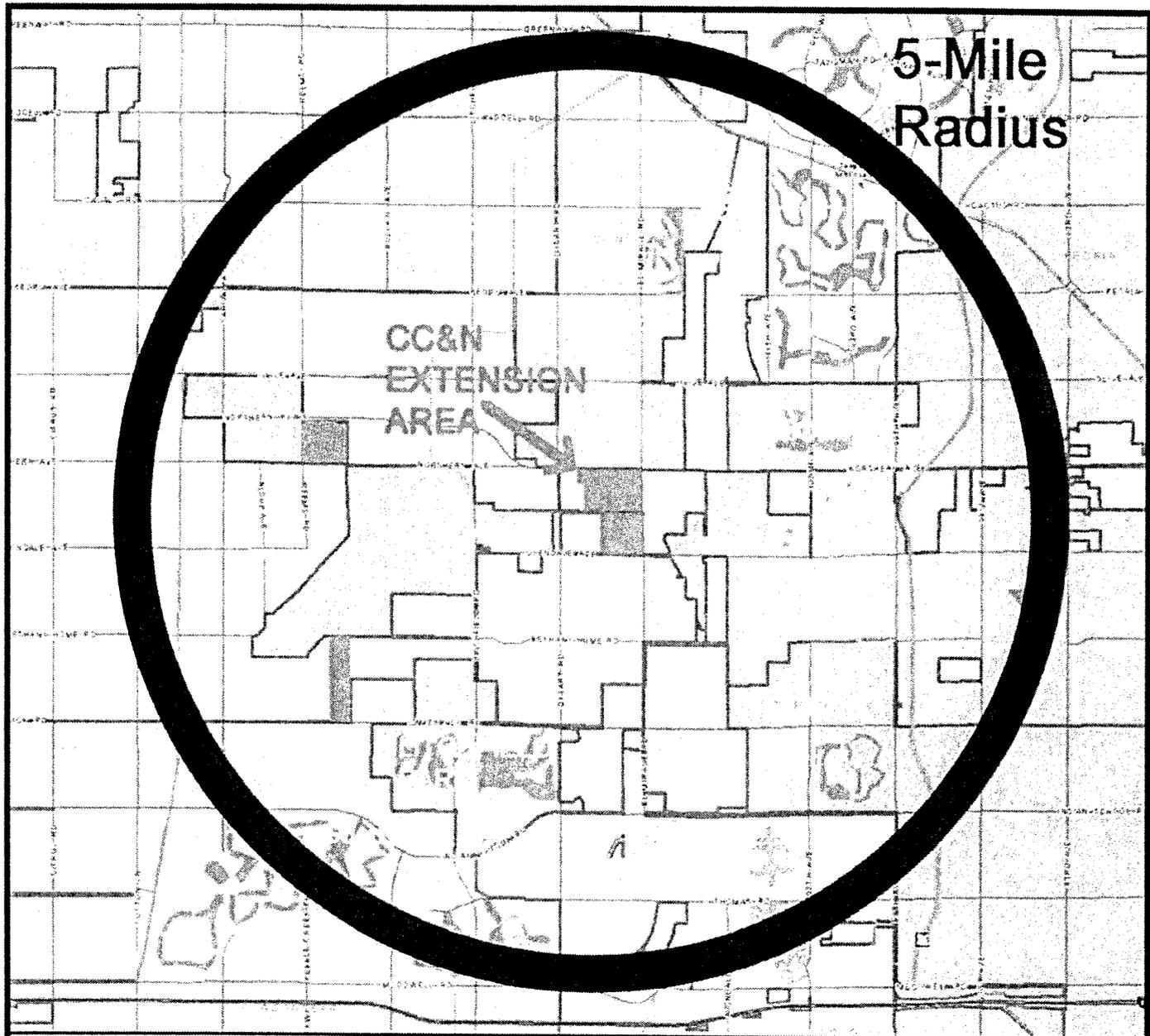
The East ½ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;

The west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Expansion and Nearby Utilities
Valley Utilities Water Co., Inc.



July 15, 2014

Mr. Brian Dalke
City Manager
City of Goodyear
190 N. Litchfield Rd.
Goodyear, AZ 85338

Notice Required Pursuant to R14-2-402.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Valley Utilities Water Co., Inc.

Pursuant to A.A.C. R14-2-402.B.4, Valley Utilities Water Co., Inc. ("VUWCO") is providing this notice that VUWCO has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide water service to properties contiguous to its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Valley Utilities Water Co., Inc.
6808 N. Dysart Rd., Ste. 112
Glendale, AZ 85307
623-935-1100

Date Application was Filed

July 10, 2014

Type of Service to be Provided

Water Service

A Description of Requested Service Area

See exhibit I - legal description and map, attached from the ACC Application.

Commission Docket Number

W-01412A-14-0262

Instructions on How to Obtain a COPY of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Valley Utilities Water Co., Inc. 6808 N. Dysart Rd., Ste. 112, Glendale, AZ 85307. In addition, upon request, VUWCO will provide a printed copy or electronic copy upon request.

Legal Description
Valley Utilities Water Company Inc.
Water CC&N Extension

That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section2;

EXCEPT the south 20.00 feet of said Northeast Quarter;

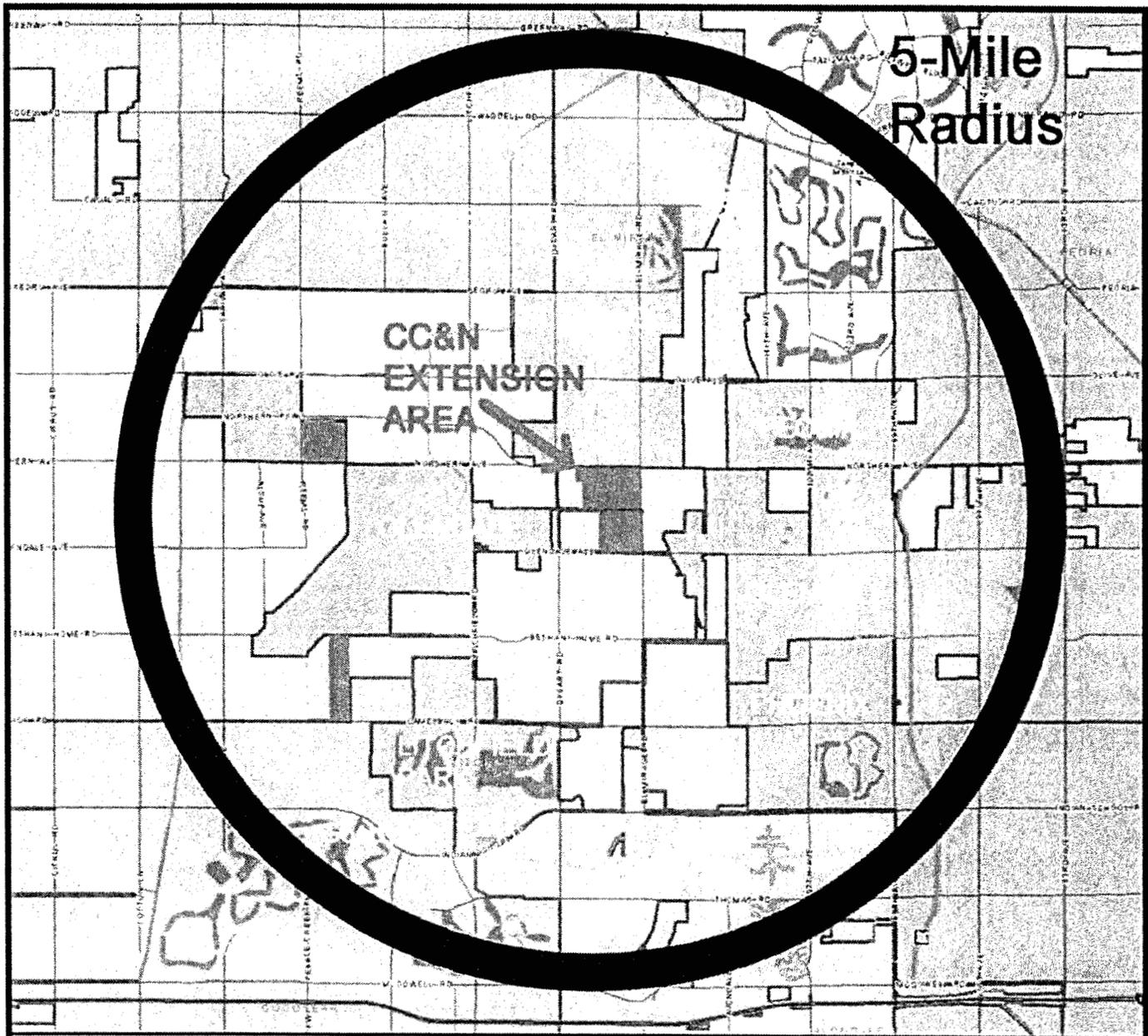
The East $\frac{1}{2}$ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;

The west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Expansion and Nearby Utilities
Valley Utilities Water Co., Inc.



July 15, 2014

Mr. Darryl H. Crossman
City Manager
City of Litchfield Park
214 W. Wigwam Blvd.
Litchfield Park, AZ 85340

Notice Required Pursuant to R14-2-402.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Valley Utilities Water Co., Inc.

Pursuant to A.A.C. R14-2-402.B.4, Valley Utilities Water Co., Inc. ("VUWCO") is providing this notice that VUWCO has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide water service to properties contiguous to its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Valley Utilities Water Co., Inc.
6808 N. Dysart Rd., Ste. 112
Glendale, AZ 85307
623-935-1100

Date Application was Filed

July 10, 2014

Type of Service to be Provided

Water Service

A Description of Requested Service Area

See exhibit I - legal description and map, attached from the ACC Application.

Commission Docket Number

W-01412A-14-0262

Instructions on How to Obtain a COPY of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Valley Utilities Water Co., Inc. 6808 N. Dysart Rd., Ste. 112, Glendale, AZ 85307. In addition, upon request, VUWCO will provide a printed copy or electronic copy upon request.

Legal Description
Valley Utilities Water Company Inc.
Water CC&N Extension

That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northeast Quarter;

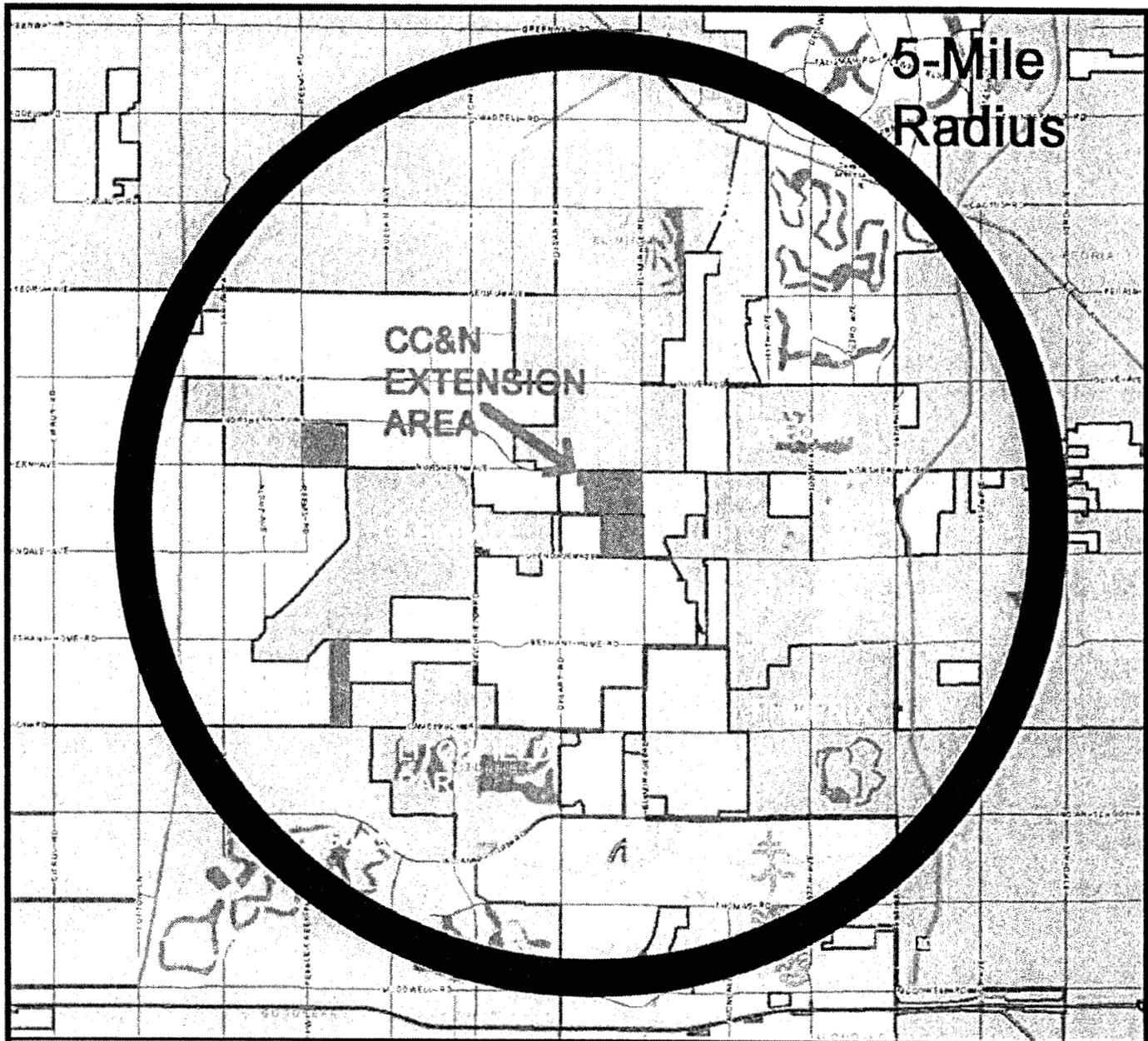
The East $\frac{1}{2}$ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;

The west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

**CC&N Expansion and Nearby Utilities
Valley Utilities Water Co., Inc.**



July 15, 2014

Mr. Carl Swenson
City Manager
City of Peoria Municipal Complex
8401 W. Monroe Street
Peoria, AZ 85345

Notice Required Pursuant to R14-2-402.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Valley Utilities Water Co., Inc.

Pursuant to A.A.C. R14-2-402.B.4, Valley Utilities Water Co., Inc. ("VUWCO") is providing this notice that VUWCO has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide water service to properties contiguous to its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Valley Utilities Water Co., Inc.
6808 N. Dysart Rd., Ste. 112
Glendale, AZ 85307
623-935-1100

Date Application was Filed

July 10, 2014

Type of Service to be Provided

Water Service

A Description of Requested Service Area

See exhibit I - legal description and map, attached from the ACC Application.

Commission Docket Number

W-01412A-14-0262

Instructions on How to Obtain a COPY of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Valley Utilities Water Co., Inc. 6808 N. Dysart Rd., Ste. 112, Glendale, AZ 85307. In addition, upon request, VUWCO will provide a printed copy or electronic copy upon request.

Legal Description
Valley Utilities Water Company Inc.
Water CC&N Extension

That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northeast Quarter;

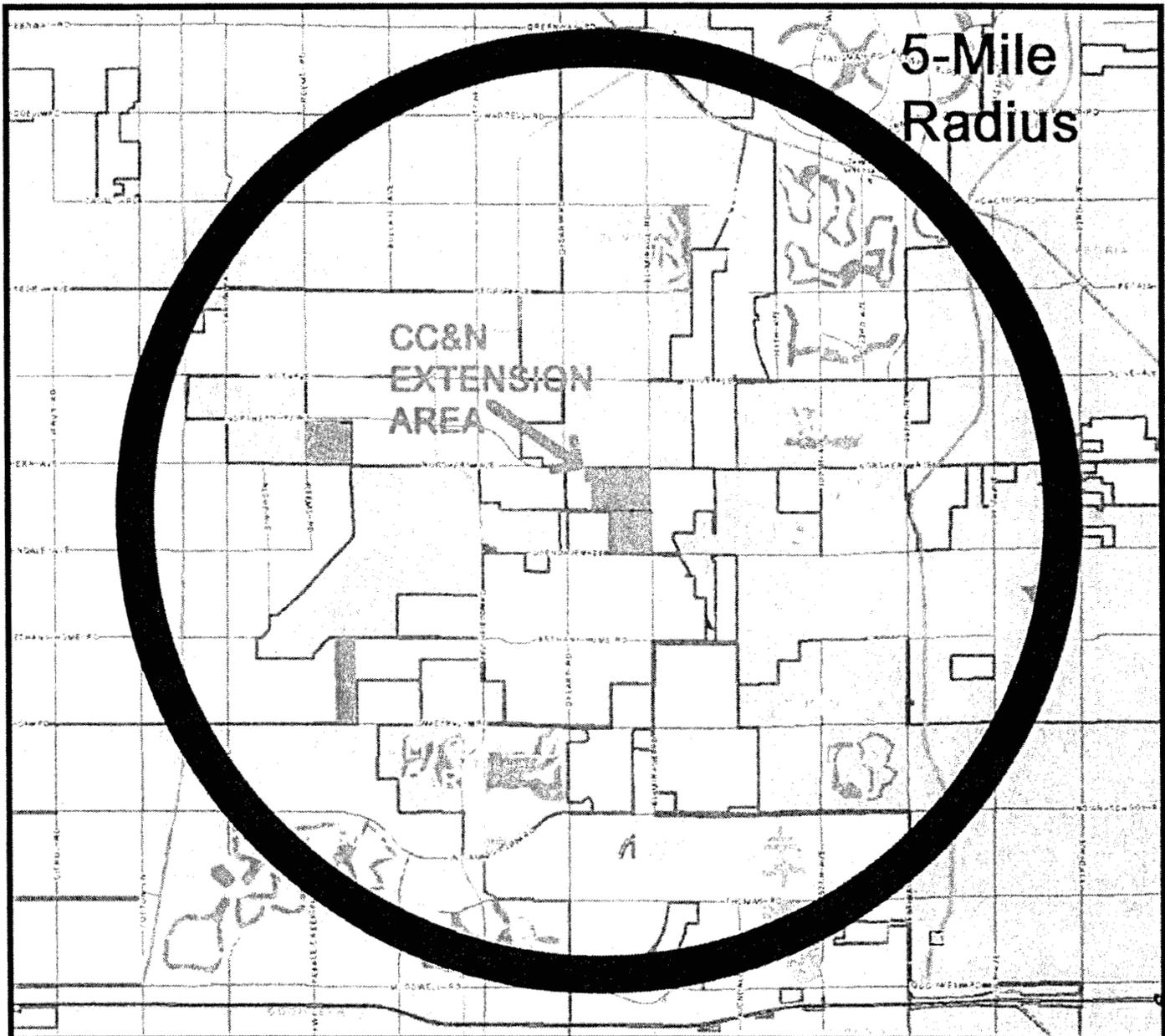
The East $\frac{1}{2}$ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;

The west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

**CC&N Expansion and Nearby Utilities
Valley Utilities Water Co., Inc.**



July 15, 2014

Mr. Ed Zuercher
City Manager
City of Phoenix
200 W. Washington St., 12th Floor
Phoenix, AZ 85003

Notice Required Pursuant to R14-2-402.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Valley Utilities Water Co., Inc.

Pursuant to A.A.C. R14-2-402.B.4, Valley Utilities Water Co., Inc. ("VUWCO") is providing this notice that VUWCO has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide water service to properties contiguous to its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Valley Utilities Water Co., Inc.
6808 N. Dysart Rd., Ste. 112
Glendale, AZ 85307
623-935-1100

Date Application was Filed

July 10, 2014

Type of Service to be Provided

Water Service

A Description of Requested Service Area

See exhibit I - legal description and map, attached from the ACC Application.

Commission Docket Number

W-01412A-14-0262

Instructions on How to Obtain a COPY of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Valley Utilities Water Co., Inc. 6808 N. Dysart Rd., Ste. 112, Glendale, AZ 85307. In addition, upon request, VUWCO will provide a printed copy or electronic copy upon request.

Legal Description
Valley Utilities Water Company Inc.
Water CC&N Extension

That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northeast Quarter;

The East ½ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;

The west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



July 15, 2014

Mr. Chris Hillman
City Manager
City of Surprise
16000 N. Civic Center Plaza
Surprise, AZ 85374

Notice Required Pursuant to R14-2-402.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Valley Utilities Water Co., Inc.

Pursuant to A.A.C. R14-2-402.B.4, Valley Utilities Water Co., Inc. ("VUWCO") is providing this notice that VUWCO has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide water service to properties contiguous to its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Valley Utilities Water Co., Inc.
6808 N. Dysart Rd., Ste. 112
Glendale, AZ 85307
623-935-1100

Date Application was Filed

July 10, 2014

Type of Service to be Provided

Water Service

A Description of Requested Service Area

See exhibit I - legal description and map, attached from the ACC Application.

Commission Docket Number

W-01412A-14-0262

Instructions on How to Obtain a COPY of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Valley Utilities Water Co., Inc. 6808 N. Dysart Rd., Ste. 112, Glendale, AZ 85307. In addition, upon request, VUWCO will provide a printed copy or electronic copy upon request.

Legal Description
Valley Utilities Water Company Inc.
Water CC&N Extension

That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section2;

EXCEPT the south 20.00 feet of said Northeast Quarter;

The East ½ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;

The west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section2;

EXCEPT the north 140.00 feet of said Southeast Quarter.

**5-Mile
Radius**

**CC&N
EXTENSION
AREA**

The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

**CC&N Expansion and Nearby Utilities
Valley Utilities Water Co., Inc.**



July 15, 2014

Ms. Jeanne Blackman
Town Manager
Town of Youngtown
12030 Clubhouse Square
Youngtown, AZ 85363

Notice Required Pursuant to R14-2-402.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Valley Utilities Water Co., Inc.

Pursuant to A.A.C. R14-2-402.B.4, Valley Utilities Water Co., Inc. ("VUWCO") is providing this notice that VUWCO has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide water service to properties contiguous to its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Valley Utilities Water Co., Inc.
6808 N. Dysart Rd., Ste. 112
Glendale, AZ 85307
623-935-1100

Date Application was Filed

July 10, 2014

Type of Service to be Provided

Water Service

A Description of Requested Service Area

See exhibit I - legal description and map, attached from the ACC Application.

Commission Docket Number

W-01412A-14-0262

Instructions on How to Obtain a COPY of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Valley Utilities Water Co., Inc. 6808 N. Dysart Rd., Ste. 112, Glendale, AZ 85307. In addition, upon request, VUWCO will provide a printed copy or electronic copy upon request.

Legal Description
Valley Utilities Water Company Inc.
Water CC&N Extension

That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northeast Quarter;

The East ½ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;

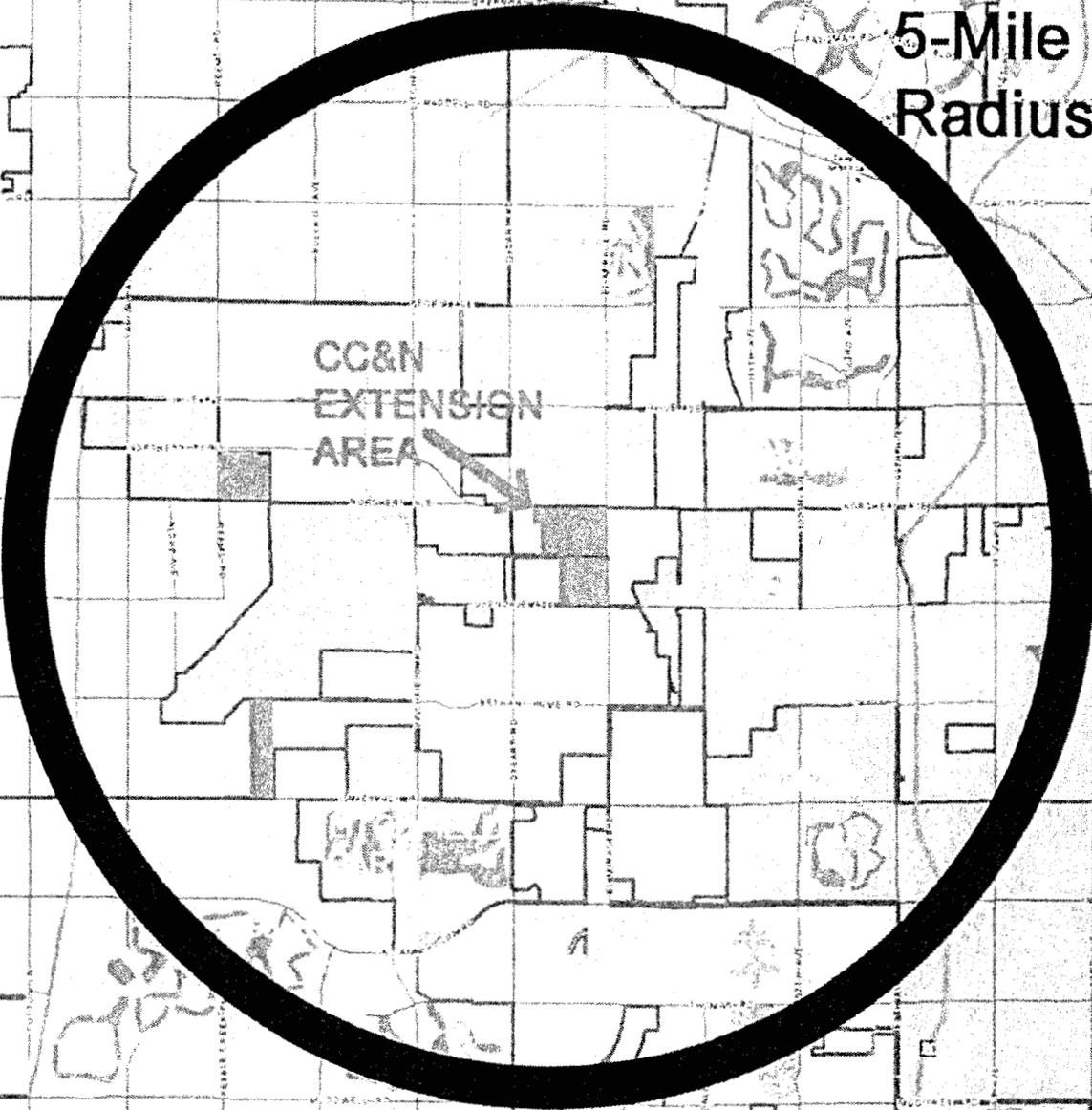
The west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.

5-Mile Radius

CC&N
EXTENSION
AREA

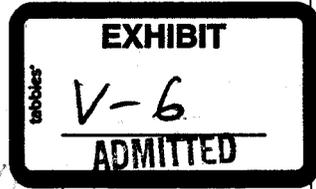


The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Expansion and Nearby Utilities
Valley Utilities Water Co., Inc.

VUWCO



RECEIVED
AUG 22 P 2:05

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

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

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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

IN THE MATTER OF THE APPLICATION OF LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER), CORP. FOR APPROVAL OF AN EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN MARICOPA COUNTY, ARIZONA.

DOCKET NO. W-01427A-14-0134

IN THE MATTER OF THE APPLICATION OF LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER), CORP. FOR APPROVAL OF AN EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WASTEWATER UTILITY SERVICE IN MARICOPA COUNTY, ARIZONA.

DOCKET NO. SW-01428A-14-0180

IN THE MATTER OF THE APPLICATION OF VALLEY UTILITIES WATER COMPANY, INC. FOR AN EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WATER UTILITY SERVICE IN MARICOPA COUNTY, ARIZONA.

DOCKET NO. W-01412A-14-0262

NOTICE OF FILING AFFIDAVITS OF MAILING AND PUBLICATION OF PUBLIC NOTICE

Pursuant to the Procedural Order for consolidated cases dated August 7, 2014, Valley Utilities Water Company, Inc. ("VUWCO"), through its undersigned counsel, submits the attached Affidavit of Mailing and Affidavit of Publication.

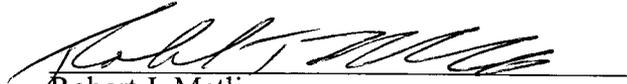
VUWCO mailed a copy of the Notice to all property owners/customers on August 14, 2014. A copy of VUWCO's Affidavit of Mailing signed by Robert Prince is attached as Exhibit A.

8/22

1 VUWCO published the Notice in the August 15, 2014 edition of the *West Valley Business*
2 publication. A copy of the Affidavit of Publication is attached as Exhibit B.

3 DATED this 22ND day of August, 2014.

4 MUNGER CHADWICK, P.L.C.

5
6 

7 Robert J. Metli
8 2398 E. Camelback Road, Suite 240
9 Phoenix, Arizona 85016
10 Attorneys for Applicant Valley Utilities
11 Water Company, Inc.

12 Original and 13 copies of the foregoing
13 filed this 22nd day of August, 2014, with:

14 Docket Control
15 ARIZONA CORPORATION COMMISSION
16 1200 West Washington Street
17 Phoenix, Arizona 85007

18 Copies of the foregoing mailed
19 this 22nd day of August, 2014, to:

20 Patrick Black
21 FENNEMORE CRAIG, P.C.
22 2394 E. Camelback Road, Suite 600
23 Phoenix, Arizona 85016

24 Sasha Paternoster
25 Administrative Law Judge
26 ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

Janice Alward, Chief Counsel
Legal Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

Steven M. Olea, Director
Utilities Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

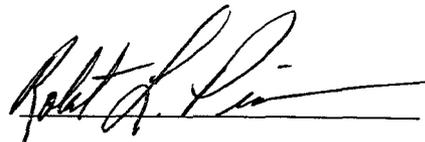


Exhibit A

AFFIDAVIT OF MAILING

Robert L. Prince, being duly sworn, deposes and says:

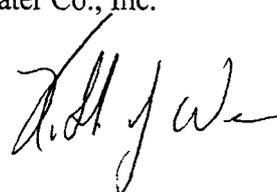
1. I am a resident of the State of Arizona, Maricopa County, over 18 years of age and make this affidavit based on my own personal knowledge.
2. I am the President of Valley Utilities Water Co., Inc. (the "Company").
3. Pursuant to the Procedural Order dated August 7, 2014, on Thursday August 14, 2014, the Company mailed to all property owners in the proposed CC&N extension area a copy of the public notice regarding the hearing on the application of the Company for approval of extension of its CC&N to provide water service. A copy of the notice and certified mail receipts are attached.
4. Pursuant to the order, the Company submits this proof of mailing.

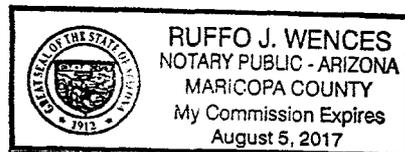

Robert L. Prince

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

The above-described instrument was acknowledged before me this 15th day of August, 2014 by Robert L. Prince, President of Valley Utilities Water Co., Inc.

My Commission Expires: August 5th 2017





**PUBLIC NOTICE OF HEARING ON THE APPLICATION OF VALLEY
UTILITIES WATER COMPANY, INC. FOR APPROVAL OF AN EXTENSION
OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE
WATER SERVICE IN MARICOPA COUNTY, ARIZONA.
DOCKET NO. W-01412A-14-0262**

On April 17, 2014, Liberty Utilities (Litchfield Park Water and Sewer), Corp. ("Liberty" or "Company") filed with the Arizona Corporation Commission ("Commission"), in Docket No. W-01427A-14-0134, an application requesting Commission approval of an extension of its current Certificate of Convenience and Necessity ('CC&N') to provide water utility service to an area known as Marbella Ranch in Maricopa County, Arizona ("Water Docket"). On June 3, 2014, Liberty filed with the Commission, in Docket No. SW-01428A-14-0180, an application requesting Commission approval of an extension of its current wastewater CC&N to provide wastewater utility service to Marbella Ranch ("Wastewater Docket").

On July 10, 2014, Valley Utilities Water Company, Inc. ("Valley") filed a competing application in Docket No. W-01412A-14-0262, which requests an extension of Valley's water CC&N to provide service to the Marbella Ranch ("Valley Docket").

Subsequently, all three dockets were consolidated for purposes of resolving the matters.

The Commission's Utilities Division Staff ("Staff") has not yet made a recommendation regarding the applications, and the Commission is not bound by the proposals made by Valley, Staff, or any intervenors. The Commission will issue a Decision regarding the applications following consideration of testimony and evidence presented at an evidentiary hearing. A copy of the Valley application is available at Valley's offices at 6808 North Dysart Road, Suite 112, Glendale, Arizona 85307, and at the Commission's offices at 1200 West Washington Street, Phoenix, Arizona, for public inspection during regular business hours, and on the internet via the Commission website (www.azcc.gov) using the e-docket function.

The Commission will hold a hearing on the consolidated matters on **September 24, 2014, at 10:00 a.m.**, at the Commission's offices, in Hearing Room No. 1, 1200 West Washington Street, Phoenix, Arizona. Public comments will be taken **on the first day** of the hearing. You may also file written comments electronically by going to the Commission's homepage at www.azcc.gov and clicking on the "Submit a Public Comment" button or by mailing a letter referencing Docket No. W-01427A-14-0134, et al, to: Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007.

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than **September 3, 2014**, and send a copy of the motion to Valley or their counsel and to all parties of record. Your motion to intervene must contain the following:

1. The name, address, and telephone number and the name, address, and telephone number of any party upon whom service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of the Company etc.);
3. A statement certifying that you have mailed a copy of the motion to intervene to Valley or its counsel and to all parties of record in the case; and
4. If the proposed intervenor is not represented by an attorney who is an active member of the Arizona State Bar, and is not an individual representing himself or herself, information and any appropriate documentation demonstrating the intervenor's compliance with Arizona Supreme Court Rules 31,38, and 42, as applicable.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before **September 3, 2014**. For information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any interested person or entity from appearing at the hearing and providing public comment on the applications or from filing written comments in the record of the case.

If you have any questions concerning Valley's application, you may contact Valley at (623)935-1100. If you wish to file written comments on the applications or want further information on intervention, you may contact the Consumer Services Section of the Commission at 1200 W. Washington St., Phoenix, AZ 85007, or call 1-800-222-7000.

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.

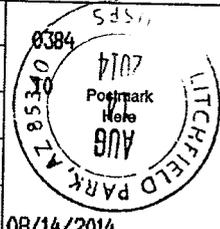
9224 9815 0000 0000 0000 0000

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com®

OFFICIAL USE
COLORADO SPRINGS CO 80903

Postage	\$	\$0.49
Certified Fee		\$3.30
Return Receipt Fee (Endorsement Required)		\$2.70
Restricted Delivery Fee (Endorsement Required)		\$0.00
Total Postage & Fees	\$	\$6.49



08/14/2014

Sent To
El Paso Natural Gas Co. LLC
 Street, Apt. No.,
 or PO Box No. **2 North Nevada**
 City, State, ZIP+4
Colorado Springs CO 80903

PS Form 3800, August 2006 See Reverse for Instructions

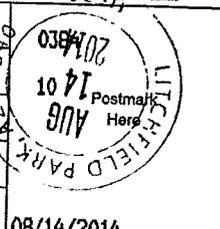
5424 9815 0000 0000 0000 0000

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com®

OFFICIAL USE
SCOTTSDALE AZ 85255

Postage	\$	\$0.49
Certified Fee		\$3.30
Return Receipt Fee (Endorsement Required)		\$2.70
Restricted Delivery Fee (Endorsement Required)		\$0.00
Total Postage & Fees	\$	\$6.49



08/14/2014

Sent To
TRS 8 LLC **STE 215**
 Street, Apt. No.,
 or PO Box No. **18835 N. Thompson Peak Pkwy**
 City, State, ZIP+4
Scottsdale AZ 85255

PS Form 3800, August 2006 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

TRS 8, LLC
18835 N. Thompson Peak Pkwy
Ste 215
Scottsdale AZ 85255

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
 Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type
 Certified Mail® Priority Mail Express™
 Registered Return Receipt for Merchandise
 Insured Mail Collect on Delivery

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number
(Transfer from service label)

7014 1200 0000 5186 4245

PS Form 3811, July 2013

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

El Paso Natural Gas CO LLC
2 North Nevada
Colorado Springs CO 80903

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
 Addressee

B. Received by (Printed Name) 80903 C. Date of Delivery

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number
(Transfer from service label)

7014 1200 0000 5186 4238

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

Exhibit B

WEST VALLEY BUSINESS

1050 E. Riley Dr., Avondale, AZ 85323 ♦ (623) 535-8439 ♦ Fax: (623) 935-2103

AFFIDAVIT OF PUBLICATION

State of Arizona

County of Maricopa

I, Elliott Freireich, publisher of West Valley View and West Valley Business, newspapers of general circulation in Avondale, Buckeye, Goodyear, Litchfield Park and Tolleson, Arizona, attest that the legal advertisement for

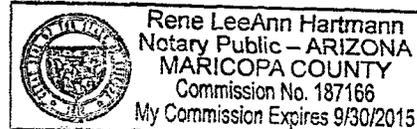
Valley Utilities Water Company
Public Notice - Public Notice of Hearing on the
Application for approval of an extension of its
certificate of Convenience and Necessity to provide
water service in Maricopa County, Socket No. W-01412A-14-0262
Hearing will be held on September 24, 2014, 10:00 AM at the
will be has been published on August 15, 2014 Commission's office

EJF
Elliott Freireich
President, West Valley View Inc.

August 15, 2014
Date

SUBSCRIBED AND SWORN BEFORE ME ON THE
15 Day of August (Month) 2014 (YEAR)

Notary Signature Rene LeeAnn Hartmann



Public Notice

**PUBLIC NOTICE OF HEARING
ON THE APPLICATION
OF VALLEY UTILITIES
WATER COMPANY,
INC. FOR APPROVAL
OF AN EXTENSION OF
ITS CERTIFICATE OF
CONVENIENCE AND
NECESSITY TO PROVIDE
WATER SERVICE IN
MARICOPA COUNTY,
ARIZONA.
DOCKET NO.
W-01412A-14-0262**

On April 17, 2014, Liberty Utilities (Litchfield Park Water and Sewer), Corp. ("Liberty" or "Company") filed with the Arizona Corporation Commission ("Commission"), in Docket No. W-01427A-14-0134, an application requesting Commission approval of an extension of its current Certificate of Convenience and Necessity ("CC&N") to provide water utility service to an area known as Marbella Ranch in Maricopa County, Arizona ("Water Docket"). On June 3, 2014, Liberty filed with the Commission, in Docket No. SW-01428A-14-0180, an application requesting Commission approval of an extension of its current wastewater CC&N to provide wastewater utility service to Marbella Ranch ("Wastewater Docket").

On July 10, 2014, Valley Utilities Water Company, Inc. ("Valley") filed a competing application in Docket No. W-01412A-14-0262, which requests an extension of Valley's water CC&N to provide service to the Marbella Ranch ("Valley Docket").

Subsequently, all three dockets were consolidated for purposes of resolving the matters.

The Commission's Utilities Division Staff ("Staff") has not yet made a recommendation regarding the applications, and the Commission is not bound by the proposals made by Valley, Staff, or any intervenors. The Commission will issue a Decision regarding the applications following consideration of testimony and evidence presented at an evidentiary hearing. A copy of the Valley application is available at Valley's offices at 6808 North Dysart Road, Suite 112, Glendale, Arizona 85307, and at the Commission's offices at 1200 West Washington Street, Phoenix, Arizona, for public inspection during regular business hours, and on the internet via the Commission website (www.azcc.gov) using the e-docket function.

The Commission will hold a hearing on the consolidated matters on **September 24, 2014, at 10:00 a.m.**, at the Commission's offices, in Hearing Room No. 1, 1200 West Washington Street, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. You may also file written comments electronically by going to the Commission's homepage at www.azcc.gov and clicking on the "Submit a Public Comment" button or by mailing a letter referencing

Docket No. W-01427A-14-0134, et al, to: Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007.

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than **September 3, 2014**, and send a copy of the motion to Valley or their counsel and to all parties of record. Your motion to intervene must contain the following:

- The name, address, and telephone number and the name, address, and telephone number of any party upon whom service of documents is to be made, if not yourself;
- A short statement of your interest in the proceeding (e.g., a customer of the Company etc.);
- A statement certifying that you have mailed a copy of the motion to intervene to Valley or its counsel and to all parties of record in the case; and
- If the proposed intervenor is not represented by an attorney who is an active member of the Arizona State Bar, and is not an individual representing himself or herself, information and any appropriate documentation demonstrating the intervenor's compliance with Arizona Supreme Court Rules 31.38, and 42, as applicable.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before September 3, 2014. For information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any interested person or entity from appearing at the hearing and providing public comment on the applications or from filing written comments in the record of the case.

If you have any questions concerning Valley's application, you may contact Valley at (623)935-1100. If you wish to file written comments on the applications or want further information on intervention, you may contact the Consumer Services Section of the Commission at 1200 W. Washington St., Phoenix, AZ 85007, or call 1-800-222-7000.

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.

Published in the West Valley View, and the West Valley Business on August 15, 2014.

ORIGINAL

NEW APPLICATION

EXHIBIT
L-1
ADMITTED



1 FENNEMORE CRAIG
2 A Professional Corporation
3 Patrick J. Black (No. 017141)
4 2394 E. Camelback Rd, Suite 600
5 Phoenix, Arizona 85016
6 Telephone (602) 916-5000

Arizona Corporation Commission
DOCKETED
APR 17 2014

DOCKETED BY
nr

Attorneys for Liberty Utilities (Litchfield Park Water and Sewer), Corp.

BEFORE THE ARIZONA CORPORATION COMMISSION

7
8
9 IN THE MATTER OF THE APPLICATION
10 OF LIBERTY UTILITIES (LITCHFIELD
11 PARK WATER AND SEWER), CORP. FOR
12 A CERTIFICATE OF CONVENIENCE AND
13 NECESSITY TO PROVIDE WATER
14 UTILITY SERVICE IN MARICOPA
15 COUNTY, ARIZONA

DOCKET NO. W-01427A-14-0134
**APPLICATION FOR EXTENSION OF
CERTIFICATE OF CONVENIENCE
AND NECESSITY**

16 Pursuant to A.A.C. R14-2-402, Liberty Utilities (Litchfield Park Water and Sewer)
17 Corp. ("Applicant"), an Arizona public service corporation, hereby applies to the Arizona
18 Corporation Commission ("Commission") for an Order approving the extension of
19 Applicant's existing Certificate of Convenience and Necessity ("CC&N") to provide
20 water utility service in certain defined portions of Maricopa County, Arizona.

INTRODUCTION

21 Marbella Ranch (the "Property") is an approximately 365 acre property located on
22 the El Mirage Road alignment between Glendale Avenue and Northern Avenue. The
23 Property is within the City of Glendale strip annex and planning area, but is currently part
24 of unincorporated Maricopa County. The Property is currently zoned Rural-43 by
25 Maricopa County. The Luke Air Force Base ("Luke") Air Installation Compatible Use
26 Zone runs along the northwestern portion of the Property.

1 3. A full list of names, titles and mailing addresses for Applicant's officers and
2 directors is attached hereto as **Exhibit 3**.

3 4. Applicant's management contact is Greg Sorensen, 12725 W. Indian School
4 Road, Suite D-101. Avondale, AZ 85392. His telephone number is (623) 298-3763.

5 5. Applicant's operator certified by the ADEQ is Matthew Garlick, whose
6 business address is 12725 W. Indian School Road, Suite D-101. Avondale, AZ 85392.
7 The telephone number is (623) 298-3763. Matthew Garlick is also the on-site manager
8 for Applicant.

9 6. Applicant's attorneys are Fennemore Craig, P.C. whose address is 2394 E.
10 Camelback Road, Suite 600, Phoenix, Arizona 85016-3429. The individual attorney
11 responsible for this application is Patrick J. Black. Mr. Black's telephone number is (602)
12 916-5400. All Data Requests or other Requests for Information should be directed to
13 Greg Sorensen, with a copy to Mr. Black's attention, on behalf of Applicant.

14 7. The area covered by this Application includes approximately 368.2 acres
15 ("Requested Area"), which represents property owned by the requesting developer. All
16 property included within the Requested Area is part of the Marbella Ranch development;
17 as such, there are no landowners within the Requested Area who did not request an
18 extension of water utility service. The City of Glendale is the closest municipality with
19 portions of the CC&N Extension Area being part of the City of Glendale strip annex along
20 both Glendale Ave. and Northern Ave. However, with the exception of the strip annex
21 within the road right-of-way, the CC&N Extension area is within unincorporated
22 Maricopa County. Also within five miles is the City of Goodyear, the City of Avondale,
23 the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El
24 Mirage, the Town of Youngtown and the City of Surprise.

25 8. Legal descriptions for the Requested Area are attached hereto as **Exhibit 4**.

26

1 9. A complete description of the facilities proposed to be constructed is
2 contained in the Preliminary Engineering Report for Marbella Ranch, attached hereto as
3 **Exhibit 5.**

4 10. The estimated total cost for construction of facilities required to serve the
5 proposed area is attached hereto as **Exhibit 6.** Construction of the offsite and onsite
6 facilities will be financed through a combination of contributions and advances in aid of
7 construction made by the Developer, as well as capital improvements (equity) paid for by
8 Applicant.

9 11. A general Statement of Financial Condition is attached hereto as **Exhibit 7.**

10 12. Applicant will be charging its existing rates and charges. A copy of
11 Applicants existing tariffed rate schedule is attached hereto as **Exhibit 8.**

12 13. Applicant's estimated annual operating revenue and operating expenses for
13 each of the first five years of operation in the Requested Area is attached hereto as
14 **Exhibit 9.**

15 14. Phase 1 of Marbella Ranch is located in the southern portion of the
16 Requested Area and consists of 600 single family homes. Construction of the first phase
17 of off-site and on-site water facilities to serve the development is scheduled to begin
18 within 18 months of receipt of Commission approval of this CC&N Application and is
19 expected to take approximately one year to complete. Additional phases of on-site
20 facilities for Phase 1 will be constructed as individual parcels are developed within Phase
21 1. Phase 2 of Marbella Ranch is located in the northern portion of the Requested Area and
22 includes 660 dwelling units and a 50.5 acre industrial parcel. Construction of initial water
23 facilities for Phase 2 is expected to begin one year after completion of phase one facilities
24 and is expected to take approximately one year to complete. Additional phase of on-site
25 facilities for Phase 2 will be constructed as individual parcels are developed within Phase
26 2.

1 15. A written request for the extension of water utility service for the Requested
2 Area is attached hereto as **Exhibit 10**.

3 16. Detailed maps of the Requested Area is attached hereto as **Exhibit 11**. Five
4 separate maps labeled Map 11-1, Map 11-2, Map 11-3, Map 11-4 and Map 11-5 are
5 provided. Map 11-1 shows the Requested Area and municipal corporate limits that
6 overlap with or are within five miles of the area. Map 11-2 shows the Requested Area and
7 its relationship to the service areas of public service corporations, municipalities, or
8 districts currently providing water or wastewater service within one mile of the Requested
9 Area, with identification of the entity providing service and each type of service being
10 provided. Map 11-3 includes:

- 11 • the boundaries of the Requested Area, with the total acreage noted.
- 12 • the land ownership boundaries within the Requested Area, with the acreage
13 of each separately owned parcel within the Requested Area noted.
- 14 • the owner of each parcel within the Requested Area.
- 15 • that there are not any known water service connections that are already
16 being provided service by the applicant within the Requested Area.
- 17 • the location of all parcels for which a copy of a request for service has been
18 submitted.

19 Map 11-4 shows the location of Marbella Ranch, the only proposed development within
20 the area. Map 11-5 shows the proposed location of the principal components of the water
21 system planned for the Requested Area.

22 17. A copy of the notice sent to municipal managers/administrators for
23 municipalities within a five (5) mile radius, are attached hereto as **Exhibit 12**.

24 18. Applicant has obtained all appropriate city, county and/or state agency
25 approvals required to provide water utility service in the Requested Area.

26

1 19. The estimated numbers of customers to be served in each of the first five
2 years of water utility service in the Requested Area is attached hereto as **Exhibit 13**.

3 20. ADEQ Approvals to Construct issued for facilities to be constructed in the
4 Requested Area will be provided to the Commission as soon as Applicant receives them.

5 21. The Requested Area is not currently within any wastewater service
6 provider's service area. However, Applicant intends to file an application with the
7 Commission to extend its wastewater CC&N to encompass the Requested Area. Due to
8 timing concerns, Applicant anticipates filing such application within the next 180 days.

9 22. The Applicant is within the Phoenix Active Management Area created by
10 the Arizona Groundwater Code. As a result, the Company is subject to certain water
11 conservation requirements imposed by the Third Management Plan and any subsequent
12 management plans adopted by the Arizona Department of Water Resource. Over and
13 above the requirements imposed by ADWR, the Company voluntarily committed to a
14 total of 10 water conservation Best Management Practices ("BMPs").

15 Some specific examples of conservation efforts by the Applicant include the
16 prominent display of conservation brochures and flyers in the customer accessible office,
17 and quarterly conservation based newsletters that are sent to all customers as a bill insert.
18 Customers who receive e-bills are provided a link which directs them to our website in
19 order to view the quarterly conservation newsletter on-line. The Applicant also pride
20 itself in getting out into the community and meeting with customers to encourage
21 conservation. Additionally, the Applicant offers and promotes free landscape audits to our
22 customers where we inspect their timers, landscaping, drop systems, etc and counsel them
23 on ways to conserve water. The requirements of the Third Management Plan, the BMPs
24 adopted by the Applicant and all other of the Applicant's conservation efforts will be
25 applied to the Requested Area. There are no golf courses or ornamental lakes planned in
26 the Requested Area.

1 23. The developer of Marbella Ranch, TRS 8, LLC has retained Southwest
2 Groundwater Consultants, Inc. to prepare and file an Analysis of Assured Water Supply
3 Application with the Arizona Department of Water Resources. The application is
4 expected to be filed within 90 days and approval of the AAWS is expected no later than
5 the 1st quarter of 2015.

6 24. A Public Water System Compliance Report issued by the Maricopa County
7 Environmental Services Department as designee for ADEQ is attached hereto as **Exhibit**
8 **14**.

9 25. Applicant's Water Use Data Sheet for the period ending is attached hereto
10 as **Exhibit 15**.

11 26. A notarized signature on behalf of Applicant is attached hereto as **Exhibit**
12 **16**.

13 27. For the reasons stated herein, Applicant maintains that this Application is in
14 the public interest and should be granted. There is a need for regulated water utility
15 service in Maricopa County to ensure the public health, and foster orderly growth.

16 WHEREFORE, Applicant respectfully requests the following:

17 A. That the Commission proceeds to consider and act upon this Application as
18 timely as possible and to schedule a hearing, if necessary, on this matter;

19 B. That upon completion of said hearing that the Commission enter an Order
20 approving the Application to include the Requested Area as shown in **Exhibit 11**;

21 C. That the Commission grant such other and further relief as may be
22 appropriate under the circumstances herein.

23
24
25
26

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

RESPECTFULLY SUBMITTED this 17th day of April, 2014.

FENNEMORE CRAIG, P.C.

By: 
Patrick J. Black
Attorneys for Liberty Utilities (Litchfield
Park Water and Sewer) Corp.

ORIGINAL and 15 copies filed
this 17th day of April, 2014 with:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

By: 
9040510.1/035227.0035

List of Exhibits

- 1
- 2
- 3 1. The proper name, address and corporate structure for Applicant
- 4 2. Applicant's Certificate of Good Standing from the Arizona Corporation
- 5 Commission
- 6 3. A full list of names, titles and mailing addresses for Applicant's officers and
- 7 directors
- 8 4. Legal description of the Requested Area.
- 9 5. Master Water Report for Marbella Ranch containing description of the facilities
- 10 proposed to be constructed
- 11 6. Estimated total construction costs and plant cost projections
- 12 7. Applicant's General Statement of Financial Condition
- 13 8. Applicant's Tariff – Schedule of Rates and Charges
- 14 9. Annual Revenue and Expenses – First Five Years
- 15 10. Written Request for Service
- 16 11. Maps of Existing CC&N and Requested Area
- 17 12. Notice to be Sent to Municipalities within 5 mile of Requested Area
- 18 13. Estimated Number of Customers – First Five Years
- 19 14. Public Water System Compliance Report
- 20 15. Applicant's Water Use Data Sheet
- 21 16. Notarized Signature of Steve Carlson on Behalf of Applicant
- 22
- 23
- 24
- 25
- 26

1 APPLICATION OF
2 LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
3 FOR AN EXTENSION OF AN CERTIFICATE OF CONVENIENCE
4 AND NECESSITY TO PROVIDE WATER UTILITY SERVICE
5 IN MARICOPA COUNTY, ARIZONA

6 **Exhibit 1**

7 **Applicant's Proper Name:** Liberty Utilities (Litchfield Park Water & Sewer) Corp.

8 **Applicant's Address:** 12725 W. Indian School Road, Suite D-101

9 **Applicant's Corporate Structure:** For-profit public service Chapter "C" Corporation

10 500,000 Shares authorized

11 7,820 shares issued on February 24, 2003 (in the name of Liberty Water Co.)

12 **Officers and Directors and mailing addresses:**

13 **OFFICERS**

14 Ian Robertson, Chief Executive Officer
15 2845 Bristol Circle
16 Oakville, ON L6H 7H7

17 David Bronicheski, Treasurer and Secretary
18 2845 Bristol Circle
19 Oakville, ON L6H 7H7

20 **DIRECTORS**

21 Gregory S. Sorensen, President – Arizona
22 12725 W. Indian School Road, Suite D-101
23 Avondale, AZ 85392

24 Ian Robertson, President
25 2845 Bristol Circle
26 Oakville, ON L6H 7H7

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 2
(Certificate of Good Standing)

STATE OF ARIZONA



Office of the
CORPORATION COMMISSION

CERTIFICATE OF GOOD STANDING

To all to whom these presents shall come, greeting:

I, Jodi A. Jerich, Executive Director of the Arizona Corporation Commission, do hereby certify that

*****LIBERTY UTILITIES (LITCHFIELD PARK WATER & SEWER) CORP.*****

a domestic corporation organized under the laws of the State of Arizona, did incorporate on September 21, 1954.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation is not administratively dissolved for failure to comply with the provisions of the Arizona Business Corporation Act; and that its most recent Annual Report, subject to the provisions of A.R.S. sections 10-122, 10-123, 10-125 & 10-1622, has been delivered to the Arizona Corporation Commission for filing; and that the said corporation has not filed Articles of Dissolution as of the date of this certificate.

This certificate relates only to the legal existence of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 4th Day of April, 2014, A. D.




Jodi A. Jerich, Executive Director

By: _____ 1045347

1 APPLICATION OF
2 LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
3 FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
4 AND NECESSITY TO PROVIDE WATER UTILITY SERVICE
5 IN MARICOPA COUNTY, ARIZONA

6 **Exhibit 3**

7 **(List of Officers and Directors)**

8 **OFFICERS**

9 Ian Robertson, Chief Executive Officer
10 2845 Bristol Circle
11 Oakville, ON L6H 7H7

12 David Bronicheski, Treasurer and Secretary
13 2845 Bristol Circle
14 Oakville, ON L6H 7H7

15 **DIRECTORS**

16 Gregory S. Sorensen, President – Arizona
17 12725 W. Indian School Road, Suite D-101
18 Avondale, AZ 85392

19 Ian Robertson, President
20 2845 Bristol Circle
21 Oakville, ON L6H 7H7

1 APPLICATION OF
2 LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
3 FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
4 AND NECESSITY TO PROVIDE WATER UTILITY SERVICE
5 IN MARICOPA COUNTY, ARIZONA

6 Exhibit 4

7
8 (Legal Description of Requested Area)
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

Exhibit 4

**Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Water CC&N Extension**

That portion of Section 2, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northeast Quarter;

The East ½ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;

the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.

1 APPLICATION OF
2 LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
3 FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
4 AND NECESSITY TO PROVIDE WATER UTILITY SERVICE
5 IN MARICOPA COUNTY, ARIZONA

6 **Exhibit 5**

7 **(Master Water Report)**
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

PRELIMINARY ENGINEERING REPORT WATER MASTER PLAN

**Marbella Ranch
Section 2, T2N, R1E
Maricopa County, Arizona**

April 14, 2014

Prepared for:
TRS 8, LLC
18835 North Thompson Peak Parkway, Suite 215
Scottsdale, AZ 85255

Prepared By:
ARICOR Water Solutions LC
25213 N. 49th Drive
Phoenix, AZ 85083
(623) 341-4771 FAX (623) 582-5160



ARICOR
Water Solutions

TABLE OF CONTENTS

1. Executive Summary 1

2. Introduction 2

 2.1 Objective 2

 2.2 Project Location 2

 2.3 Topographic Conditions 2

 2.4 Proposed Development 3

3. Design Criteria 5

4. Demands 6

5. Existing Facilities/Conditions 7

6. Proposed Facilities 8

7. Summary/Conclusions 10

LIST OF TABLES

Table 3.1 – Liberty Demand Criteria 5

Table 3.2 – Additional Water System Criteria 5

Table 3.3 - Summary Water Master Planning Factors 6

Table 4.1 - Land Use and Demand Factors 6

Table 4.2 - Estimated Demand and Facilities Requirements 7

LIST OF FIGURES

Figure 2.1 – Area Map 2

Figure 2.2 – Marbella Ranch Development Map 4

Figure 6.1 – Planned Water Facilities Map 9

Appendix 1 – Estimate of Construction Cost



1. Executive Summary

Marbella Ranch is an approximately 365 acre property that will be provided water service by Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty"). Liberty will file an application with the Arizona Corporation Commission to extend its Certificate of Convenience and Necessity ("CC&N") to include the Marbella Ranch project.

Marbella Ranch is an approximately 365 acre property under contract to TRS 8, LLC who will develop the Marbella Ranch project. Marbella Ranch will be developed in phases. Phase 1 of Marbella Ranch is located in the southern portion of the property and is planned for 600 single family homes. Phase 2 of Marbella Ranch is located in the northern portion of the property and is planned for 660 dwelling units and includes a 50.5 acre industrial parcel. The maximum number of dwelling units on the Property will not exceed 1,260 units.

Design criteria are in accordance with the requirements of Liberty as presented in Liberty's Development Guide for Maricopa County Properties dated October 22, 2009. Based on the design criteria, the facilities requirements are summarized as follows:

- Required Well Capacity – 1,030 gpm
- Required Storage Capacity – 593,370 gallons (operational) & 540,000 gallons (fire)
- Pumping Capacity – 1,030 gpm plus 3,000 gpm fire = 4,030 gpm

Liberty has verified that the wells, storage and booster pumping capacity at the Airline Reservoir site can meet the facilities requirements for Marbella Ranch and that the Airline Reservoir site will be the primary supply for Marbella Ranch. However, Liberty has indicated that it is planning to create a new pressure zone in the northern portion of its service area ("zone 2") and would like to expand its well field to supplement supply and pumping capability in the new pressure zone.

Liberty's existing distribution system will be extended approximately $\frac{3}{4}$ of a mile along El Mirage Rd. to the Marbella Ranch site. The on-site facilities will include a primary network of 12" diameter water lines supplemented by a secondary network of 8" diameter water lines. The remaining on-site water lines will be minimum 6" diameter lines. As requested by Liberty, TRS 8, LLC will provide two well sites for the development of two new groundwater wells on the Marbella Ranch site. The wells will be developed to provide a combined capacity of not less than 1,030 gpm, the projected maximum day for the project.

The proposed system meets the master planning criteria as established by Liberty. The system is able to adequately provide Peak Day, Peak Hour and Peak Day plus Fire Flow Demands. Flow and pressures throughout the system during all design conditions meet minimum pressure requirements.

2. Introduction

2.1 Objective

This preliminary engineering report will analyze the water facility requirements for the Marbella Ranch project. Marbella Ranch is an approximately 365 acre property within the City of Glendale strip annex and planning area but is actually part of unincorporated Maricopa County. Water service will be provided by Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty"). Liberty will file an application with the Arizona Corporation Commission to extend its Certificate of Convenience and Necessity ("CC&N") to include the Marbella Ranch project. This report is being prepared in support of the CC&N application.

2.2 Project Location

The Marbella Ranch project is located on the El Mirage Road alignment between Glendale Avenue and Northern Avenue in Section 2, Township 2 North, Range 1 East. The project is within the City of Glendale strip annex and planning area but is actually part of unincorporated Maricopa County. Luke Air Force Base ("Luke") is located to the west of Marbella Ranch. The Luke Air Force Base ("Luke") Air Installation Compatible Use Zone ("AICUZ") runs along the northwestern portion of the property. See Figure 2.1.

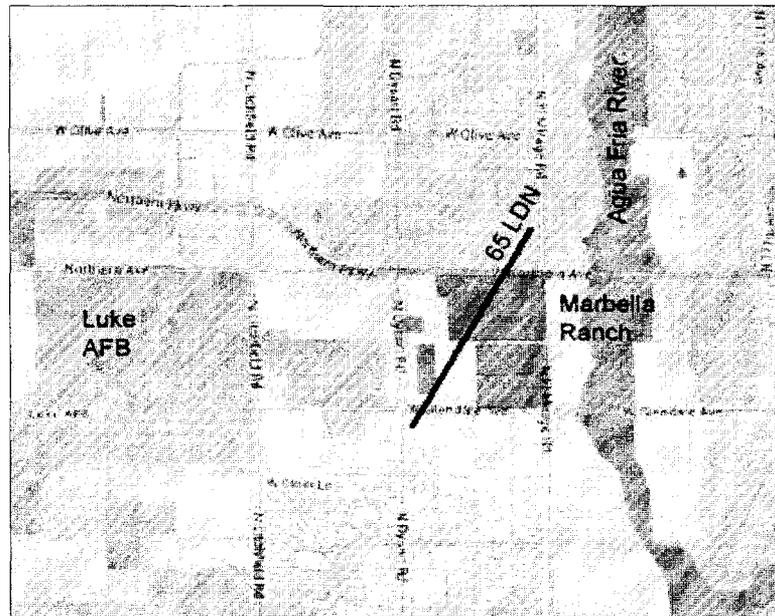


Figure 2.1 – Area Map

2.3 Topographic Conditions

The property ranges in elevation from approximately 1,086.5 ft at the northeastern corner of Marbella Ranch to a low of 1,060 ft at the southeastern corner of Marbella Ranch. Historic drainage is along a line from the center of the property at the north border through the

southeastern corner. This historic drainage has been cut-off by the Dysart Drain, which runs easterly through the center of the project. Accordingly, the northern portion of the property drains from both the east and west towards the historic drainage and then south into the Dysart Drain. The southern portion of the property drains along the historic drainage to the southeastern corner of the property.

2.4 Proposed Development

Marbella Ranch is an approximately 365 acre property currently owned by El Paso Natural Gas, LLC ("El Paso"). The Property is under contract to TRS 8, LLC who will develop the Marbella Ranch project. The Property is currently zoned Rural-43 by Maricopa County.

On March 3, 2014 TRS 8, LLC filed with Maricopa County Case CPA2014002 – Comprehensive Plan Amendment and Case Z2014011 – Rezoning Request. The requested plan amendment and rezoning request is for a Multiple-Family Residential (R-5) Residential Unit Plan of Development ("RUPD") zoning district on the property outside of the AICUZ line for single family detached and attached residential subdivisions with a variety of lot widths, as well as the potential for multi-family residential (apartment units). The maximum number of dwelling units on the Property will not exceed 1,260 units. The portion of the property within the AICUZ lines is planned for open space or industrial uses. Luke supports the Rezoning Application and Comprehensive Plan Amendment.

Marbella Ranch will be developed in phases. Phase 1 of Marbella Ranch is located in the southern portion of the property and is planned for 600 single family homes. Construction of the first phase of the development is scheduled to begin in 2016 and is expected to take approximately five years to build-out.

Phase 2 of Marbella Ranch is located in the northern portion of the property and is planned for 660 dwelling units and includes a 50.5 acre industrial parcel. The current plan is for 300 single family homes and 360 apartment units in the residential portion of Phase 2. However, the R-5, RUPD zoning provides flexibility in regard to what type of residential units are constructed. Accordingly, this report will consider all units in Phase 2 to be single family homes so that projected demand is not understated.

Construction of Phase 2 of the development is expected to begin about two years after the start of Phase 1 and is expected to take approximately five years to build-out. Overall project build-out is expected to take approximately seven years with home sales estimated at 200 units per year.

Figure 2.2 is a development map for Marbella Ranch.

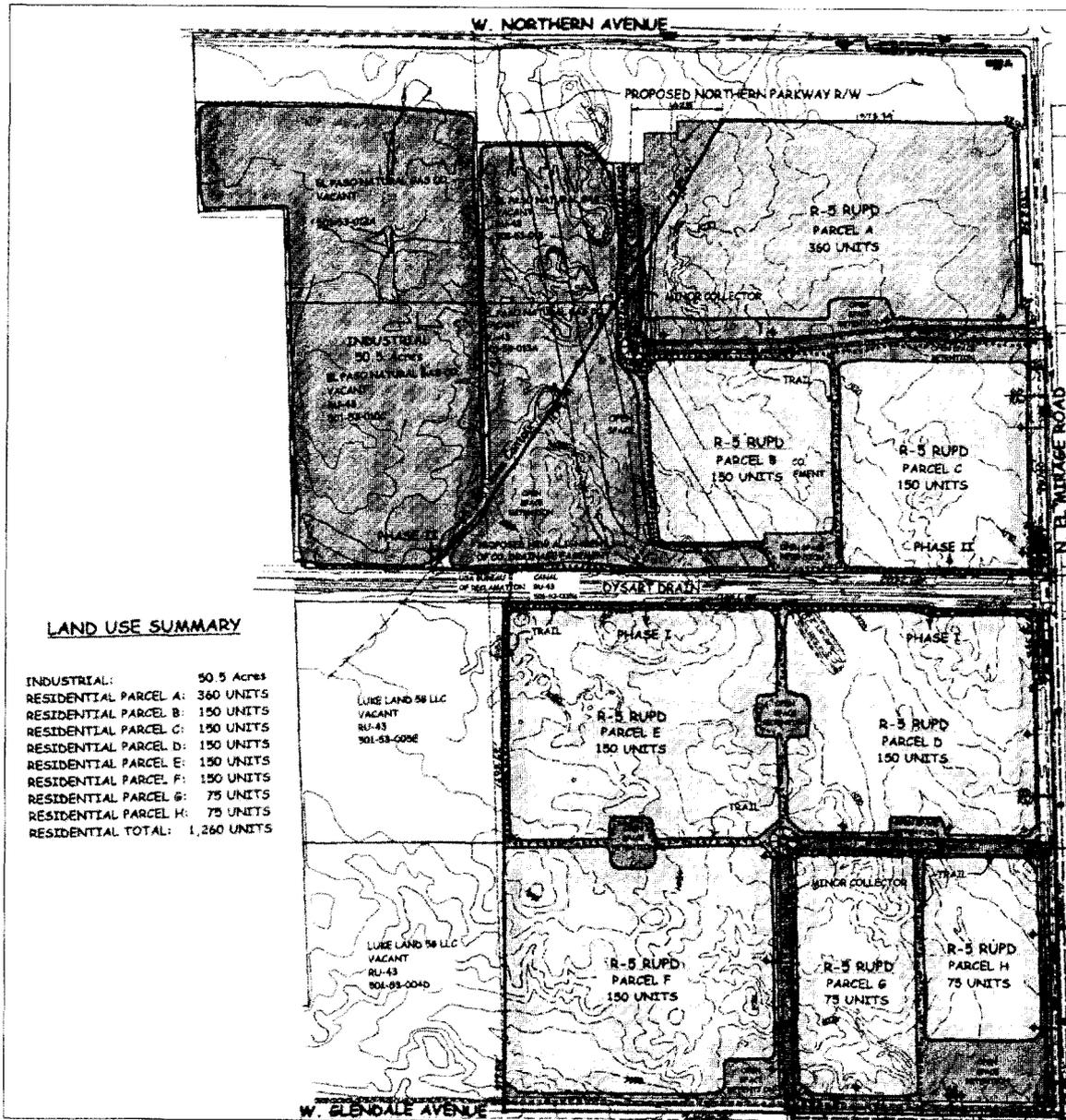


Figure 2.2 – Marbella Ranch Development Map

3. Design Criteria

All design criteria are in accordance with the requirements of Liberty as presented in Liberty's *Development Guide for Maricopa County Properties* dated October 22, 2009.

Liberty specifies the demand criteria as shown in Table 3.1.

Table 3.1 – Liberty Demand Criteria

Land Use	Ave. Day Demand (gpcd)	Capita/DU	Max Day Peaking Factor	Peak Hour Peaking Factor
Single Family	150	3.2	1.8	3.0
Multi Family	110	2.0	1.8	3.0
Commercial	1,700 gpd/acre	n/a	1.8	3.0
Developed Open Space	1,800 gpd/acre	n/a	n/a	n/a

Liberty establishes the additional water system criteria presented in Table 3.2.

Table 3.2 – Additional Water System Criteria

Category	Criteria
Minimum Pressures	55 psi static 40 psi @ peak hour 20 psi @ max day + fire
Maximum Pressures	90 psi static unless individual pressure reducing valve installed on customer side of meter and approved by Liberty
Velocity and Headloss	8 fps maximum velocity (distribution system) 2 fps min. and 6 fps max (well transmission)
Fire Flows	Residential ≤3,600 sq. ft – 1,500 gpm for 2 hours Residential >3,600 sq. ft – Per 1997 UFC Commercial – 3,000 gpm for 3 hours
Storage Requirements	Equalization – 30% of Maximum Day Emergency Reserve – 10% of Maximum Day
Booster Pumping	Firm Capacity – Greater of Max day + fire or peak hour demand
Well Capacity	Firm Capacity – Equal to Maximum day demand

The water distribution system design for Marbella Ranch was based on the design criteria as provided by Liberty. However, since Liberty does not specify a demand for industrial uses, after consultation with Liberty, a demand of 850 gpd/acre was selected as appropriate for the planned industrial uses in Marbella Ranch. Table 3.3 summarizes the water master planning factors utilized for Marbella Ranch.

Table 3.3 - Summary Water Master Planning Factors

Land Use	Pop Density (capita/DU)	Population and Demand Factors			Fire Requirement	Peaking Factors		
		Gallons Per Capita	Demand (per day)			1.8 = Peak Day Factor	Peak Day = Peak Day Factor * Avg Day	
			Gallons Per	Unit		3.0 = Peak Hour Factor	Peak Hour = Peak Hour Factor * Avg Day	
SF	3.2	150	-	Dwelling Unit	Residential			
MF	2.0	110	-	Dwelling Unit	Residential			
COMM			1,700	Acre	Commercial			
IND			850	Acre	Commercial			
OS			1,800	Acre	n/a			
						Storage Factors		
						40% = Equalization + Emergency Factor		
						Operational = Equalization Factor * Peak Day		
						Fire = Fire Flow * Duration		
						Fire Flows		
						Requirement	Flow	Duration
						Commercial	3,000 gpm	3 hours
						Residential	1,500 gpm	2 hours
						N/A	0 gpm	0 hours

4. Demands

Using the established criteria, the four following demand scenarios are considered.

- Average Day Demand – This demand condition represents the annual average daily use.
- Maximum Day Demand – This demand condition represents the peak water use day for an average year.
- Maximum Day with Fire Flow – This demand condition represents a simultaneous fire flow and peak day demand flow.
- Peak Hour demand – This demand condition represents the peak water use hour on the Peak Day of an average year.

Table 4.1 presents the land use and demand factors and Table 4.2 presents the resulting demands and facilities requirements.

Table 4.1 - Land Use and Demand Factors

Parcel	Land Use	Acres	Residential Dwelling Units	Other Demand Units	Pop Density (capita/DU)	Population	Demand Per Capita	Demand Per Other
Phase 1								
D	SF	32.0	150		3.2	480	150	-
E	SF	34.5	150		3.2	480	150	-
F	SF	34.0	150		3.2	480	150	-
G	SF	17.0	75		3.2	240	150	-
H	SF	12.0	75		3.2	240	150	-
Open Space	OS	12.0	-		0.0	-	-	1,800
ROW	OS	5.0	-		0.0	-	-	1,800
		146.5	600			1,920		
Phase 2								
A	SF	45.0	360		3.2	1,152	150	-
B	SF	22.0	150		3.2	480	150	-
C	SF	20.0	150		3.2	480	150	-
Industrial	IND	50.5	-		0.0	-	-	850
Open Space	OS	75.0	-		0.0	-	-	1,800
ROW	OS	6.0	-		0.0	-	-	1,800
		218.5	660			2,112		
		365.0	1,260			4,032		

Table 4.2 - Estimated Demand and Facilities Requirements

Parcel	Demands			Demands				Storage	
	Avg Day	Peak Day	Peak Hour	Avg Day	Peak Day	Fire	Peak Hour	Operational	Fire
	(gpd)			(gpm)				(gallons)	
Phase 1									
D	72,000	129,600	216,000	50.0	90.0	1,500	150.0	51,840	180,000
E	72,000	129,600	216,000	50.0	90.0	1,500	150.0	51,840	180,000
F	72,000	129,600	216,000	50.0	90.0	1,500	150.0	51,840	180,000
G	36,000	64,800	108,000	25.0	45.0	1,500	75.0	25,920	180,000
H	36,000	64,800	108,000	25.0	45.0	1,500	75.0	25,920	180,000
Open Space	21,600	38,880	64,800	15.0	27.0	-	45.0	15,552	-
ROW	9,000	16,200	27,000	6.3	11.3	-	18.8	6,480	-
Phase 2									
A	172,800	311,040	518,400	120.0	216.0	1,500	360.0	124,416	180,000
B	72,000	129,600	216,000	50.0	90.0	1,500	150.0	51,840	180,000
C	72,000	129,600	216,000	50.0	90.0	1,500	150.0	51,840	180,000
Industrial	42,925	77,265	128,775	29.8	53.7	3,000	89.4	30,906	540,000
Open Space	135,000	243,000	405,000	93.8	168.8	-	281.3	97,200	-
ROW	10,800	19,440	32,400	7.5	13.5	-	22.5	7,776	-
	824,125	1,483,425	2,472,375	572	1,030	3,000	1,717	593,370	540,000
				Peak Day + Fire:		4,030		Total Storage:	1,133,370

Based on table 4.2, the facilities requirements are summarized as follows:

- Required Well Capacity – 1,030 gpm
- Required Storage Capacity – 593,370 gallons (operational) & 540,000 gallons (fire)
- Pumping Capacity – 1,030 gpm plus 3,000 gpm fire = 4,030 gpm

5. Existing Facilities/Conditions

Liberty's existing service area consists of approximately 21 square miles located southwest of Marbella Ranch and north of Interstate Highway 10. Liberty provides water service to communities within the City of Litchfield Park, City of Goodyear, City of Avondale, and some unincorporated areas of Maricopa County.

Liberty's water system consists of 12 wells, three arsenic treatment facilities, two storage tanks, three booster systems and a distribution system serving over 17,000 customers. The wells have a combined capacity in excess of 13,000 gpm. A total of 10.6 million gallons of storage and nearly 30,000 gpm of booster capacity is provided from two large water plant sites within the existing water system. The system is currently operated as a single pressure zone with at a hydraulic grade line of 1,187 feet.

The Airline Reservoir site is located approximately ¾ of a mile south of Marbella Ranch and will be the primary source of water for Marbella Ranch. The Airline site contains 4.3 million gallons of storage, 16,000 gpm of pumping capacity and is fed by five wells with combined capacity of 6,945 gpm.

Liberty has verified that the wells, storage and booster pumping capacity at the Airline Reservoir site can meet the facilities requirements for Marbella Ranch. However, Liberty has indicated that it is planning to create a new pressure zone in the northern portion of its service area ("Zone 2") and would like to expand its well field to supplement supply and pumping capability in the new pressure zone. Zone 2 will operate at a hydraulic grade line of 1,222 feet.

6. Proposed Facilities

The Airline Reservoir site will be the primary supply for Marbella Ranch. Marbella Ranch will be fed from the planned Zone 2 pressure zone at a hydraulic grade line of 1,222 feet.

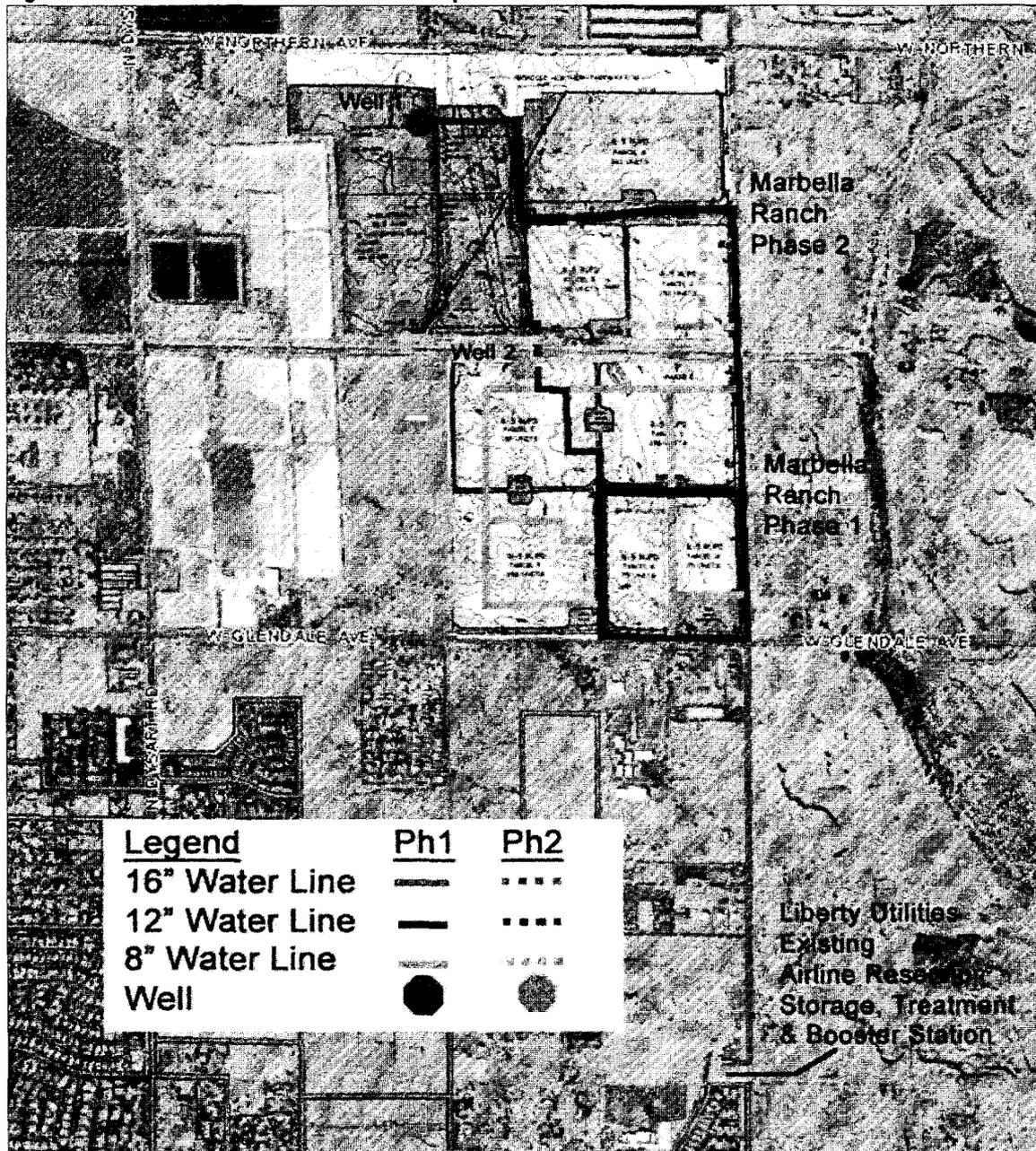
Liberty's existing distribution system will be extended approximately $\frac{3}{4}$ of a mile along El Mirage Rd. to the Marbella Ranch project. The on-site facilities will include a primary network of 12" diameter water lines supplemented by a secondary network of 8" diameter water lines. The remaining on-site water lines will be minimum 6" diameter lines.

As requested by Liberty, TRS 8, LLC will provide two well sites for the development of two new groundwater wells on the Marbella Ranch site. Well No. 1 will be developed in Phase 1 with well No. 2 being developed with Phase 2. The wells will be developed to provide a combined capacity of not less than 1,030 gpm, the projected maximum day for the project.

Figure 6.1 provides a map of the planned improvements and an engineer's estimate of cost for the facilities is provided in appendix 1.

The hydraulic grade line of 1,222 feet will provide a static pressure of 58 psi at the high point in the development and 70 psi at the low point in the development. Preliminary modeling of fire flows in the planned industrial parcel shows expected head loss of 27.5 psi at a 3,000 gpm fire flow. Using the high elevation of 1,085 feet in the industrial parcel, the predicted fire flow pressure is 31.8 psi. Accordingly, the proposed distribution system will meet Liberty's criteria for system pressure under all flow conditions.

Figure 6.1 – Planned Water Facilities Map



7. Summary/Conclusions

Based on the analysis presented in this report, the existing Liberty water distribution system can be extended to provide service to Marbella Ranch. The proposed system meets the water master planning criteria as established by Liberty. Storage pumping requirements will be met from the existing Airline Reservoir site with supplemental supply and pumping provided by two new wells on the Marbella Ranch project site. The system is able to adequately provide Peak Day, Peak Hour and Peak Day plus Fire Flow Demands. Flow and pressures throughout the system during all design conditions meet minimum pressure requirements.

APPENDIX 1

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
 Marbella Ranch - Water Facilities
 Estimate of Construction Cost

4/14/2014
 Prepared by ARICOR Water Solutions

Item Description Phase 1	Quantity	Units	Unit Price	Amount	Detail Plant Account By Year					
					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Off-Site El Mirage Water Line (South of Glendale)										
16" DIP	4,060	lf	\$ 90.00	\$ 365,400						
16" Gate Valve B&C	9	ea	4,000.00	36,000	331					
Air Relief Valve in Vault w/bollards, valves etc.(ARV-complete)	2	ea	4,500.00	9,000	331					
Allowance for Special Construction	1	lot	50,000.00	50,000	331					
Pavement Replacement	500	sy	30.00	15,000	331					
Connection within Airline Reservoir Site	1	lot	25,000.00	25,000	331					
Engineering & Permits	1	lot	12%	57,000	331					
Contingency	1	lot	5%	24,000	331					
Total				\$ 581,400						
Off-Site Water Line - From El Mirage and Glendale to Well No. 1										
12" DIP (in El Mirage Rd.)	4,000	lf	\$ 65.00	\$ 260,000	331					
Dysart Drain Crossing (Cased Overshoot)	150	lf	200.00	30,000	331					
12" DIP (within Project Site)	3,625	lf	45.00	163,125	331					
12" Gate Valve B&C	15	ea	3,500.00	52,500	331					
Fire Hydrant Complete (on El Mirage)	6	ea	5,500.00	33,000	335					
Air Relief Valve in Vault w/bollards, valves etc.(ARV-complete)	2	ea	4,500.00	9,000	331					
Pavement Replacement	90	sy	30.00	2,700	331					
Engineering & Permits	1	lot	12%	66,039	331					
Contingency	1	lot	5%	27,516	331					
Total				\$ 643,880						
Well Site No. 1										
Well Drilling Complete	1	lot		\$ 667,000	307					
Well Slab	1	ea		5,000	307					
Extend Power to Site	1	lot		30,000	304					
Site Work	1	lot		25,000	304					
Well Pump	1	ea		120,000	311					
Piping & Valves	1	lot		80,000	311					
Hydrotank	1	ea		40,000	311					
Electrical	1	lot		40,000	311					
Genset	1	ea		70,000	310					
Engineering & Permits	1	lot	15%	61,500	311					
Contingency	1	lot	5%	53,850	311					
Total				\$ 1,192,350						
TOTAL OFF-SITE				\$ 2,417,630						
On-Site Water Backbone Water Lines										
12" DIP (in Glendale Ave.)	1,320	lf	\$ 65.00	\$ 85,800	331					
12" DIP (within Project Site)	4,620	lf	45.00	207,900	331					
12" Gate Valve B&C	12	ea	3,500.00	42,000	331					
Fire Hydrant Complete	8	ea	4,000.00	32,000	335					
Pavement Replacement	45	sy	30.00	1,350	331					
Engineering & Permits	1	lot	12%	44,286	331					
Contingency	1	lot	5%	18,453	331					
Total				\$ 431,789						
On-Site Water System (within subdivisions)										
8" DIP	10,560	lf	\$ 32.00	\$ 337,920	331					
6" DIP	16,440	lf	23.00	378,120	331					
8" Gate Valve B&C	21	ea	3,300.00	69,300	331					
6" Gate Valve B&C	32	ea	1,800.00	57,600	331					
Fire Hydrant Complete	60	ea	3,500.00	210,000	335					
Service Line	600	ea	550.00	330,000	333					
Meter	600	ea	200.00	120,000	334					
Engineering & Permits	1	lot	12%	177,833	331					
Contingency	1	lot	5%	74,097	331					
Total				\$ 1,733,870						
TOTAL ON-SITE				\$ 2,165,658						
TOTAL PHASE 1				\$ 4,583,289						

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
 Marbella Ranch - Water Facilities
 Estimate of Construction Cost

4/14/2014
 Prepared by ARICOR Water Solutions

Item Description Phase II	Quantity	Units	Unit Price	Amount	NARUC	Detail Plant Plant Account By Year					
						Year 2	Year 3	Year 4	Year 5	Year 6	
Well Site No. 2											
Well Drilling Complete	1	lot		\$ 667,000	307						
Well Slab	1	ea		5,000	307			\$ 667,000			
Extend Power to Site	1	lot		10,000	304			5,000			
Site Work	1	lot		15,000	304			10,000			
Well Pump	1	ea		120,000	311			15,000			
Piping & Valves	1	lot		80,000	311			120,000			
Hydrotank	1	ea		40,000	311			40,000			
Electrical	1	lot		40,000	311			40,000			
Genset	1	ea		70,000	310			70,000			
Engineering & Permits	1	lot	15%	57,000	311			57,000			
Contingency	1	lot	5%	52,350	311			52,350			
Total				\$ 1,156,350				\$ 1,156,350			
TOTAL OFF-SITE				\$ 1,156,350							
On-Site Water Backbone Water Lines											
12" DIP	1,500	lf	\$ 45.00	\$ 67,500	331		\$ 67,500				
Dysart Drain Crossing (Cased Overshoot)	150	lf	200.00	30,000	331		30,000				
12" Gate Valve B&C	4	ea	3,500.00	14,000	331		14,000				
Fire Hydrant Complete	6	ea	4,000.00	24,000	335		24,000				
Air Relief Valve in Vault w/bollards, valves etc.(ARV-complete)	2	ea	4,500.00	9,000	331		9,000				
Engineering & Permits	1	lot	12%	17,340	331		17,340				
Contingency	1	lot	5%	7,225	331		7,225				
Total				\$ 169,065			\$ 169,065				
On-Site Water System (within subdivisions)											
8" DIP	7,920	lf	\$ 32.00	\$ 253,440	331		\$ 63,360	\$ 63,360	\$ 63,360	\$ 63,360	
6" DIP	21,780	lf	23.00	500,940	331		125,235	125,235	125,235	125,235	
8" Gate Valve B&C	16	ea	2,300.00	36,800	331		9,200	9,200	9,200	9,200	
6" Gate Valve B&C	43	ea	1,800.00	77,400	331		19,350	19,350	19,350	19,350	
Fire Hydrant Complete	66	ea	3,500.00	231,000	335		57,750	57,750	57,750	57,750	
Service Line	660	ea	550.00	363,000	333		90,750	90,750	90,750	90,750	
Meter	660	ea	200.00	132,000	334		33,000	33,000	33,000	33,000	
Engineering & Permits	1	lot	12%	191,350	331		47,837	47,837	47,837	47,837	
Contingency	1	lot	5%	79,729	331		19,932	19,932	19,932	19,932	
Total				\$ 1,865,659			\$ 468,414	\$ 468,414	\$ 468,414	\$ 468,414	\$ 468,414
TOTAL ON-SITE				\$ 2,034,724							
TOTAL PHASE 2				\$ 3,191,074							

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 6

**(Estimated Total Construction Costs and
Plant Cost Projections)**

**Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Marbella Ranch - Water Facilities
Estimate of Construction Cost**

Exhibit 6

4/14/2014

Prepared by ARICOR Water Solutions

<u>Item Description</u>	<u>Quantity</u>	<u>Units</u>	<u>Unit Price</u>	<u>Amount</u>
Phase 1				
Off-Site El Mirage Water Line (South of Glendale)				
16" DIP	4,060	lf	\$ 90.00	\$ 365,400
16" Gate Valve B&C	9	ea	4,000.00	36,000
Air Relief Valve in Vault w/bollards, valves etc.(ARV-complete)	2	ea	4,500.00	9,000
Allowance for Special Construction	1	lot	50,000.00	50,000
Pavement Replacement	500	sy	30.00	15,000
Connection within Airline Reservoir Site	1	lot	25,000.00	25,000
Engineering & Permits	1	lot	12%	57,000
Contingency	1	lot	5%	24,000
Total				\$ 581,400
Off-Site Water Line - From El Mirage and Glendale to Well No. 1				
12" DIP (in El Mirage Rd.)	4,000	lf	\$ 65.00	\$ 260,000
Dysart Drain Crossing (Cased Overshoot)	150	lf	200.00	30,000
12" DIP (within Project Site)	3,625	lf	45.00	163,125
12" Gate Valve B&C	15	ea	3,500.00	52,500
Fire Hydrant Complete (on El Mirage)	6	ea	5,500.00	33,000
Air Relief Valve in Vault w/bollards, valves etc.(ARV-complete)	2	ea	4,500.00	9,000
Pavement Replacement	90	sy	30.00	2,700
Engineering & Permits	1	lot	12%	66,039
Contingency	1	lot	5%	27,516
Total				\$ 643,880
Well Site No. 1				
Well Drilling Complete	1	lot		\$ 667,000
Well Slab	1	ea		5,000
Extend Power to Site	1	lot		30,000
Site Work	1	lot		25,000
Well Pump	1	ea		120,000
Piping & Valves	1	lot		80,000
Hydrotank	1	ea		40,000
Electrical	1	lot		40,000
Genset	1	ea		70,000
Engineering & Permits	1	lot	15%	61,500
Contingency	1	lot	5%	53,850
Total				\$ 1,192,350
TOTAL OFF-SITE				\$ 2,417,630
On-Site Water Backbone Water Lines				
12" DIP (in Glendale Ave.)	1,320	lf	\$ 65.00	\$ 85,800
12" DIP (within Project Site)	4,620	lf	45.00	207,900
12" Gate Valve B&C	12	ea	3,500.00	42,000
Fire Hydrant Complete	8	ea	4,000.00	32,000
Pavement Replacement	45	sy	30.00	1,350
Engineering & Permits	1	lot	12%	44,286
Contingency	1	lot	5%	18,453
Total				\$ 431,789
On-Site Water System (within subdivisions)				
8" DIP	10,560	lf	\$ 32.00	\$ 337,920
6" DIP	16,440	lf	23.00	378,120
8" Gate Valve B&C	21	ea	2,300.00	48,300
6" Gate Valve B&C	32	ea	1,800.00	57,600
Fire Hydrant Complete	60	ea	3,500.00	210,000
Service Line	600	ea	550.00	330,000
Meter	600	ea	200.00	120,000
Engineering & Permits	1	lot	12%	177,833
Contingency	1	lot	5%	74,097
Total				\$ 1,733,870
TOTAL ON-SITE				\$ 2,165,658
TOTAL PHASE 1				\$ 4,583,289



**Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Marbella Ranch - Water Facilities
Estimate of Construction Cost**

**Exhibit 6
4/14/2014**

Prepared by ARICOR Water Solutions

<u>Item Description</u>	<u>Quantity</u>	<u>Units</u>	<u>Unit Price</u>	<u>Amount</u>
Phase II				
Well Site No. 2				
Well Drilling Complete	1	lot		\$ 667,000
Well Slab	1	ea		5,000
Extend Power to Site	1	lot		10,000
Site Work	1	lot		15,000
Well Pump	1	ea		120,000
Piping & Valves	1	lot		80,000
Hydrotank	1	ea		40,000
Electrical	1	lot		40,000
Genset	1	ea		70,000
Engineering & Permits	1	lot	15%	57,000
Contingency	1	lot	5%	52,350
Total				<u>\$ 1,156,350</u>
TOTAL OFF-SITE				<u><u>\$ 1,156,350</u></u>
On-Site Water Backbone Water Lines				
12" DIP	1,500	lf	\$ 45.00	\$ 67,500
Dysart Drain Crossing (Cased Overshoot)	150	lf	200.00	30,000
12" Gate Valve B&C	4	ea	3,500.00	14,000
Fire Hydrant Complete	6	ea	4,000.00	24,000
Air Relief Valve in Vault w/bollards, valves etc.(ARV-complete)	2	ea	4,500.00	9,000
Engineering & Permits	1	lot	12%	17,340
Contingency	1	lot	5%	7,225
Total				<u>\$ 169,065</u>
On-Site Water System (within subdivisions)				
8" DIP	7,920	lf	\$ 32.00	\$ 253,440
6" DIP	21,780	lf	23.00	500,940
8" Gate Valve B&C	16	ea	2,300.00	36,800
6" Gate Valve B&C	43	ea	1,800.00	77,400
Fire Hydrant Complete	66	ea	3,500.00	231,000
Service Line	660	ea	550.00	363,000
Meter	660	ea	200.00	132,000
Engineering & Permits	1	lot	12%	191,350
Contingency	1	lot	5%	79,729
Total				<u>\$ 1,865,659</u>
TOTAL ON-SITE				<u><u>\$ 2,034,724</u></u>
TOTAL PHASE 2				<u><u>\$ 3,191,074</u></u>



Liberty Utilities (Litchfield Park Water & Sewer) Corp.
 Marbella Ranch Project
 Plant Value

Exhibit 6

Page 3

Line No.	NARUC Account No.	Description	Year 1					Net Plant
			Allowed Deprec. Rate	Plant Additions	Depreciation	Plant Balance	A/D Balance	
1	301	Organization Cost	0.00%	-	-	-	-	
2	302	Franchise Cost	0.00%	-	-	-	-	
3	303	Land and Land Rights	0.00%	-	-	-	-	
4	304	Structures & Improvements	3.33%	55,000	916	55,000	54,084	
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	
7	307	Wells & Springs	3.33%	672,000	11,189	672,000	660,811	
8	308	Infiltration Galleries	6.67%	-	-	-	-	
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	
10	310	Power Generation Equipment	5.00%	70,000	1,750	70,000	68,250	
11	311	Pumping Equipment	12.50%	395,350	24,709	395,350	370,641	
12	320	Water Treatment Equipment	3.33%	-	-	-	-	
13	320	Water Treatment Plants	3.33%	-	-	-	-	
14	320	Solution Chemical Feeders	20.00%	-	-	-	-	
15	330	Distribution Reservoirs & Standpipes	2.22%	-	-	-	-	
16	330.1	Storage Tanks	2.22%	-	-	-	-	
17	330.2	Pressure Tanks	5.00%	-	-	-	-	
18	331	Transmission & Distribution Mains	2.00%	1,660,641	16,606	1,660,641	1,644,035	
19	333	Services	3.33%	82,500	1,374	82,500	81,126	
20	334	Meters	8.33%	30,000	1,250	30,000	28,751	
21	335	Hydrants	2.00%	101,500	1,015	101,500	100,485	
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	
23	339	Other Plant & Misc Equipment	6.67%	-	-	-	-	
24	340	Office Furniture & Equipment	6.67%	-	-	-	-	
25	340.1	Computers & Software	20.00%	-	-	-	-	
26	341	Transportation Equipment	20.00%	-	-	-	-	
27	342	Stores Equipment	4.00%	-	-	-	-	
28	343	Tools, Shop & Garage Equipment	5.00%	-	-	-	-	
29	344	Laboratory Equipment	10.00%	-	-	-	-	
30	345	Power Operated Equipment	5.00%	-	-	-	-	
31	346	Communication Equipment	10.00%	-	-	-	-	
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	
33	348	Other Tangible Plant	20.00%	-	-	-	-	
34								
35		TOTAL		3,066,991	58,808	3,066,991	3,008,183	

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
 Marbella Ranch Project
 Plant Value

Exhibit 6

Page 4

Line No.	NARUC Account No.	Description	Allowed Deprec. Rate	Year 2				Net Plant
				Plant Additions	Depreciation	Plant Balance	A/D Balance	
1	301	Organization Cost	0.00%	-	-	-	-	
2	302	Franchise Cost	0.00%	-	-	-	-	
3	303	Land and Land Rights	0.00%	-	-	-	-	
4	304	Structures & Improvements	3.33%	-	1,832	55,000	52,253	
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	
7	307	Wells & Springs	3.33%	-	22,378	672,000	638,434	
8	308	Infiltration Galleries	6.67%	-	-	-	-	
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	
10	310	Power Generation Equipment	5.00%	-	3,500	70,000	64,750	
11	311	Pumping Equipment	12.50%	-	49,419	395,350	321,222	
12	320	Water Treatment Equipment	3.33%	-	-	-	-	
13	320	Water Treatment Plants	3.33%	-	-	-	-	
14	320	Solution Chemical Feeders	20.00%	-	-	-	-	
15	330	Distribution Reservoirs & Standpipes	2.22%	-	-	-	-	
16	330.1	Storage Tanks	2.22%	-	-	-	-	
17	330.2	Pressure Tanks	5.00%	-	-	-	-	
18	331	Transmission & Distribution Mains	2.00%	468,362	37,896	2,129,003	2,074,500	
19	333	Services	3.33%	82,500	4,121	165,000	159,506	
20	334	Meters	8.33%	30,000	3,749	60,000	55,002	
21	335	Hydrants	2.00%	68,500	2,715	170,000	166,270	
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	
23	339	Other Plant & Misc Equipment	6.67%	-	-	-	-	
24	340	Office Furniture & Equipment	6.67%	-	-	-	-	
25	340.1	Computers & Software	20.00%	-	-	-	-	
26	341	Transportation Equipment	20.00%	-	-	-	-	
27	342	Stores Equipment	4.00%	-	-	-	-	
28	343	Tools, Shop & Garage Equipment	5.00%	-	-	-	-	
29	344	Laboratory Equipment	10.00%	-	-	-	-	
30	345	Power Operated Equipment	5.00%	-	-	-	-	
31	346	Communication Equipment	10.00%	-	-	-	-	
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	
33	348	Other Tangible Plant	20.00%	-	-	-	-	
34								
35		TOTAL		649,362	125,609	3,716,353	3,531,936	

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
 Marbella Ranch Project
 Plant Value

Line No.	NARUC Account No.	Description	Allowed Deprec. Rate	Year 4				Net Plant
				Plant Additions	Depreciation	Plant Balance	A/D Balance	
1	301	Organization Cost	0.00%	-	-	-	-	-
2	302	Franchise Cost	0.00%	-	-	-	-	-
3	303	Land and Land Rights	0.00%	-	-	-	-	-
4	304	Structures & Improvements	3.33%	25,000	2,248	80,000	6,827	73,174
5	305	Collecting & Impounding Reservoirs	2.50%	-	-	-	-	-
6	306	Lake, River, Canal Intakes	2.50%	-	-	-	-	-
7	307	Wells & Springs	3.33%	672,000	33,566	1,344,000	89,510	1,254,490
8	308	Infiltration Galleries	6.67%	-	-	-	-	-
9	309	Raw Water Supply Mains	2.00%	-	-	-	-	-
10	310	Power Generation Equipment	5.00%	70,000	5,250	140,000	14,000	126,000
11	311	Pumping Equipment	12.50%	389,350	73,753	784,700	197,300	587,400
12	320	Water Treatment Equipment	3.33%	-	-	-	-	-
13	320	Water Treatment Plants	3.33%	-	-	-	-	-
14	320	Solution Chemical Feeders	20.00%	-	-	-	-	-
15	330	Distribution Reservoirs & Standpipes	2.22%	-	-	-	-	-
16	330.1	Storage Tanks	2.22%	-	-	-	-	-
17	330.2	Pressure Tanks	5.00%	-	-	-	-	-
18	331	Transmission & Distribution Mains	2.00%	553,383	62,083	3,380,832	166,150	3,214,681
19	333	Services	3.33%	173,250	14,148	511,500	28,022	483,478
20	334	Meters	8.33%	63,000	12,870	186,000	25,490	160,510
21	335	Hydrants	2.00%	110,250	7,188	414,500	15,660	398,840
22	336	Backflow Prevention Devices	6.67%	-	-	-	-	-
23	339	Other Plant & Misc Equipment	6.67%	-	-	-	-	-
24	340	Office Furniture & Equipment	6.67%	-	-	-	-	-
25	340.1	Computers & Software	20.00%	-	-	-	-	-
26	341	Transportation Equipment	20.00%	-	-	-	-	-
27	342	Stores Equipment	4.00%	-	-	-	-	-
28	343	Tools, Shop & Garage Equipment	5.00%	-	-	-	-	-
29	344	Laboratory Equipment	10.00%	-	-	-	-	-
30	345	Power Operated Equipment	5.00%	-	-	-	-	-
31	346	Communication Equipment	10.00%	-	-	-	-	-
32	347	Miscellaneous Equipment	10.00%	-	-	-	-	-
33	348	Other Tangible Plant	20.00%	-	-	-	-	-
34								
35		TOTAL		2,056,233	211,106	6,841,532	542,959	6,298,573

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 7

(General Statement of Financial Condition)

COMPANY NAME

Litchfield Park Service Company (Water)

BALANCE SHEET

Acct. No.	ASSETS	2012	2013
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 652,220	\$ (13,063)
132	Special Deposits		\$ 1,776,142
135	Temporary Cash Investments		
141	Customer Accounts Receivable	\$ 1,582,674	\$ 1,735,050
146	Notes/Receivables from Associated Companies	\$ 1,693,202	\$ 6,901,993
151	Plant Material and Supplies		
162	Prepayments	\$ 67,405	\$ 34,394
174	Miscellaneous Current and Accrued Assets	\$ 527,040	\$ 734,405
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 4,522,541	\$ 11,168,921
	FIXED ASSETS		
101	Utility Plant in Service	\$ 91,877,631	\$ 92,334,095
103	Property Held for Future Use		
105	Construction Work in Progress		268,385
108	Accumulated Depreciation - Utility Plant	19,513,182	23,018,924
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 72,364,449	\$ 69,583,556
	TOTAL ASSETS	\$ 76,886,991	\$ 80,752,477

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

COMPANY NAME

Litchfield Park Service Company (Water)

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	2012	2013
CURRENT LIABILITES			
231	Accounts Payable		
232	Notes Payable (Current Portion)	\$ 142,239	\$ 169,600
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	\$ 194,389	
236	Accrued Taxes	\$ 39,862	\$ 39,067
237	Accrued Interest	\$ 82,978	\$ 87,538
241	Miscellaneous Current and Accrued Liabilities	\$ 1,382,440	\$ 50,387
	TOTAL CURRENT LIABILITIES	\$ 1,841,907	\$ 346,592
LONG-TERM DEBT (Over 12 Months)			
224	Long-Term Notes and Bonds	\$ 4,798,196	\$ 5,021,714
DEFERRED CREDITS			
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	\$ 30,094,274	\$ 29,728,643
253	Other Deferred Credits	\$ 1,217,560	
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	\$ 4,336,397	\$ 4,941,962
272	Less: Amortization of Contributions	\$ 73,782	\$ 189,879
281	Accumulated Deferred Income Tax	\$ 626,052	\$ 2,701,827
	TOTAL DEFERRED CREDITS	\$ 36,200,501	\$ 37,182,553
	TOTAL LIABILITIES	\$ 42,840,603	\$ 42,550,859
CAPITAL ACCOUNTS			
201	Common Stock Issued	\$ 44,574	\$ 44,574
211	Paid in Capital in Excess of Par Value	\$ 26,247,435	\$ 26,866,383
215	Retained Earnings	\$ 7,754,378	\$ 11,290,662
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 34,046,387	\$ 38,201,618
	TOTAL LIABILITIES AND CAPITAL	\$ 76,886,990	\$ 80,752,477

\$ (0) \$ (0)

COMPANY NAME

Litchfield Park Service Company (Water)

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	2012	2013
461	Metered Water Revenue	\$ 11,056,254	\$ 11,625,594
460	Unmetered Water Revenue		
474	Other Water Revenues	\$ 235,723	\$ 211,976
	TOTAL REVENUES	\$ 11,291,976	\$ 11,837,571
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 978,291	\$ 1,091,766
610	Purchased Water	\$ 2,615	\$ 934
615	Purchased Power	\$ 891,103	\$ 977,532
618	Chemicals	\$ 208,080	\$ 137,595
620	Repairs and Maintenance	\$ 91,139	\$ 64,005
621	Office Supplies and Expense		
630	Outside Services	\$ 2,518,790	\$ 2,327,381
635	Water Testing	\$ 33,849	\$ 58,785
641	Rents	\$ 7,229	\$ (4,074)
650	Transportation Expenses	\$ 103,726	\$ 75,033
657	Insurance - General Liability	\$ 109,198	\$ 131,833
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case	\$ 164,547	
675	Miscellaneous Expense	\$ 149,423	\$ 218,931
403	Depreciation Expense	2,754,653	2,720,979
408	Taxes Other Than Income		
408.11	Property Taxes	158,004	188,162
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 8,170,649	\$ 7,988,863
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ 544,406	\$ 34,653
420	AFUDC Income		20,320
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	315,420	367,396
	TOTAL OTHER INCOME/EXP	\$ 228,986	\$ (312,423)
	NET INCOME/(LOSS)	\$ 3,350,314	\$ 3,536,284

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 8

(Applicant's Schedule of Rates and Charges)

Applies to all WATER service areas
PART ONE
STATEMENT OF CHARGES FOR WATER SERVICE

I. RATES – General Residential, Commercial, Industrial, and Irrigation Service

Originally in Decision No. 72026, dated December 10, 2010, and again in Decision No. 72682, dated November 17, 2011, the Commission authorized the following rates and charges to become effective December 1, 2011:

A. Monthly Usage Charge – 100 Percent Phase In (Phase 3)

<u>Meter Size</u> Inches	<u>Minimum Charge</u> Per Month
5/8" x 3/4" Meter – All Classes	\$ 10.20
3/4" Meter – All Classes	10.20
1" Meter – Residential	22.95
1" Meter – All Classes but Residential	25.50
1 1/2" Meter – All Classes	51.00
2" Meter – All Classes	81.60
3" Meter – All Classes	163.20
4" Meter – All Classes	255.00
6" Meter – All Classes	510.00
8" Meter (Bulk Resale Only)	501.00
8" Meter – All Classes	841.50
10" Meter – All Classes	1,173.00
12" Meter – All Classes but Irrigation	2,193.00
12" Meter – Irrigation	2,193.00

Issued: November 30, 2011

Effective: December 1, 2011

ISSUED BY:

Greg Sorensen, Director of Operations
 Litchfield Park Service Company
 12725 W. Indian School Road, Suite D-101
 Avondale, AZ 85392

Applies to all WATER service areas
PART ONE
STATEMENT OF CHARGES FOR WATER SERVICE

B. Commodity Rates – 100 Percent Phase In (Phase 3)

The rate for use in addition to the minimum stated above shall be at the following rates per 1,000 gallons:

<u>Meter Size</u>	<u>Consumption</u>	<u>Rate</u>
5/8" x 3/4" Meter (Residential)	0 to 3,000	\$1.00
	3,001 to 9,000	1.91
	Over 9,000	3.03
3/4" Meter (Residential)	0 to 3,000	1.00
	3,001 to 9,000	1.91
	Over 9,000	3.03
1" Meter (Residential)	0 to 5,000	1.00
	5,001 to 20,000	1.91
	Over 20,000	3.03
5/8" x 3/4" and 3/4" Meter (Commercial, Industrial, Irrigation)	0 to 9,000	1.91
	Over 9,000	3.03
1" Meter (Commercial, Industrial, Irrigation)	0 to 20,000	1.91
	Over 20,000	3.03
1 1/2" Meter (Residential, Commercial, Industrial, Irrigation)	0 to 40,000	1.91
	Over 40,000	3.03
2" Meter (Residential, Commercial, Industrial, Irrigation)	0 to 60,000	1.91
	Over 60,000	3.03

Issued: November 30, 2011

Effective: December 1, 2011

ISSUED BY:

Greg Sorensen, Director of Operations
 Litchfield Park Service Company
 12725 W. Indian School Road, Suite D-101
 Avondale, AZ 85392

Applies to all WATER service areas
PART ONE
STATEMENT OF CHARGES FOR WATER SERVICE

Section I.B continued – 100 Percent Phase In (Phase 3)

<u>Meter Size</u>	<u>Consumption</u>	<u>Rate</u>
3" Meter (Residential, Commercial, Industrial, Irrigation)	0 to 120,000	\$1.91
	Over 120,000	3.03
4" Meter (Residential, Commercial, Industrial, Irrigation)	0 to 180,000	1.91
	Over 180,000	3.03
6" Meter (Residential, Commercial, Industrial, Irrigation)	0 to 360,000	1.91
	Over 360,000	3.03
8" Meter (Residential, Commercial, Industrial, Irrigation)	0 to 650,000	1.91
	Over 650,000	3.03
8" Meter (Bulk Resale Only)	All Gallons	1.50
10" Meter (Residential, Commercial, Industrial, Irrigation)	0 to 940,000	1.91
	Over 940,000	3.03
12" Meter (Residential, Commercial, Industrial, Irrigation)	0 to 1,200,000	1.91
	Over 1,200,000	3.03
Construction Water*	All Gallons	3.03

*There is no monthly minimum for hydrant meters.

Issued: November 30, 2011

Effective: December 1, 2011

ISSUED BY:

Greg Sorensen, Director of Operations
 Litchfield Park Service Company
 12725 W. Indian School Road, Suite D-101
 Avondale, AZ 85392

Applies to all WATER service areas
PART ONE
STATEMENT OF CHARGES FOR WATER SERVICE

C. Service Line and Meter Installation Charges

(Refundable Pursuant to A.A.C. R14-2-405)

<u>Meter Size</u>	<u>Line</u>	<u>Meter</u>	<u>Total</u>
5/8 x 3/4" Meter	\$385.00	\$135.00	\$520.00
3/4" Meter	385.00	215.00	600.00
1" Meter	435.00	255.00	690.00
1 1/2" Meter	470.00	465.00	935.00
2" Turbine Meter	630.00	965.00	1,595.00
2" Compound Meter	630.00	1,690.00	2,320.00
3" Turbine Meter	805.00	1,470.00	2,275.00
3" Compound Meter	845.00	2,265.00	3,110.00
4" Turbine Meter	1,170.00	2,350.00	3,520.00
4" Compound Meter	1,230.00	3,245.00	4,475.00
6" Turbine Meter	1,730.00	4,545.00	6,275.00
6" Compound Meter	1,770.00	6,280.00	8,050.00
8" Meter & Larger	At Cost	At Cost	At Cost

Issued: November 30, 2011

Effective: December 1, 2011

ISSUED BY:

Greg Sorensen, Director of Operations
 Litchfield Park Service Company
 12725 W. Indian School Road, Suite D-101
 Avondale, AZ 85392

Applies to all WATER service areas
PART ONE
STATEMENT OF CHARGES FOR WATER SERVICE

D. Service Charges

<u>Service</u>	<u>Charge</u>
Establishment (a)	\$20.00
Establishment (After Hours) (a)	40.00
Re-Establishment of Service (a)	(b)
Reconnection (Regular Hours) (a)	\$50.00
Reconnection (After Hours) (a)	65.00
Meter Test (if correct) (c)	25.00
Meter Re-Read (if correct)	5.00
NSF Check	25.00
Deferred Payment, Per Month	1.50%
Late Charge	(d)
Service Calls, Per Hour / After Hours (e)	\$40.00
Deposit Requirement	(f)
Deposit Interest	3.50%

- (a) Service charges for customers taking both water and sewer services are not duplicative.
 (b) Minimum charge times number of months disconnected.
 (c) \$25.00 plus cost of test.
 (d) Greater of \$5.00 or 1.50% of unpaid balance.
 (e) No charge for service calls during normal working hours.
 (f) Per Rule R14-2-403(B):
Residential – two times the average bill;
Commercial – two and one-half times the average bill.

Issued: November 30, 2011

Effective: December 1, 2011

ISSUED BY:

Greg Sorensen, Director of Operations
 Litchfield Park Service Company
 12725 W. Indian School Road, Suite D-101
 Avondale, AZ 85392

Applies to all WATER service areas
PART ONE
STATEMENT OF CHARGES FOR WATER SERVICE

Section I.D continued

*Hydrant Meter Deposit	
5/8 x 3/4" Meter	\$ 135.00
3/4" Meter	215.00
1" Meter	255.00
1 1/2" Meter	465.00
2" Turbine Meter	965.00
2" Compound Meter	1,690.00
3" Turbine Meter	1,470.00
3" Compound Meter	2,265.00
4" Turbine Meter	2,350.00
4" Compound Meter	3,245.00
6" Turbine Meter	4,545.00
6" Compound Meter	6,280.00
8" Meter & Larger	At Cost

* Shall have a non-interest bearing deposit of the amount indicated, refundable in its entirety upon return of the meter in good condition and payment of final bill.

Issued: November 30, 2011

Effective: December 1, 2011

ISSUED BY:

Greg Sorensen, Director of Operations
 Litchfield Park Service Company
 12725 W. Indian School Road, Suite D-101
 Avondale, AZ 85392

Applies to all WATER service areas
PART ONE
STATEMENT OF CHARGES FOR WATER SERVICE

II. TAXES AND ASSESSMENTS

In addition to all other rates and charges authorized herein, the Company shall collect from its customers all applicable sales, transaction, privilege, regulatory or other taxes and assessments as may apply now or in the future, per Rule R14-2-409(D)(5).

Issued: November 30, 2011

Effective: December 1, 2011

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all WATER service areas
PART ONE
STATEMENT OF CHARGES FOR WATER SERVICE

III. PERMITTED COSTS

- A. Costs shall be verified by invoice.
- B. For services that are provided by the Company at cost, costs shall include labor, materials, other charges incurred, and overhead not to exceed 10%. However, prior to any such service being provided, the estimated cost of such service will be provided by the Company to the customer. After review of the cost estimate, the customer will pay the amount of the estimated cost to the Company.
- C. In the event that the actual cost is less than the estimated cost, the Company will refund the excess to the customer within 30 days after completion of the provision of the service or after Company's receipt of invoices, timesheets or other related documents, whichever is later.
- D. In the event the actual cost is more than the estimated cost, the Company will bill the customer for the amount due within 30 days after completion of the provision of the service or after the Company's receipt of invoices, timesheets or other related documents, whichever is later. The amount so billed will be due and payable 30 days after the invoice date. However, if the actual cost is more than five percent (5%) greater than the total amount paid, the customer will only be required to pay five percent (5%) more than the total amount paid, unless the Company can demonstrate that the increased costs were beyond its control and could not be foreseen at the time the estimate for the total amount paid was made.
- E. At the customer's request, the Company shall make available to the customer all invoices, timesheets or related documents that support the cost for providing such service.
- F. Permitted costs shall include any Federal, State or local taxes that are or may be payable by the Company as a result of any tariff or contract for water facilities under which the Customer advances or contributes funds or facilities to the Company.

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 9

(Estimated Annual Operating Revenue and Expenses – First Five Years)

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
 Marbella Ranch Project
 Projected Statements of Income

Exhibit 9

Line No.		Year 1	Year 2	Year 3	Year 4	Year 5
1	Metered Water Revenue /a					
2	Residential	6,449	45,142	109,630	174,118	238,606
3	Commercial	-	-	-	-	-
4	Industrial	-	-	-	-	2,620
5	Irrigation	3,823	11,468	19,114	26,759	34,404
6	Unmetered Water Revenue					
7	Other Water Revenues	840	4,040	4,040	4,040	4,080
8	Total Estimated Revenues	11,112	60,650	132,783	204,917	279,711
9						
10	Pumping Power/1	868	4,900	11,229	17,557	24,073
11	Chemicals/1	200	1,129	2,586	4,043	5,544
12	Repairs & Maint/2	151	1,028	2,481	3,933	5,393
13	Insurance/2	20	139	336	533	731
14	Office, Billing, Postage, Ops. /2	114	779	1,880	2,981	4,088
15	Total Variable Costs	1,354	7,976	18,512	29,048	39,828
16						
17	Depreciation /3	58,808	125,609	147,436	211,106	267,252
18	CIAC Amort /4	(5,177)	(22,814)	(37,434)	(54,153)	(74,054)
19	Property Taxes /5	141	653	2,042	4,166	6,616
20	Income Taxes /6	(15,591)	(17,985)	789	5,225	14,193
21	Total Other Expense	38,181	85,463	112,833	166,343	214,007
22						
23	Total Operating Expenses	39,535	93,439	131,345	195,391	253,835
24						
25	Operating Income (Expense)	(28,424)	(32,789)	1,439	9,525	25,875
26						
27	/a - Based on customer growth and average revenue for typical meter					
28	/1 - Based on gallons sold					
29	/2 - Based on number of customers					
30	/3 - Based on plant estimate & authorized depreciation rates					
31	/4 - Based on customer growth at current HUF					
32	/5 - ADOR property tax calculation					
33	/6 - Based on composite rate last rate case					
34						

1 APPLICATION OF
2 LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
3 FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
4 AND NECESSITY TO PROVIDE WATER UTILITY SERVICE
5 IN MARICOPA COUNTY, ARIZONA

6 **Exhibit 10**

7
8 **(Written Request for Service)**
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

March 20, 2014

Mr. Greg Sorenson
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
12725 W Indian School Rd., Suite D101
Avondale, AZ 85392

Re: Request for Water and Sewer Service

Dear Mr. Sorenson:

El Paso Natural Gas Company, L.L.C. ("El Paso") is the current owner of land located in Section 2, Township 2 North, Range 1 West consisting of the following tax parcel numbers:

501-53-006A, 501-53-007A, 501-53-008B, 501-53-009B, 501-53-010C, 501-53-0012A,
501-53-013A, 51-53-014A, 501-53-015 and 501-53-016A

El Paso is under contract to sell the property to TRS 8, LLC ("TRS"). TRS is planning to develop the property to include up to 1,260 residential homes and commercial and industrial property.

El Paso and TRS hereby request that Liberty Utilities (Litchfield Park Water & Sewer) Corp. provide water and sewer services to the indicated tax parcels and include the property in the Company's planned extension of its Certificate of Convenience and Necessity for water and sewer services.

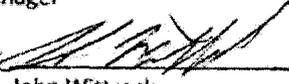
El Paso Natural Gas Company, L.L.C.

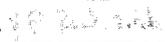
TRS 8, LLC

By: Kinder Morgan Operating LP A
Its: Manager

By: Taproot Consulting LLC
Its: Manager

By: 

By: 

Its: 

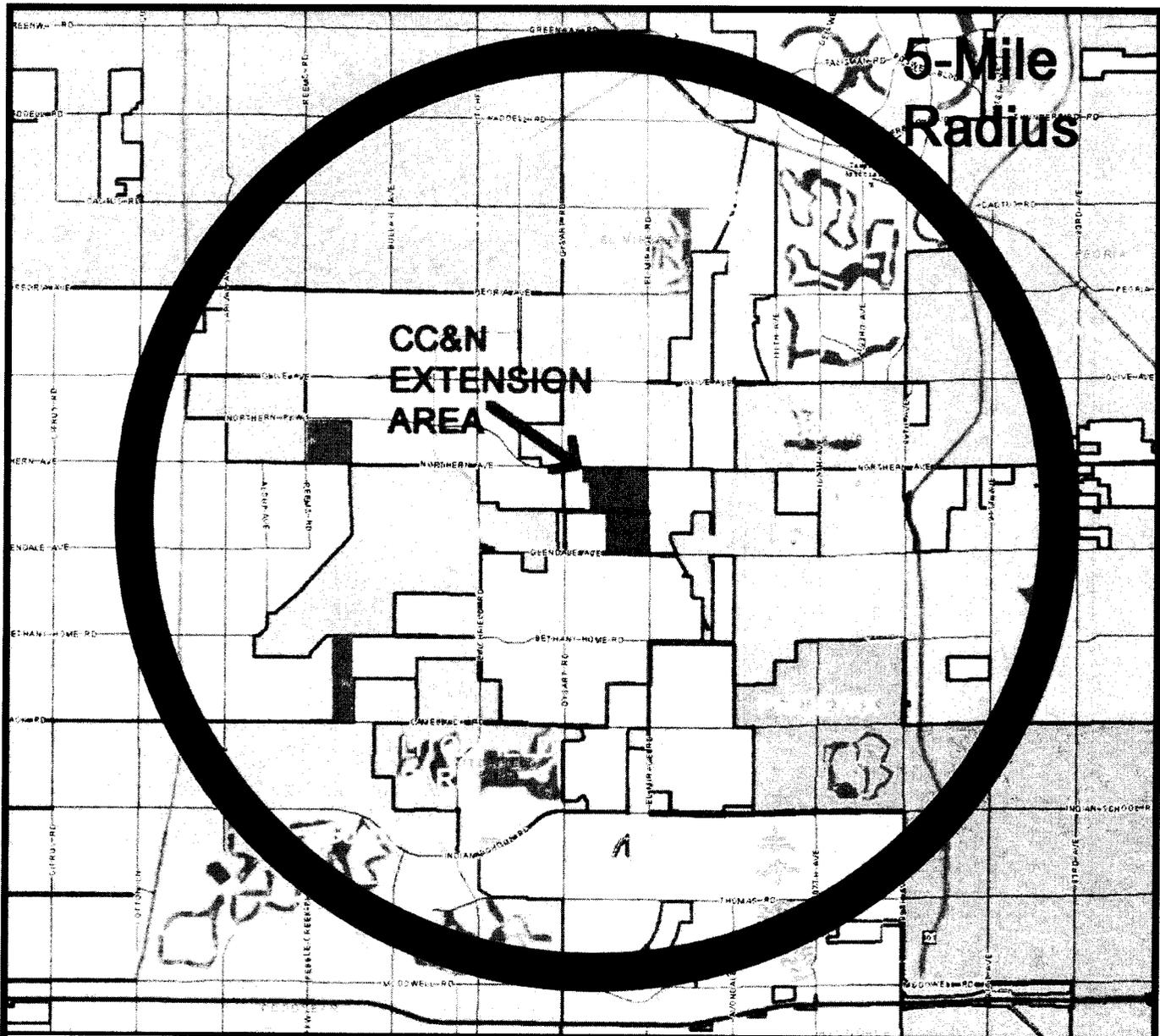
John Wittrock
Its: Manager

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 11

(Maps of Existing Service Area and Requested Area)



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Extension and Nearby Municipalities

Map:

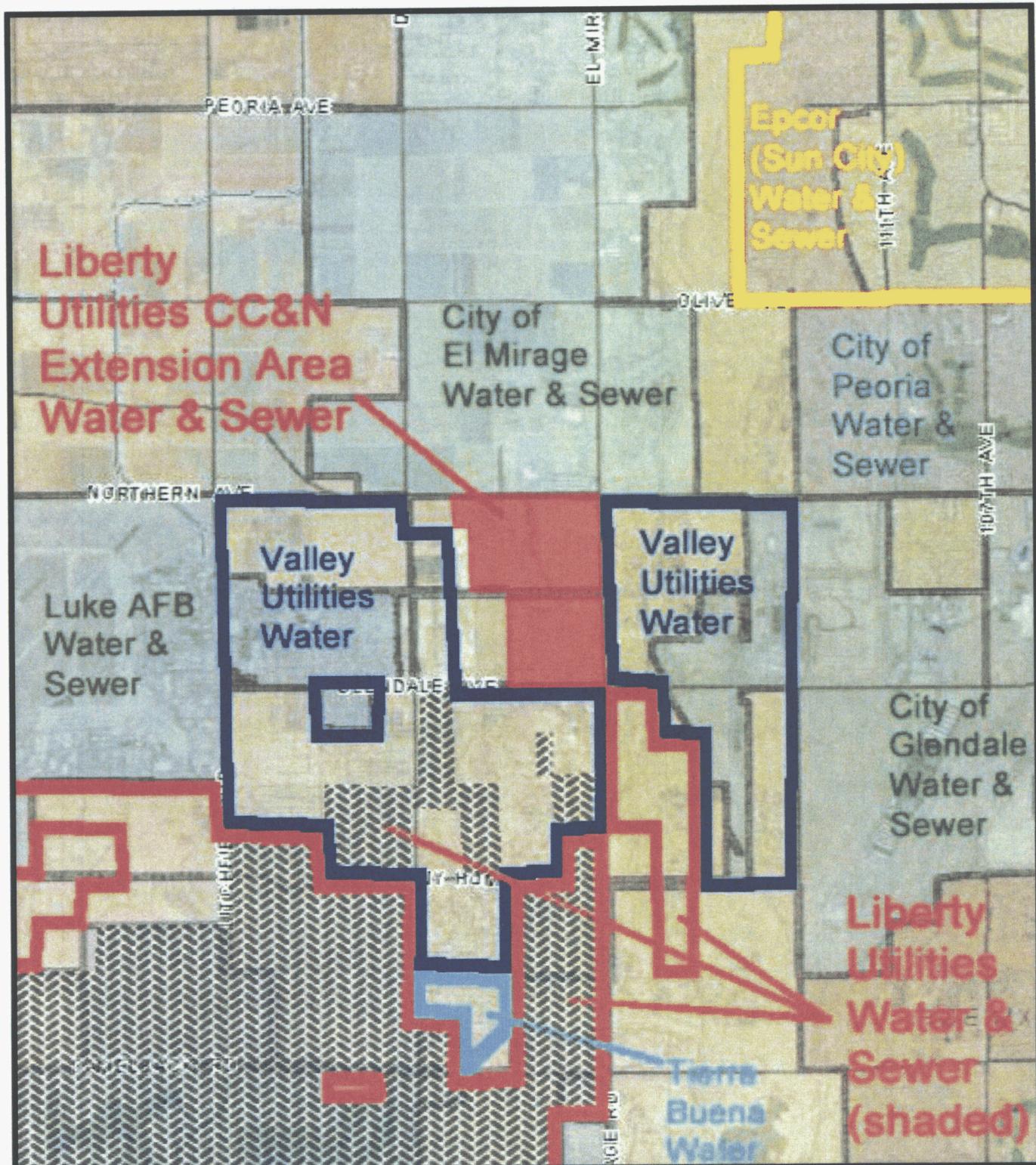
11-1

ARICOR
Water Solutions

**Liberty Utilities (Litchfield Park
Water & Sewer) Corp.**

DATE:

4-8-14



CC&N Extension and Nearby Service Areas

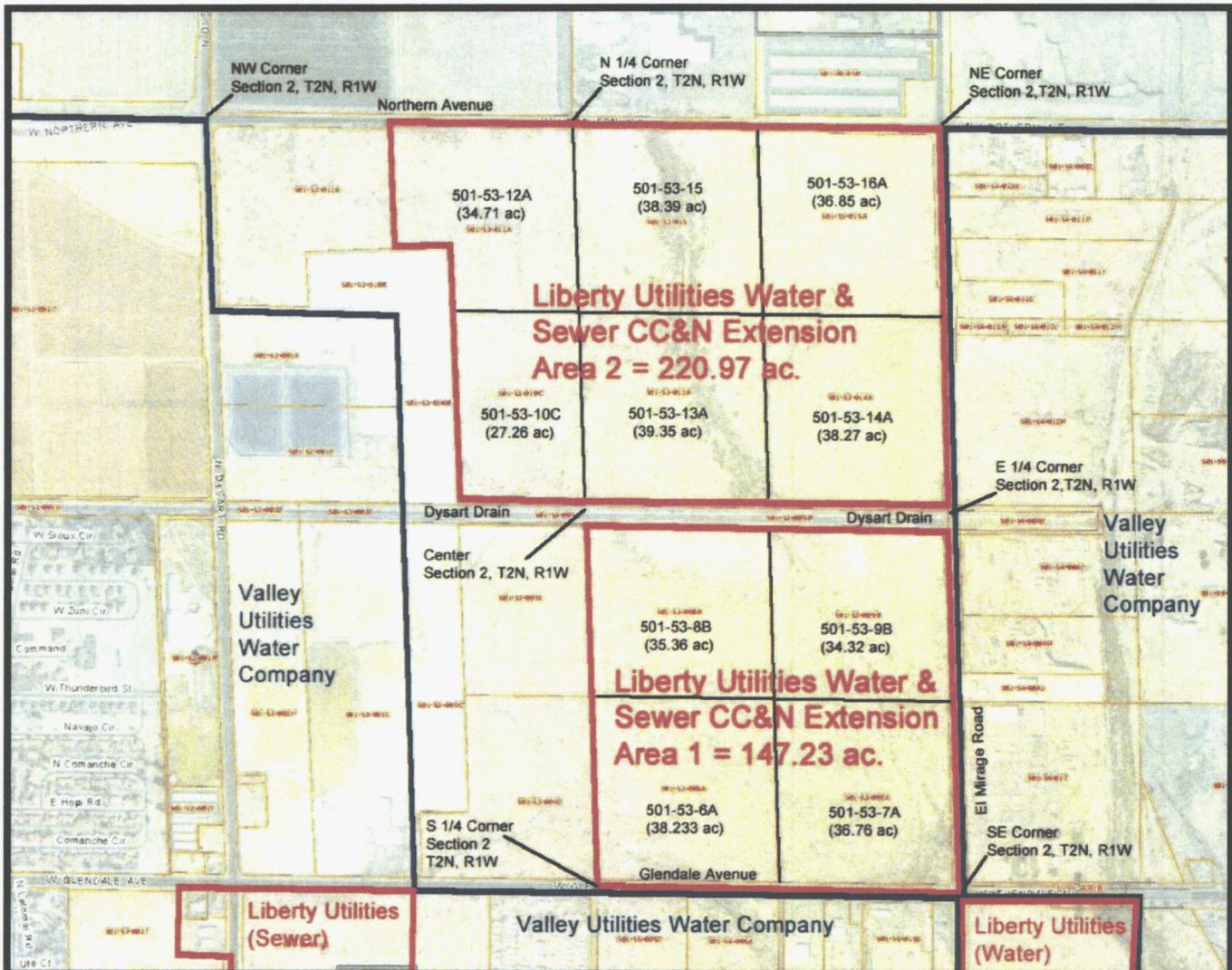
Map:

11-2



**Liberty Utilities (Litchfield Park
Water & Sewer) Corp.**

DATE:
4-8-14



CC&N Extension Area 1 consists of four parcels and CC&N Extension Area 2 consists of six parcels. The total Extension Area is 368.20 acres. All parcels are currently owned by El Paso Natural Gas Company, L.L.C. and are under contract to TRS 8, LLC the developer of the property.

El Paso Natural Gas Company, L.L.C. and TRS 8, LLC have jointly requested both water and sewer service from Liberty Utilities (Litchfield Park Water & Sewer) Corp. by letter dated March 20, 2014. There are no parcels within the Extension Area that have not requested service.

There are no existing water or sewer service connections within the CC&N Extension Area

CC&N Extension Areas and Individual Parcels

Map:

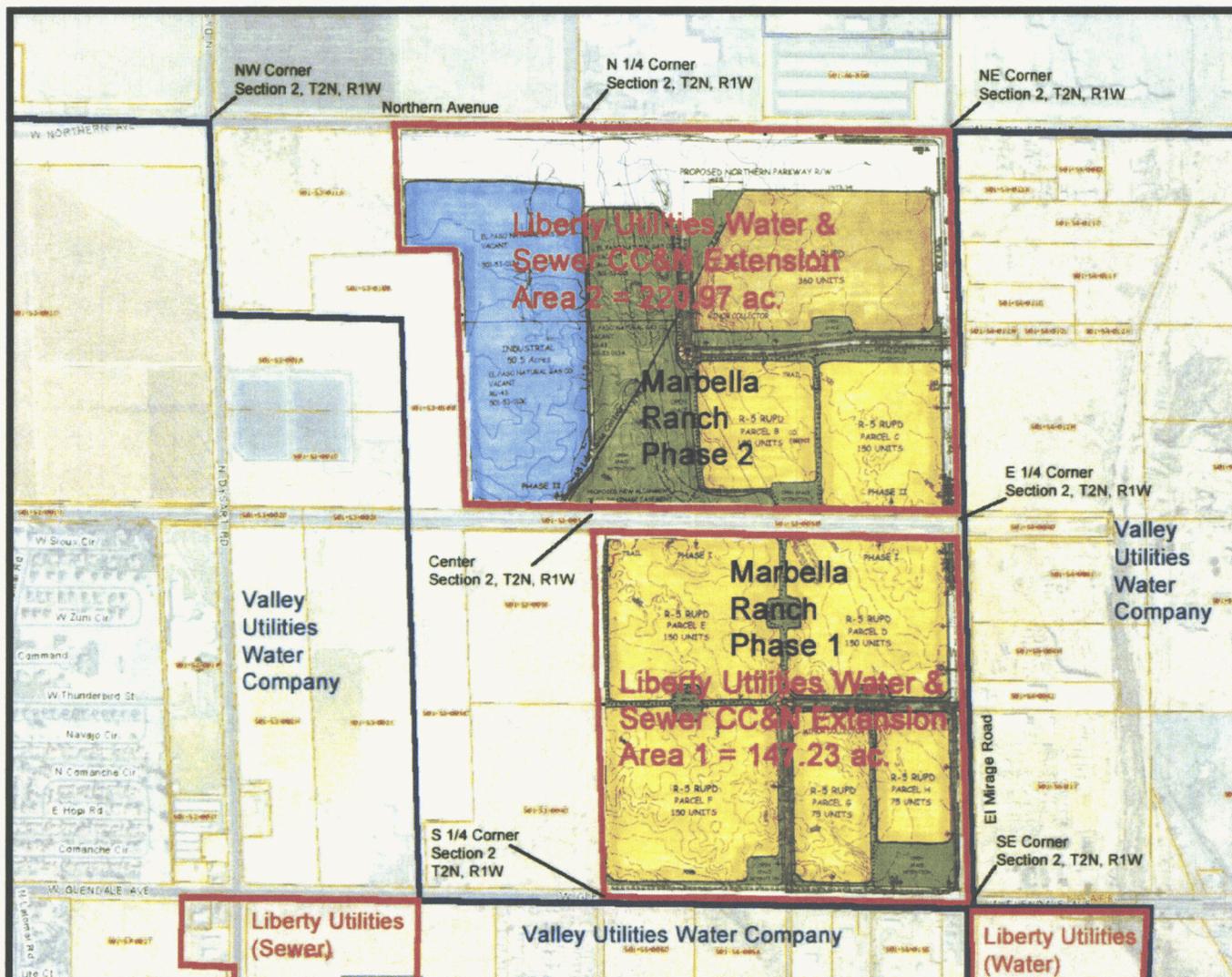
11-3

ARICOR
Water Solutions

**Liberty Utilities (Litchfield Park
Water & Sewer) Corp.**

DATE:

4-8-14



TRS 8, LLC is planning to develop an approximately 350 acre mixed use development known as Marbella Ranch in the CC&N Extension Area. Marbella Ranch Phase 1 consists of 600 housing units. Marbella Ranch Phase 2 consists of 660 housing units. Phase 2 also includes 50.5 acres of industrial development.

TRS 8, LLC has requested rezoning for a Multiple-Family Residential (R-5) Residential Unit Plan of Development ("RUPD") zoning district on the Property outside of the AICUZ lines. R-5 RUPD allows for single family detached and attached residential subdivisions with a variety of lot widths, as well as the potential for multi-family residential.

CC&N Extension Area and Proposed Marbella Ranch

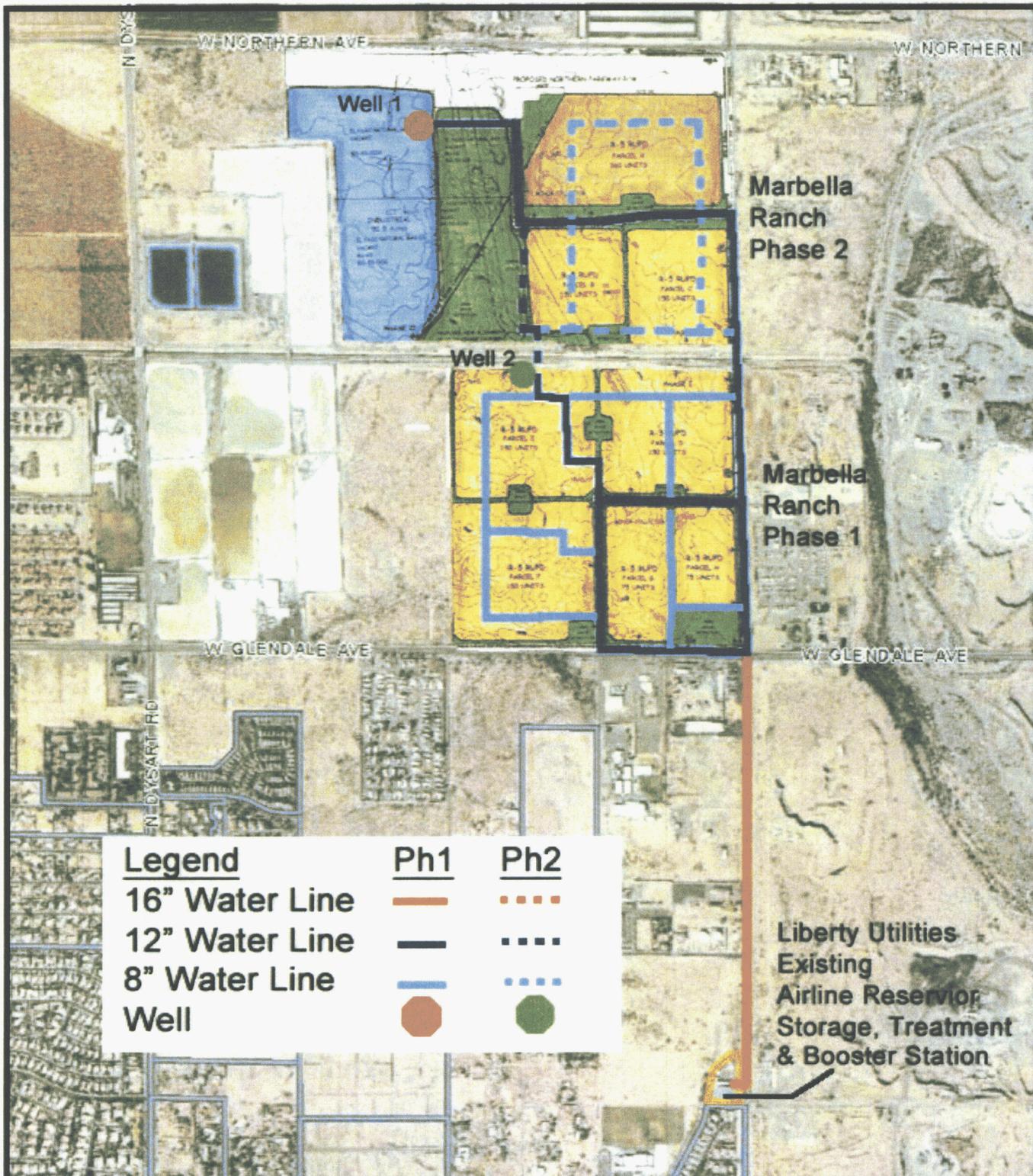
Map:

11-4

ARICOR
Water Solutions

**Liberty Utilities (Litchfield Park
Water & Sewer) Corp.**

DATE:
4-8-14



Legend

	<u>Ph1</u>	<u>Ph2</u>
16" Water Line	—	⋯
12" Water Line	—	⋯
8" Water Line	—	⋯
Well	●	●

Liberty Utilities
Existing
Airline Reservoir
Storage, Treatment
& Booster Station

Proposed Water System and Principal Components

Map:

11-5

ARICOR
Water Solutions

**Liberty Utilities (Litchfield Park
Water & Sewer) Corp.**

DATE:
4-11-14

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 12

(Notice to Municipalities within 5 miles)

[Liberty Utilities Letterhead]

April __, 2014

Notice Required Pursuant to R14-2-402.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Rio Verde Utilities, Inc.

Pursuant to A.A.C. R14-2-402.B.4, Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty") is providing this notice that Liberty has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide water service to properties contiguous to its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392
623-935-9367

Date Application was Filed

[TBD]

Type of Service to be Provided

Water Service

A Description of Requested Service Area

See Exhibit 4 and Map – 11-1 from the Application to the ACC, attached.

Commission Docket Number

[TBD]

Instructions on How to Obtain a Copy of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Liberty Utilities, 12725 W. Indian School Road, Suite D-101, Avondale, AZ 85392. In addition, upon request, Liberty will provide a printed copy or electronic copy upon request.

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 13
(Estimated Number of Customers – First Five Years)

**Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Marbella Ranch Project
Customer Projections**

Exhibit 13

Line

No.

		<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
1	Customer Additions:					
2	Residential	40	200	200	200	200
3	Commercial	0	0	0	0	0
4	Industrial	0	0	0	0	2
5	Irrigation	2	2	2	2	2
6						
7	Cumulative Customers:					
8	Residential	40	240	440	640	840
9	Commercial	0	0	0	0	0
10	Industrial	0	0	0	0	2
11	Irrigation	2	4	6	8	10
12						

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 14
(Public Water System Compliance Report)



Maricopa County
Environmental Services Department

PUBLIC WATER SYSTEM COMPLIANCE STATUS REPORT

System Name: Liberty Utilities
PWS ID#: 07-046

Type of System: Community Number of POE's: 6 Surface Water: No
Number of Service Connections: 12049 Population Served: 34000

Assigned Monitoring Dates – Initial: 1/1/95

Does the water system have a Certified Operator? Yes

Does the system have major treatment plant deficiencies? No
Please describe:

Date of last inspection: 8/28/13 Sanitary Survey, 11/7/12 Treatment Plant

Does the system have major O & M deficiencies? No
Please describe:

Does the system have water quality monitoring/reporting deficiencies? No
Please describe:

General Public Water System Compliance Status? Compliance

Date of compliance review: 8/28/13 By: **Cory Smith** Initials: CS
Phone: (602) 506-6644

Requested By: Post Survey Fax Number/ Contact: _____ Tracking Number:
Supervisor Initials: _____ Date: _____

Safe Drinking Water Program
Korissa Entringer R.S., Manager
1001 N. Central Ave., Suite 150 Phoenix, Arizona 85004-1940 Phone: (602) 506-6935 Fax: (602) 372-0866

1 APPLICATION OF
2 LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
3 FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
4 AND NECESSITY TO PROVIDE WATER UTILITY SERVICE
5 IN MARICOPA COUNTY, ARIZONA

6 **Exhibit 15**

7
8 **(Water Use Data Sheet)**
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

COMPANY NAME: Liberty Utilities
Name of System: Litchfield Park Service Company ADEQ Public Water System Number: 04-07-046

WATER USE DATA SHEET BY MONTH FOR APRIL 2013 TO MARCH 2014

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLONS PUMPED	GALLONS PURCHASED
April 2013	17,784	232,585,601	273,038,000	
May 2013	17,822	274,073,549	354,620,000	
June 2013	17,901	335,629,424	391,669,000	
July 2013	17,949	381,765,817	423,069,000	
August 2013	17,983	374,524,188	398,086,000	
September 2013	18,067	352,105,281	332,376,000	
October 2013	18,119	313,226,407	359,407,000	
November 2013	18,143	324,039,860	270,664,000	
December 2013	18,205	224,496,019	205,500,000	
January 2014	18,255	180,078,231	212,875,000	
February 2014	18,314	187,950,221	205,640,000	
March 2014	18,408	195,909,391	207,146,400	
TOTALS →		3,376,383,989	3,634,090,400	

What is the level of arsenic for each well on your system? See next page mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? ___ GPM for ___ hrs.
Note: The utility does not specify a minimum fire flow requirement. This is determined by the local Fire Marshall.

If system has chlorination treatment, does this treatment system chlorinate continuously?
 Yes (flow or residual based) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 Yes No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 Yes No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: Liberty Utilities

Name of System: Litchfield Park Service Company

ADEQ Public Water System Number: 02007

ARSENIC LEVEL FOR WELLS

WELL NO.	EPDS NO.	DWR #	ARSENIC VALUE (PPM)	COMMENTS
1	001	55-583454	.0101	
2	001	55-611680	.0109	
4	001	55-611678	.0091	
5	001	55-611677	.0098	
6	001	55-533836	.0173	
20B	002	55-611717	.0151	
34C	006	55-611687	.0075	
2AL	004	55-611724	.0062	
10AL	005	55-214539	.005	
4AL	003	55-611726	.0151	
5AL	003	55-611727	.0527*	*No current data, but tends to be similar to 9AL
9AL	003	55-611729	.0527	

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 16

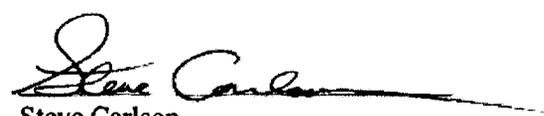
(Notarized Signature on Behalf of Applicant)

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

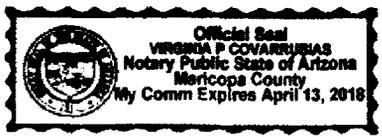
AFFIDAVIT OF STEVE CARLSON

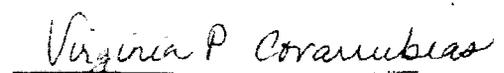
Steve Carlson, being duly sworn, deposes and says:

1. I am a resident of Maricopa County, over 18 years of age, and make this affidavit based on my own personal knowledge.
2. I am the Development Services Manager for Liberty Utilities (Litchfield Park Water and Sewer) Corp. ("Liberty").
3. The Application for an Extension of Liberty's existing water CC&N, to which this affidavit is attached, was prepared under my supervision.

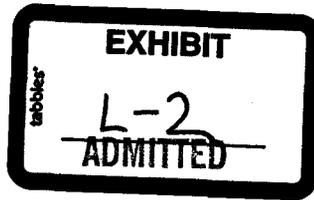

Steve Carlson

SUBSCRIBED and sworn to before me this 16th day of April, 2014.




Notary Public

My Commission Expires:
4/13/2018



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

FENNEMORE CRAIG
A Professional Corporation
Patrick J. Black (No. 017141)
2394 E. Camelback Rd, Suite 600
Phoenix, Arizona 85016
Telephone (602) 916-5000

RECEIVED
AZ CORP COMMISSION
DOCKET COMMISSION
2014 MAY 19 PM 2 21

Attorneys for Liberty Utilities (Litchfield Park Water and Sewer), Corp.

ORIGINAL

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION
OF LIBERTY UTILITIES (LITCHFIELD
PARK WATER AND SEWER), CORP. FOR
A CERTIFICATE OF CONVENIENCE AND
NECESSITY TO PROVIDE WATER
UTILITY SERVICE IN MARICOPA
COUNTY, ARIZONA

DOCKET NO. W-01427A-14-0134
NOTICE OF ERRATA

Liberty Utilities (Litchfield Park Water and Sewer) Corp. ("Applicant"), an Arizona public service corporation, hereby files this Notice of Errata in the above-captioned matter. Exhibits 4 (Legal Description) and 5 (Master Water Report) contained errors. Applicant is filing new Exhibits 4 and 5 to replace the ones filed with the original application.

RESPECTFULLY SUBMITTED, this 19th day of May, 2014.

FENNEMORE CRAIG, P.C.

Arizona Corporation Commission
DOCKETED
MAY 19 2014

By: 
Patrick J. Black
Attorneys for Liberty Utilities (Litchfield
Park Water and Sewer) Corp.

DOCKETED BY 

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

ORIGINAL and 13 copies filed
this 19th day of May, 2014 with:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

By: WMM

9164863/035227.0035

1 APPLICATION OF
2 LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
3 FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
4 AND NECESSITY TO PROVIDE WATER UTILITY SERVICE
5 IN MARICOPA COUNTY, ARIZONA

6 **Exhibit 4**

7
8 **(Legal Description of Requested Area)**
9

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

Exhibit 4
REVISED 5-16-14

Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Water CC&N Extension

That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;
EXCEPT the south 20.00 feet of said Northeast Quarter;

The East $\frac{1}{2}$ of the Northwest Quarter of said Section 2;
EXCEPT the south 20.00 feet of said Northwest Quarter, and;
the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;
EXCEPT the north 140.00 feet of said Southeast Quarter.

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 5
(Master Water Report)

PRELIMINARY ENGINEERING REPORT WATER MASTER PLAN

**Marbella Ranch
Section 2, T2N, R1W
Maricopa County, Arizona**

**April 14, 2014
REVISED
May 16, 2014**

Prepared for:
TRS 8, LLC
18835 North Thompson Peak Parkway, Suite 215
Scottsdale, AZ 85255

Prepared By:
ARICOR Water Solutions LC
25213 N. 49th Drive
Phoenix, AZ 85083
(623) 341-4771 FAX (623) 582-5160



ARICOR
Water Solutions

TABLE OF CONTENTS

1. **Executive Summary** 1

2. **Introduction** 2

 2.1 Objective 2

 2.2 Project Location 2

 2.3 Topographic Conditions 2

 2.4 Proposed Development 3

3. **Design Criteria** 5

4. **Demands** 6

5. **Existing Facilities/Conditions** 7

6. **Proposed Facilities** 8

7. **Summary/Conclusions** 10

LIST OF TABLES

Table 3.1 – Liberty Demand Criteria 5

Table 3.2 – Additional Water System Criteria 5

Table 3.3 - Summary Water Master Planning Factors 6

Table 4.1 - Land Use and Demand Factors 6

Table 4.2 - Estimated Demand and Facilities Requirements 7

LIST OF FIGURES

Figure 2.1 – Area Map 2

Figure 2.2 – Marbella Ranch Development Map 4

Figure 6.1 – Planned Water Facilities Map 9

Appendix 1 – Estimate of Construction Cost



Revisions:

May 16, 2014 – Report revised to correct location references. The correct location of project is Section 2, Township 2 North, Range 1 West. The original report referenced Range 1 East in error.

1. Executive Summary

Marbella Ranch is an approximately 365 acre property that will be provided water service by Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty"). Liberty will file an application with the Arizona Corporation Commission to extend its Certificate of Convenience and Necessity ("CC&N") to include the Marbella Ranch project.

Marbella Ranch is an approximately 365 acre property under contract to TRS 8, LLC who will develop the Marbella Ranch project. Marbella Ranch will be developed in phases. Phase 1 of Marbella Ranch is located in the southern portion of the property and is planned for 600 single family homes. Phase 2 of Marbella Ranch is located in the northern portion of the property and is planned for 660 dwelling units and includes a 50.5 acre industrial parcel. The maximum number of dwelling units on the Property will not exceed 1,260 units.

Design criteria are in accordance with the requirements of Liberty as presented in Liberty's Development Guide for Maricopa County Properties dated October 22, 2009. Based on the design criteria, the facilities requirements are summarized as follows:

- Required Well Capacity – 1,030 gpm
- Required Storage Capacity – 593,370 gallons (operational) & 540,000 gallons (fire)
- Pumping Capacity – 1,030 gpm plus 3,000 gpm fire = 4,030 gpm

Liberty has verified that the wells, storage and booster pumping capacity at the Airline Reservoir site can meet the facilities requirements for Marbella Ranch and that the Airline Reservoir site will be the primary supply for Marbella Ranch. However, Liberty has indicated that it is planning to create a new pressure zone in the northern portion of its service area ("zone 2") and would like to expand its well field to supplement supply and pumping capability in the new pressure zone.

Liberty's existing distribution system will be extended approximately $\frac{3}{4}$ of a mile along El Mirage Rd. to the Marbella Ranch site. The on-site facilities will include a primary network of 12" diameter water lines supplemented by a secondary network of 8" diameter water lines. The remaining on-site water lines will be minimum 6" diameter lines. As requested by Liberty, TRS 8, LLC will provide two well sites for the development of two new groundwater wells on the Marbella Ranch site. The wells will be developed to provide a combined capacity of not less than 1,030 gpm, the projected maximum day for the project.

The proposed system meets the master planning criteria as established by Liberty. The system is able to adequately provide Peak Day, Peak Hour and Peak Day plus Fire Flow Demands. Flow and pressures throughout the system during all design conditions meet minimum pressure requirements.

2. Introduction

2.1 Objective

This preliminary engineering report will analyze the water facility requirements for the Marbella Ranch project. Marbella Ranch is an approximately 365 acre property within the City of Glendale strip annex and planning area but is actually part of unincorporated Maricopa County. Water service will be provided by Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty"). Liberty will file an application with the Arizona Corporation Commission to extend its Certificate of Convenience and Necessity ("CC&N") to include the Marbella Ranch project. This report is being prepared in support of the CC&N application.

2.2 Project Location

The Marbella Ranch project is located on the El Mirage Road alignment between Glendale Avenue and Northern Avenue in Section 2, Township 2 North, Range 1 West. The project is within the City of Glendale strip annex and planning area but is actually part of unincorporated Maricopa County. Luke Air Force Base ("Luke") is located to the west of Marbella Ranch. The Luke Air Force Base ("Luke") Air Installation Compatible Use Zone ("AICUZ") runs along the northwestern portion of the property. See Figure 2.1.

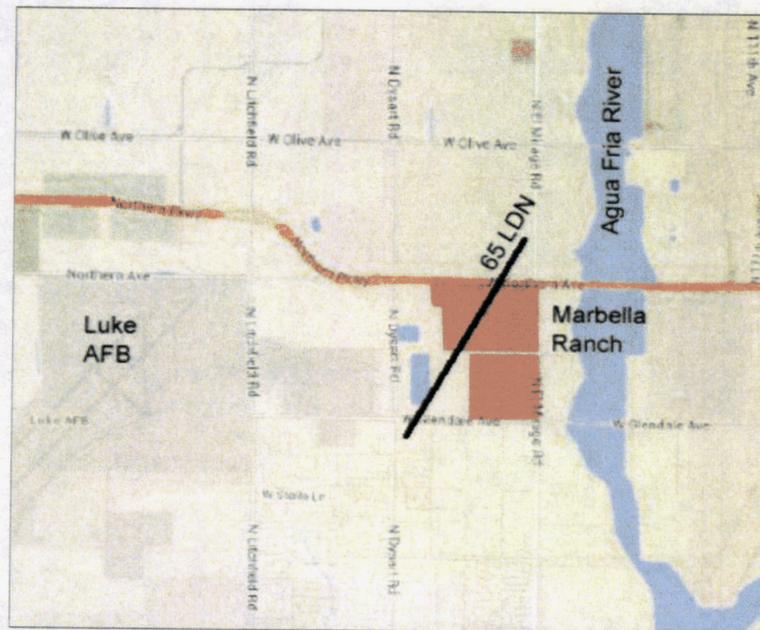


Figure 2.1 – Area Map

2.3 Topographic Conditions

The property ranges in elevation from approximately 1,086.5 ft at the northeastern corner of Marbella Ranch to a low of 1,060 ft at the southeastern corner of Marbella Ranch. Historic drainage is along a line from the center of the property at the north border through the

southeastern corner. This historic drainage has been cut-off by the Dysart Drain, which runs easterly through the center of the project. Accordingly, the northern portion of the property drains from both the east and west towards the historic drainage and then south into the Dysart Drain. The southern portion of the property drains along the historic drainage to the southeastern corner of the property.

2.4 Proposed Development

Marbella Ranch is an approximately 365 acre property currently owned by El Paso Natural Gas, LLC ("El Paso"). The Property is under contract to TRS 8, LLC who will develop the Marbella Ranch project. The Property is currently zoned Rural-43 by Maricopa County.

On March 3, 2014 TRS 8, LLC filed with Maricopa County Case CPA2014002 – Comprehensive Plan Amendment and Case Z2014011 – Rezoning Request. The requested plan amendment and rezoning request is for a Multiple-Family Residential (R-5) Residential Unit Plan of Development ("RUPD") zoning district on the property outside of the AICUZ line for single family detached and attached residential subdivisions with a variety of lot widths, as well as the potential for multi-family residential (apartment units). The maximum number of dwelling units on the Property will not exceed 1,260 units. The portion of the property within the AICUZ lines is planned for open space or industrial uses. Luke supports the Rezoning Application and Comprehensive Plan Amendment.

Marbella Ranch will be developed in phases. Phase 1 of Marbella Ranch is located in the southern portion of the property and is planned for 600 single family homes. Construction of the first phase of the development is scheduled to begin in 2016 and is expected to take approximately five years to build-out.

Phase 2 of Marbella Ranch is located in the northern portion of the property and is planned for 660 dwelling units and includes a 50.5 acre industrial parcel. The current plan is for 300 single family homes and 360 apartment units in the residential portion of Phase 2. However, the R-5, RUPD zoning provides flexibility in regard to what type of residential units are constructed. Accordingly, this report will consider all units in Phase 2 to be single family homes so that projected demand is not understated.

Construction of Phase 2 of the development is expected to begin about two years after the start of Phase 1 and is expected to take approximately five years to build-out. Overall project build-out is expected to take approximately seven years with home sales estimated at 200 units per year.

Figure 2.2 is a development map for Marbella Ranch.

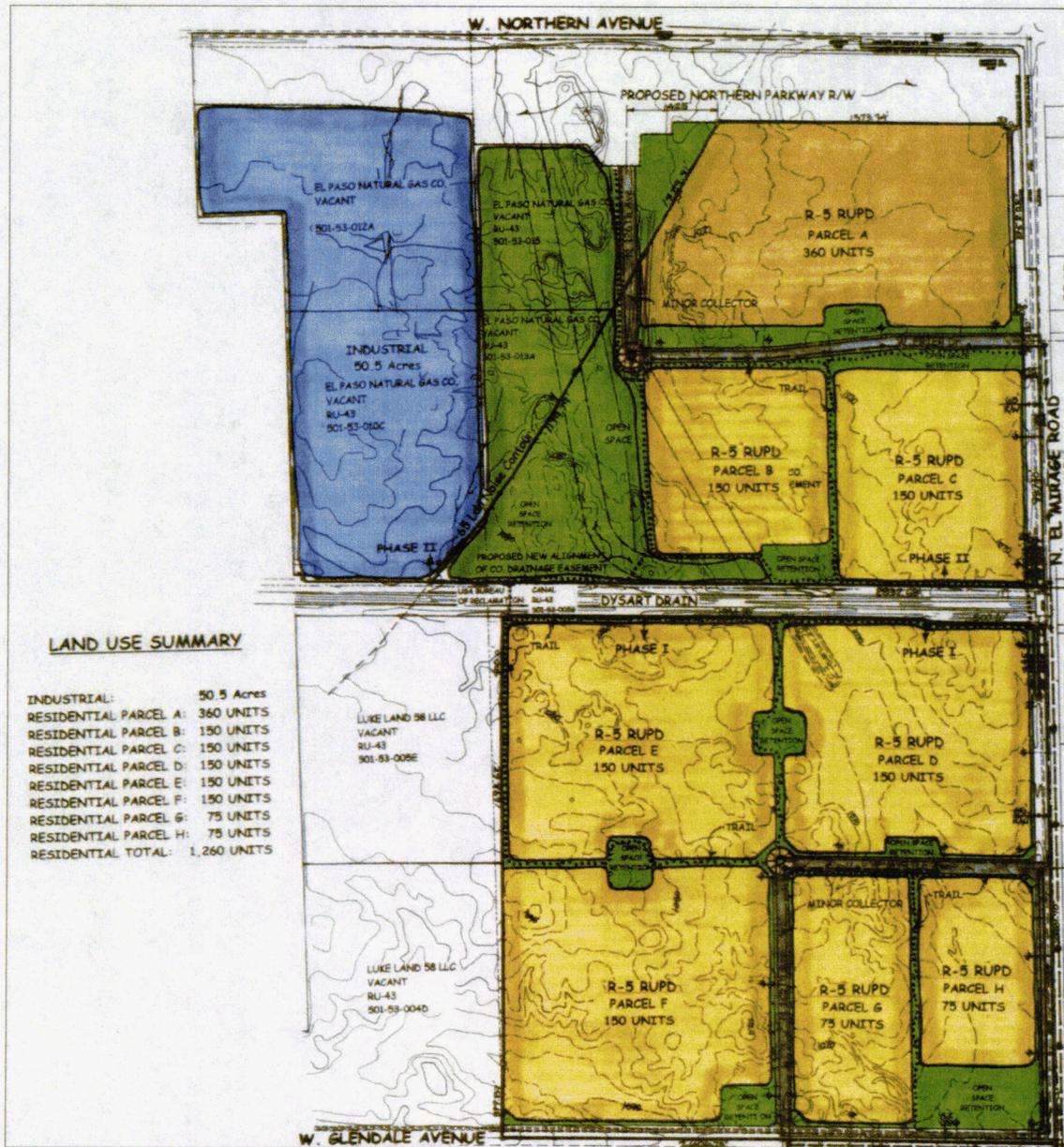


Figure 2.2 – Marbella Ranch Development Map

3. Design Criteria

All design criteria are in accordance with the requirements of Liberty as presented in Liberty's *Development Guide for Maricopa County Properties* dated October 22, 2009.

Liberty specifies the demand criteria as shown in Table 3.1.

Table 3.1 – Liberty Demand Criteria

Land Use	Ave. Day Demand (gpcd)	Capita / DU	Max Day Peaking Factor	Peak Hour Peaking Factor
Single Family	150	3.2	1.8	3.0
Multi Family	110	2.0	1.8	3.0
Commercial	1,700 gpd/acre	n/a	1.8	3.0
Developed Open Space	1,800 gpd/acre	n/a	n/a	n/a

Liberty establishes the additional water system criteria presented in Table 3.2.

Table 3.2 – Additional Water System Criteria

Category	Criteria
Minimum Pressures	55 psi static 40 psi @ peak hour 20 psi @ max day + fire
Maximum Pressures	90 psi static unless individual pressure reducing valve installed on customer side of meter and approved by Liberty
Velocity and Headloss	8 fps maximum velocity (distribution system) 2 fps min. and 6 fps max (well transmission)
Fire Flows	Residential ≤3,600 sq. ft – 1,500 gpm for 2 hours Residential >3,600 sq. ft – Per 1997 UFC Commercial – 3,000 gpm for 3 hours
Storage Requirements	Equalization – 30% of Maximum Day Emergency Reserve – 10% of Maximum Day
Booster Pumping	Firm Capacity – Greater of Max day + fire or peak hour demand
Well Capacity	Firm Capacity – Equal to Maximum day demand

The water distribution system design for Marbella Ranch was based on the design criteria as provided by Liberty. However, since Liberty does not specify a demand for industrial uses, after consultation with Liberty, a demand of 850 gpd/acre was selected as appropriate for the planned industrial uses in Marbella Ranch. Table 3.3 summarizes the water master planning factors utilized for Marbella Ranch.

Table 3.3 - Summary Water Master Planning Factors

Land Use	Pop Density (capita/DU)	Population and Demand Factors			Fire Requirement	Peaking Factors		
		Gallons Per Capita	Demand (per day)			1.8 = Peak Day Factor	Peak Day = Peak Day Factor * Avg Day	
SF	3.2	150	- Dwelling Unit		Residential	3.0 = Peak Hour Factor	Peak Hour = Peak Hour Factor * Avg Day	
MF	2.0	110	- Dwelling Unit		Residential	Storage Factors		
COMM			1,700	Acre	Commercial	40% = Equalization + Emergency Factor		
IND			850	Acre	Commercial	Operational = Equalization Factor * Peak Day		
OS			1,800	Acre	n/a	Fire = Fire Flow * Duration		
						Fire Flows		
						Requirement	Flow	Duration
						Commercial	3,000 gpm	3 hours
						Residential	1,500 gpm	2 hours
						N/A	0 gpm	0 hours

4. Demands

Using the established criteria, the four following demand scenarios are considered.

- Average Day Demand – This demand condition represents the annual average daily use.
- Maximum Day Demand – This demand condition represents the peak water use day for an average year.
- Maximum Day with Fire Flow – This demand condition represents a simultaneous fire flow and peak day demand flow.
- Peak Hour demand – This demand condition represents the peak water use hour on the Peak Day of an average year.

Table 4.1 presents the land use and demand factors and Table 4.2 presents the resulting demands and facilities requirements.

Table 4.1 - Land Use and Demand Factors

Parcel	Land Use	Acres	Residential Dwelling Units	Other Demand Units	Pop Density (capita/DU)	Population	Demand Per Capita	Demand Per Other
Phase 1								
D	SF	32.0	150		3.2	480	150	-
E	SF	34.5	150		3.2	480	150	-
F	SF	34.0	150		3.2	480	150	-
G	SF	17.0	75		3.2	240	150	-
H	SF	12.0	75		3.2	240	150	-
Open Space	OS	12.0	-		0.0	-	-	1,800
ROW	OS	5.0	-		0.0	-	-	1,800
		146.5	600			1,920		
Phase 2								
A	SF	45.0	360		3.2	1,152	150	-
B	SF	22.0	150		3.2	480	150	-
C	SF	20.0	150		3.2	480	150	-
Industrial	IND	50.5	-		0.0	-	-	850
Open Space	OS	75.0	-		0.0	-	-	1,800
ROW	OS	6.0	-		0.0	-	-	1,800
		218.5	660			2,112		
		366.0	1,260			4,032		

Table 4.2 - Estimated Demand and Facilities Requirements

Parcel	Demands			Demands				Storage	
	Avg Day	Peak Day	Peak Hour	Avg Day	Peak Day	Fire	Peak Hour	Operational	Fire
	(gpd)			(gpm)				(gallons)	
Phase 1									
D	72,000	129,600	216,000	50.0	90.0	1,500	150.0	51,840	180,000
E	72,000	129,600	216,000	50.0	90.0	1,500	150.0	51,840	180,000
F	72,000	129,600	216,000	50.0	90.0	1,500	150.0	51,840	180,000
G	36,000	64,800	108,000	25.0	45.0	1,500	75.0	25,920	180,000
H	36,000	64,800	108,000	25.0	45.0	1,500	75.0	25,920	180,000
Open Space	21,600	38,880	64,800	15.0	27.0	-	45.0	15,552	-
ROW	9,000	16,200	27,000	6.3	11.3	-	18.8	6,480	-
Phase 2									
A	172,800	311,040	518,400	120.0	216.0	1,500	360.0	124,416	180,000
B	72,000	129,600	216,000	50.0	90.0	1,500	150.0	51,840	180,000
C	72,000	129,600	216,000	50.0	90.0	1,500	150.0	51,840	180,000
Industrial	42,925	77,265	128,775	29.8	53.7	3,000	89.4	30,906	540,000
Open Space	135,000	243,000	405,000	93.8	168.8	-	261.3	97,200	-
ROW	10,800	19,440	32,400	7.5	13.5	-	22.5	7,776	-
	824,125	1,483,425	2,472,375	572	1,030	3,000	1,717	593,370	540,000
					Peak Day + Fire:	4,030		Total Storage:	1,133,370

Based on table 4.2, the facilities requirements are summarized as follows:

- Required Well Capacity – 1,030 gpm
- Required Storage Capacity – 593,370 gallons (operational) & 540,000 gallons (fire)
- Pumping Capacity – 1,030 gpm plus 3,000 gpm fire = 4,030 gpm

5. Existing Facilities/Conditions

Liberty's existing service area consists of approximately 21 square miles located southwest of Marbella Ranch and north of Interstate Highway 10. Liberty provides water service to communities within the City of Litchfield Park, City of Goodyear, City of Avondale, and some unincorporated areas of Maricopa County.

Liberty's water system consists of 12 wells, three arsenic treatment facilities, two storage tanks, three booster systems and a distribution system serving over 17,000 customers. The wells have a combined capacity in excess of 13,000 gpm. A total of 10.6 million gallons of storage and nearly 30,000 gpm of booster capacity is provided from two large water plant sites within the existing water system. The system is currently operated as a single pressure zone with at a hydraulic grade line of 1,187 feet.

The Airline Reservoir site is located approximately ¾ of a mile south of Marbella Ranch and will be the primary source of water for Marbella Ranch. The Airline site contains 4.3 million gallons of storage, 16,000 gpm of pumping capacity and is fed by five wells with combined capacity of 6,945 gpm.

Liberty has verified that the wells, storage and booster pumping capacity at the Airline Reservoir site can meet the facilities requirements for Marbella Ranch. However, Liberty has indicated that it is planning to create a new pressure zone in the northern portion of its service area ("Zone 2") and would like to expand its well field to supplement supply and pumping capability in the new pressure zone. Zone 2 will operate at a hydraulic grade line of 1,222 feet.

6. Proposed Facilities

The Airline Reservoir site will be the primary supply for Marbella Ranch. Marbella Ranch will be fed from the planned Zone 2 pressure zone at a hydraulic grade line of 1,222 feet.

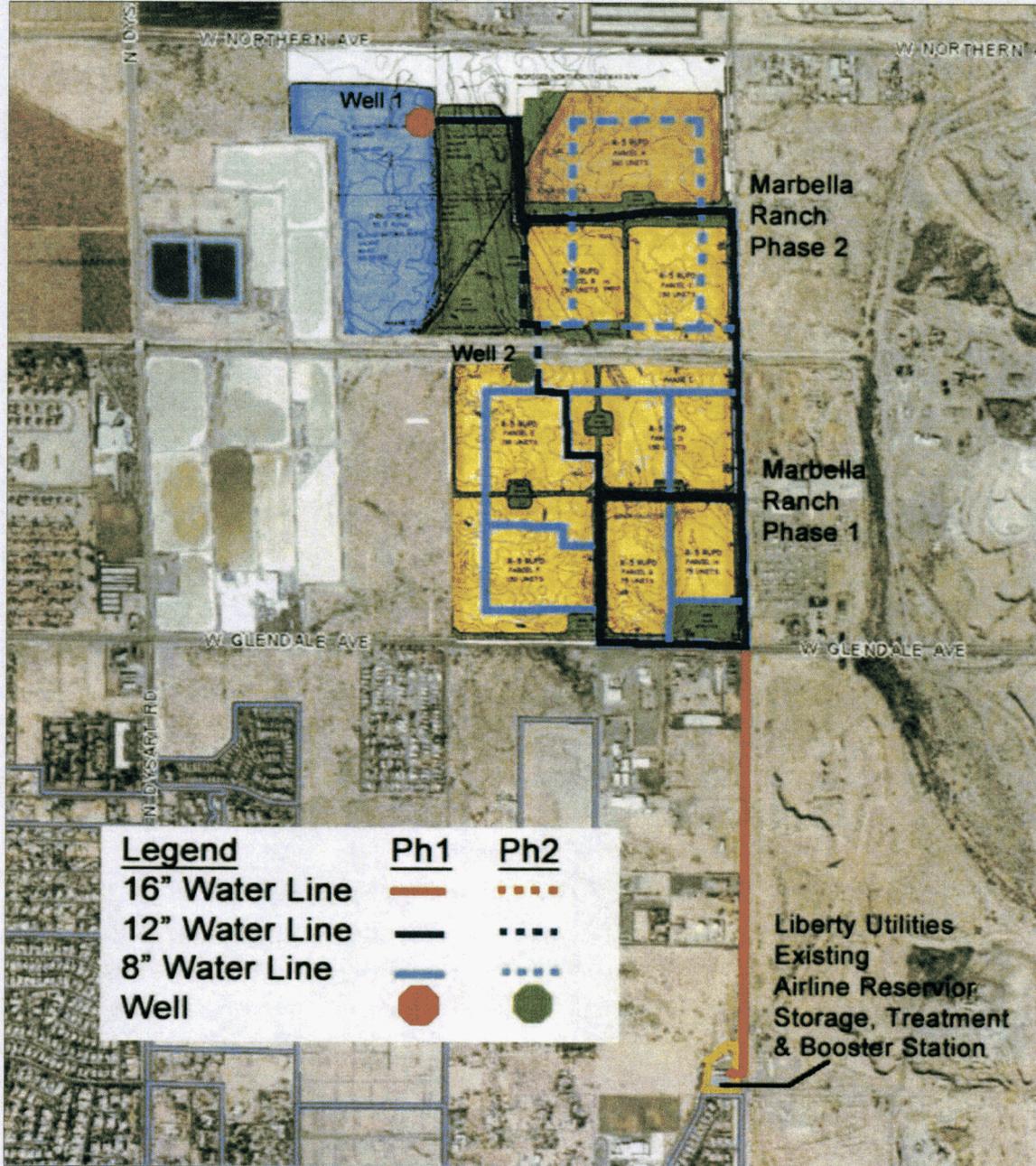
Liberty's existing distribution system will be extended approximately $\frac{3}{4}$ of a mile along El Mirage Rd. to the Marbella Ranch project. The on-site facilities will include a primary network of 12" diameter water lines supplemented by a secondary network of 8" diameter water lines. The remaining on-site water lines will be minimum 6" diameter lines.

As requested by Liberty, TRS 8, LLC will provide two well sites for the development of two new groundwater wells on the Marbella Ranch site. Well No. 1 will be developed in Phase 1 with well No. 2 being developed with Phase 2. The wells will be developed to provide a combined capacity of not less than 1,030 gpm, the projected maximum day for the project.

Figure 6.1 provides a map of the planned improvements and an engineer's estimate of cost for the facilities is provided in appendix 1.

The hydraulic grade line of 1,222 feet will provide a static pressure of 58 psi at the high point in the development and 70 psi at the low point in the development. Preliminary modeling of fire flows in the planned industrial parcel shows expected head loss of 27.5 psi at a 3,000 gpm fire flow. Using the high elevation of 1,085 feet in the industrial parcel, the predicted fire flow pressure is 31.8 psi. Accordingly, the proposed distribution system will meet Liberty's criteria for system pressure under all flow conditions.

Figure 6.1 – Planned Water Facilities Map



7. Summary/Conclusions

Based on the analysis presented in this report, the existing Liberty water distribution system can be extended to provide service to Marbella Ranch. The proposed system meets the water master planning criteria as established by Liberty. Storage pumping requirements will be met from the existing Airline Reservoir site with supplemental supply and pumping provided by two new wells on the Marbella Ranch project site. The system is able to adequately provide Peak Day, Peak Hour and Peak Day plus Fire Flow Demands. Flow and pressures throughout the system during all design conditions meet minimum pressure requirements.

APPENDIX 1

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
 Marbella Ranch - Water Facilities
 Estimate of Construction Cost

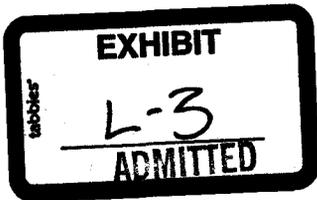
4/14/2014
 Prepared by ARICOR Water Solutions

Item Description	Quantity	Units	Unit Price	Amount	Detail Plant Account By Year				
					Year 1	Year 2	Year 3	Year 4	Year 5
Phase 1									
Off-Site EI Mirage Water Line (South of Glendale)									
16" DIP	4,080	lf	\$ 90.00	\$ 365,400					
16" Gate Valve B&C	9	ea	4,000.00	36,000	331				365,400
Air Relief Valve in Vault w/obolards, valves etc.(ARY-complete)	2	ea	4,500.00	9,000	331				9,000
Allowance for Special Construction	1	lot	50,000.00	50,000	331				50,000
Pavement Replacement	500	sv	30.00	15,000	331				15,000
Connection within Airline Reservoir Site	1	lot	25,000.00	25,000	331				25,000
Engineering & Permits	1	lot	12%	57,000	331				57,000
Contingency	1	lot	5%	24,000	331				24,000
Total				\$ 581,400					\$ 581,400
Off-Site Water Line - From EI Mirage and Glendale to Well No. 1									
12" DIP (in EI Mirage Rd.)	4,000	lf	\$ 65.00	\$ 260,000					
Desert Drain Crossing (Cased Overhead)	150	lf	200.00	30,000	331				290,000
12" DIP (within Project Site)	3,625	lf	45.00	163,125	331				163,125
12" Gate Valve B&C	15	ea	3,500.00	52,500	331				52,500
Fire Hydrant Complete (on EI Mirage)	6	ea	5,500.00	33,000	335				33,000
Air Relief Valve in Vault w/obolards, valves etc.(ARY-complete)	2	ea	4,500.00	9,000	331				9,000
Pavement Replacement	90	sv	30.00	2,700	331				2,700
Engineering & Permits	1	lot	12%	66,039	331				66,039
Contingency	1	lot	5%	27,516	331				27,516
Total				\$ 643,880					\$ 643,880
Well Site No. 1									
Well Drilling Complete	1	lot		\$ 667,000	307				667,000
Well Slab	1	ea		5,000	307				5,000
Extend Power to Site	1	lot		30,000	304				30,000
Site Work	1	lot		25,000	304				25,000
Well Pump	1	ea		120,000	311				120,000
Piping & Valves	1	lot		80,000	311				80,000
Hydrotank	1	ea		40,000	311				40,000
Electrical	1	lot		40,000	311				40,000
Genset	1	ea		70,000	310				70,000
Engineering & Permits	1	lot	15%	61,500	311				61,500
Contingency	1	lot	5%	53,850	311				53,850
Total				\$ 1,192,350					\$ 1,192,350
TOTAL OFF-SITE				\$ 2,417,630					
On-Site Water Backbone Water Lines									
12" DIP (in Glendale Ave.)	1,320	lf	\$ 65.00	\$ 85,800					
12" DIP (within Project Site)	4,620	lf	45.00	207,900	331				42,900
12" Gate Valve B&C	12	ea	3,500.00	42,000	331				103,950
Fire Hydrant Complete	8	ea	4,000.00	32,000	335				21,000
Pavement Replacement	45	sv	30.00	1,350	331				16,000
Engineering & Permits	1	lot	12%	44,286	331				675
Contingency	1	lot	5%	18,453	331				22,143
Total				\$ 431,789					\$ 215,894
TOTAL ON-SITE				\$ 2,165,658					\$ 1,192,350
On-Site Water System (within subdivisions)									
8" DIP	10,560	lf	\$ 32.00	\$ 337,920					
6" DIP	16,440	lf	23.00	378,120	331				84,480
6" Gate Valve B&C	21	ea	2,300.00	48,300	331				94,530
8" Gate Valve B&C	32	ea	1,800.00	57,600	331				12,075
Fire Hydrant Complete	60	ea	3,500.00	210,000	335				14,400
Service Line	600	ea	550.00	330,000	335				52,500
Meter	800	ea	200.00	160,000	334				82,500
Engineering & Permits	1	lot	12%	177,833	331				30,000
Contingency	1	lot	5%	74,097	331				44,458
Total				\$ 1,733,670					\$ 433,467
TOTAL ON-SITE				\$ 2,165,658					\$ 433,467
TOTAL PHASE 1				\$ 4,583,289					\$ 433,467

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Marbella Ranch - Water Facilities
Estimate of Construction Cost

4/14/2014
 Prepared by ARICOR Water Solutions

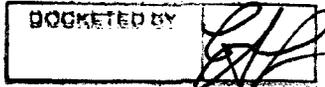
Item Description	Quantity	Units	Unit Price	Amount	NAR/LC	Detail Plant Account By Year				
						Year 1	Year 2	Year 3	Year 4	Year 5
Phase II										
Well Site No. 2										
Well Drilling Complete	1	lot		\$ 667,000					\$ 667,000	
Well Slab	1	ea		5,000	307				5,000	
Extend Power to Site	1	lot		10,000	307				10,000	
Site Work	1	lot		15,000	304				15,000	
Well Pump	1	ea		120,000	311				120,000	
Piping & Valves	1	lot		80,000	311				80,000	
Hydrotank	1	ea		40,000	311				40,000	
Electrical	1	lot		40,000	311				40,000	
Genset	1	ea		70,000	310				70,000	
Engineering & Permits	1	lot	15%	57,000	311				57,000	
Contingency	1	lot	5%	52,350	311				52,350	
Total				\$ 1,156,350					\$ 1,156,350	
TOTAL OFF-SITE										
On-Site Water Backbone Water Lines										
12" DIP	1,500	lf	\$ 45.00	\$ 67,500	331				\$ 67,500	
Dysect Drain Crossing (Cased Overhead)	150	lf	200.00	30,000	331				30,000	
12" Gate Valve B&C	4	ea	3,500.00	14,000	331				14,000	
Fire Hydrant Complete	6	ea	4,000.00	24,000	335				24,000	
Air Relief Valve in Vault w/boilards, valves etc. (ARV-complete)	2	ea	4,500.00	9,000	331				9,000	
Engineering & Permits	1	lot	12%	17,340	331				17,340	
Contingency	1	lot	5%	7,225	331				7,225	
Total				\$ 169,065					\$ 169,065	
On-Site Water System (within subdivisions)										
8" DIP	7,920	lf	\$ 32.00	\$ 253,440	331				\$ 253,440	
6" DIP	21,780	lf	23.00	500,940	331				500,940	
8" Gate Valve B&C	16	ea	2,300.00	36,800	331				36,800	
6" Gate Valve B&C	43	ea	1,600.00	77,400	331				77,400	
Fire Hydrant Complete	66	ea	3,500.00	231,000	335				231,000	
Service Line	660	ea	550.00	363,000	333				363,000	
Meter	660	ea	200.00	132,000	334				132,000	
Engineering & Permits	1	lot	12%	191,350	331				191,350	
Contingency	1	lot	5%	79,729	331				79,729	
Total				\$ 1,865,659					\$ 1,865,659	
TOTAL ON-SITE										
\$ 2,034,724										
TOTAL PHASE 2										
\$ 3,191,074										



Arizona Corporation Commission
DOCKETED



JUN 04 2014



RECEIVED
AZ CORP COMMISSION
DOCKET CONTROL

2014 JUN 4 PM 4:03

1 FENNEMORE CRAIG
2 A Professional Corporation
3 Patrick J. Black (No. 017141)
4 2394 E. Camelback Rd, Suite 600
5 Phoenix, Arizona 85016
6 Telephone (602) 916-5000

7 Attorneys for Liberty Utilities (Litchfield Park Water and Sewer), Corp.

ORIGINAL

8 **BEFORE THE ARIZONA CORPORATION COMMISSION**

9 IN THE MATTER OF THE APPLICATION
10 OF LIBERTY UTILITIES (LITCHFIELD
11 PARK WATER AND SEWER), CORP. FOR
12 A CERTIFICATE OF CONVENIENCE AND
13 NECESSITY TO PROVIDE
14 WASTEWATER UTILITY SERVICE IN
15 MARICOPA COUNTY, ARIZONA

DOCKET NO. SW-01428A-14-0180

**AMENDED APPLICATION FOR
EXTENSION OF CERTIFICATE OF
CONVENIENCE AND NECESSITY**

16 Pursuant to A.A.C. R14-2-602, Liberty Utilities (Litchfield Park Water and Sewer)
17 Corp. ("Applicant"), an Arizona public service corporation, hereby applies to the Arizona
18 Corporation Commission ("Commission") for an Order approving the extension of
19 Applicant's existing Certificate of Convenience and Necessity ("CC&N") to provide
20 wastewater utility service in certain defined portions of Maricopa County, Arizona. This
21 amended application is intended to fully replace the application filed on June 3, 2014.

22 **INTRODUCTION**

23 Marbella Ranch (the "Property") is an approximately 365 acre property located on
24 the El Mirage Road alignment between Glendale Avenue and Northern Avenue. The
25 Property is within the City of Glendale strip annex and planning area, but is currently part
26 of unincorporated Maricopa County. The Property is currently zoned Rural-43 by
Maricopa County. The Luke Air Force Base ("Luke") Air Installation Compatible Use
Zone runs along the northwestern portion of the Property.

1 5. Applicant's operator certified by the ADEQ is Matthew Garlick, whose
2 business address is 12725 W. Indian School Road, Suite D-101. Avondale, AZ 85392.
3 The telephone number is (623) 298-3763. Matthew Garlick is also the on-site manager
4 for Applicant.

5 6. Applicant's attorneys are Fennemore Craig, P.C. whose address is 2394 E.
6 Camelback Road, Suite 600, Phoenix, Arizona 85016-3429. The individual attorney
7 responsible for this application is Patrick J. Black. Mr. Black's telephone number is (602)
8 916-5400. All Data Requests or other Requests for Information should be directed to
9 Greg Sorensen, with a copy to Mr. Black's attention, on behalf of Applicant.

10 7. The area covered by this Application includes approximately 368.2 acres
11 ("Requested Area"), which represents property owned by the requesting developer. All
12 property included within the Requested Area is part of the Marbella Ranch development;
13 as such, there are no landowners within the Requested Area who did not request an
14 extension of wastewater utility service. The City of Glendale is the closest municipality
15 with portions of the CC&N Extension Area being part of the City of Glendale strip annex
16 along both Glendale Ave. and Northern Ave. However, with the exception of the strip
17 annex within the road right-of-way, the CC&N Extension area is within unincorporated
18 Maricopa County. Also within five miles is the City of Goodyear, the City of Avondale,
19 the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El
20 Mirage, the Town of Youngtown and the City of Surprise.

21 8. Legal descriptions for the Requested Area are attached hereto as **Exhibit 4**.

22 9. A complete description of the facilities proposed to be constructed is
23 contained in the Preliminary Engineering Report for Marbella Ranch, attached hereto as
24 **Exhibit 5**.

25 10. The estimated total cost for construction of facilities required to serve the
26 proposed area is attached hereto as **Exhibit 6**. Construction of the offsite and onsite

1 facilities will be financed through a combination of contributions and advances in aid of
2 construction made by the Developer, as well as capital improvements (equity) paid for by
3 Applicant.

4 11. A general Statement of Financial Condition is attached hereto as **Exhibit 7**.

5 12. Applicant will be charging its existing rates and charges. A copy of
6 Applicants existing tariffed rate schedule is attached hereto as **Exhibit 8**.

7 13. Applicant's estimated annual operating revenue and operating expenses for
8 each of the first five years of operation in the Requested Area is attached hereto as
9 **Exhibit 9**.

10 14. Phase 1 of Marbella Ranch is located in the southern portion of the
11 Requested Area and consists of 600 single family homes. Construction of the first phase
12 of off-site and on-site wastewater facilities to serve the development is scheduled to begin
13 within 18 months of receipt of Commission approval of this CC&N Application and is
14 expected to take approximately one year to complete. Additional phases of on-site
15 facilities for Phase 1 will be constructed as individual parcels are developed within Phase
16 1. Phase 2 of Marbella Ranch is located in the northern portion of the Requested Area and
17 includes 660 dwelling units and a 50.5 acre industrial parcel. Construction of initial
18 wastewater facilities for Phase 2 is expected to begin one year after completion of phase
19 one facilities and is expected to take approximately one year to complete. Additional
20 phase of on-site facilities for Phase 2 will be constructed as individual parcels are
21 developed within Phase 2.

22 15. A written request for the extension of wastewater utility service for the
23 Requested Area is attached hereto as **Exhibit 10**.

24 16. Detailed maps of the Requested Area is attached hereto as **Exhibit 11**. Five
25 separate maps labeled Map 11-1, Map 11-2, Map 11-3, Map 11-4 and Map 11-5 are
26 provided. Map 11-1 shows the Requested Area and municipal corporate limits that

1 overlap with or are within five miles of the area. Map 11-2 shows the Requested Area and
2 its relationship to the service areas of public service corporations, municipalities, or
3 districts currently providing water or wastewater service within one mile of the Requested
4 Area, with identification of the entity providing service and each type of service being
5 provided. Map 11-3 includes:

- 6 • the boundaries of the Requested Area, with the total acreage noted.
- 7 • the land ownership boundaries within the Requested Area, with the acreage
8 of each separately owned parcel within the Requested Area noted.
- 9 • the owner of each parcel within the Requested Area.
- 10 • that there are not any known sewer service connections that are already
11 being provided service by the applicant within the Requested Area.
- 12 • the location of all parcels for which a copy of a request for service has been
13 submitted.

14 Map 11-4 shows the location of Marbella Ranch, the only proposed development within
15 the area. Map 11-5 shows the proposed location of the principal components of the sewer
16 system planned for the Requested Area.

17 17. A copy of the notice sent to municipal managers/administrators for
18 municipalities within a five (5) mile radius, are attached hereto as **Exhibit 12**.

19 18. Applicant has or will obtain all appropriate city, county and/or state agency
20 approvals required to provide wastewater utility service in the Requested Area. Applicant
21 is preparing an amendment to the Maricopa Association of Governments (“MAG”) 208
22 Water Quality Management Plan (MAG 208 Plan) and expects to file the MAG 208 Plan
23 amendment with MAG by June 30, 2014. Applicant expects the MAG 208 Plan
24 amendment to be approved by MAG in approximately six months with ADEQ and EPA
25 approvals to follow.

26

1 19. The estimated numbers of customers to be served in each of the first five
2 years of wastewater utility service in the Requested Area is attached hereto as **Exhibit 13**.

3 20. ADEQ Construction Authorizations issued for facilities to be constructed in
4 the Requested Area will be provided to the Commission as soon as Applicant receives
5 them.

6 21. The Requested Area is not currently within any water service provider's
7 service area. However, Applicant filed an application to provide water service in the
8 Requested Area on April 17, 2014.

9 22. Applicant will treat all wastewater generated within the Requested Area at
10 its Palm Valley Water Reclamation Facility. Treated effluent will either be delivered for
11 direct use or recharged into the regional aquifer.

12 23. ADEQ will no longer issue compliance status reports directly to wastewater
13 providers. Applicant will send a written request to ADEQ asking that the agency send the
14 most current compliance status report directly to the Commission.

15 24. Applicants Aquifer Protection Permit issued by ADEQ is attached hereto as
16 **Exhibit 14**.

17 25. Applicant's Wastewater Use Data Sheet for the period ending is attached
18 hereto as **Exhibit 15**.

19 26. A notarized signature on behalf of Applicant is attached hereto as **Exhibit**
20 **16**.

21 27. For the reasons stated herein, Applicant maintains that this Application is in
22 the public interest and should be granted. There is a need for regulated wastewater utility
23 service in Maricopa County to ensure the public health, and foster orderly growth.

24 WHEREFORE, Applicant respectfully requests the following:

25 A. That the Commission proceeds to consider and act upon this Application as
26 timely as possible and to schedule a hearing, if necessary, on this matter;

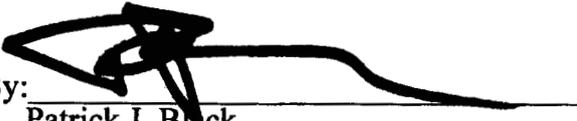
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

B. That upon completion of said hearing that the Commission enter an Order approving the Application to include the Requested Area as shown in Exhibit 11 and described in Exhibit 4;

C. That the Commission grant such other and further relief as may be appropriate under the circumstances herein.

RESPECTFULLY SUBMITTED this 4th day of June, 2014.

FENNEMORE CRAIG, P.C.

By: 
Patrick J. Black
Attorneys for Liberty Utilities (Litchfield
Park Water and Sewer) Corp.

ORIGINAL and 15 copies filed
this 3rd day of June, 2014 with:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

By: 

9196317.1/035227.0035

List of Exhibits

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

1. The proper name, address and corporate structure for Applicant
2. Applicant's Certificate of Good Standing from the Arizona Corporation Commission
3. A full list of names, titles and mailing addresses for Applicant's officers and directors
4. Legal description of the Requested Area.
5. Preliminary Engineering Report for Marbella Ranch containing description of the facilities proposed to be constructed
6. Estimated total construction costs and plant cost projections
7. Applicant's General Statement of Financial Condition
8. Applicant's Tariff – Schedule of Rates and Charges
9. Annual Revenue and Expenses – First Five Years
10. Written Request for Service
11. Maps of Existing CC&N and Requested Area
12. Notice to be Sent to Municipalities within 5 mile of Requested Area
13. Estimated Number of Customers – First Five Years
14. ADEQ Aquifer Protection Permit
15. Applicant's Wastewater Use Data Sheet
16. Notarized Signature of Steve Carlson on Behalf of Applicant

1 APPLICATION OF
2 LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
3 FOR AN EXTENSION OF AN CERTIFICATE OF CONVENIENCE
4 AND NECESSITY TO PROVIDE WASTEWATER UTILITY SERVICE
5 IN MARICOPA COUNTY, ARIZONA

6 **Exhibit 1**

7 **Applicant's Proper Name:** Liberty Utilities (Litchfield Park Water & Sewer) Corp.

8 **Applicant's Address:** 12725 W. Indian School Road, Suite D-101

9 **Applicant's Corporate Structure:** For-profit public service Chapter "C" Corporation

10 500,000 Shares authorized

11 7,820 shares issued on February 24, 2003 (in the name of Liberty Water Co.)

12 **Officers and Directors and mailing addresses:**

13 **OFFICERS**

14 Ian Robertson, Chief Executive Officer
15 2845 Bristol Circle
16 Oakville, ON L6H 7H7

17 David Bronicheski, Treasurer and Secretary
18 2845 Bristol Circle
19 Oakville, ON L6H 7H7

20 **DIRECTORS**

21 Gregory S. Sorensen, President – Arizona
22 12725 W. Indian School Road, Suite D-101
23 Avondale, AZ 85392

24 Ian Robertson, President
25 2845 Bristol Circle
26 Oakville, ON L6H 7H7

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WASTEWATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 2
(Certificate of Good Standing)

STATE OF ARIZONA



Office of the
CORPORATION COMMISSION

CERTIFICATE OF GOOD STANDING

To all to whom these presents shall come, greeting:

I, Jodi A. Jerich, Executive Director of the Arizona Corporation Commission, do hereby certify that

*****LIBERTY UTILITIES (LITCHFIELD PARK WATER & SEWER) CORP.*****

a domestic corporation organized under the laws of the State of Arizona, did incorporate on September 21, 1954.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation is not administratively dissolved for failure to comply with the provisions of the Arizona Business Corporation Act; and that its most recent Annual Report, subject to the provisions of A.R.S. sections 10-122, 10-123, 10-125 & 10-1622, has been delivered to the Arizona Corporation Commission for filing; and that the said corporation has not filed Articles of Dissolution as of the date of this certificate.

This certificate relates only to the legal existence of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 28th Day of May, 2014, A. D.




Jodi A. Jerich, Executive Director

By: _____ 1070890

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WASTEWATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 3

(List of Officers and Directors)

OFFICERS

Ian Robertson, Chief Executive Officer
2845 Bristol Circle
Oakville, ON L6H 7H7

David Bronicheski, Treasurer and Secretary
2845 Bristol Circle
Oakville, ON L6H 7H7

DIRECTORS

Gregory S. Sorensen, President – Arizona
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Ian Robertson, President
2845 Bristol Circle
Oakville, ON L6H 7H7

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WASTEWATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 4

(Legal Description of Requested Area)

Exhibit 4

**Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Wastewater CC&N Extension**

That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northeast Quarter;

The East ½ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;

the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WASTEWATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 5
(Preliminary Report)

**PRELIMINARY ENGINEERING REPORT
SEWER MASTER PLAN**

**Marbella Ranch
Section 2, T2N, R1W
Maricopa County, Arizona**

May 27, 2014

Prepared for:
TRS 8, LLC
18835 North Thompson Peak Parkway, Suite 215
Scottsdale, AZ 85255

Prepared By:
ARICOR Water Solutions LC
25213 N. 49th Drive
Phoenix, AZ 85083
(623) 341-4771 FAX (623) 582-5160



ARICOR
Water Solutions

TABLE OF CONTENTS

1. Executive Summary 1

2. Introduction 2

 2.1 Objective 2

 2.2 Project Location..... 2

 2.3 Topographic Conditions..... 2

 2.4 Proposed Development 3

3. Design Criteria 5

4. Sewer Flows 6

5. Existing Facilities/Conditions..... 6

6. Proposed Facilities..... 7

7. Summary/Conclusions 13

LIST OF TABLES

Table 3.1 – Liberty Demand Criteria 5

Table 3.2 – Additional Sewer System Criteria..... 5

Table 3.3 – Summary Sewer Master Planning Factors..... 6

Table 4.1 – Land Use and Sewer Flows..... 6

Table 6.1 – Backbone Collection Main Sizing..... 9

LIST OF FIGURES

Figure 2.1 – Area Map 2

Figure 2.2 – Marbella Ranch Development Map 4

Figure 6.1 – Planned Sewer Collection System Map..... 12

Appendix 1 – Estimate of Construction Cost



1. Executive Summary

Marbella Ranch is an approximately 365 acre property that will be provided sewer service by Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty"). Liberty will file an application with the Arizona Corporation Commission to extend its Certificate of Convenience and Necessity ("CC&N") to include the Marbella Ranch project.

Marbella Ranch is an approximately 365 acre property under contract to TRS 8, LLC who will develop the Marbella Ranch project. Marbella Ranch will be developed in phases. Phase 1 of Marbella Ranch is located in the southern portion of the property and is planned for 600 single family homes. Phase 2 of Marbella Ranch is located in the northern portion of the property and is planned for 660 dwelling units and includes a 50.5 acre industrial parcel. The maximum number of dwelling units on the Property will not exceed 1,260 units.

Design criteria are in accordance with the requirements of Liberty as presented in Liberty's Development Guide for Maricopa County Properties dated October 22, 2009.

Liberty has requested that Marbella Ranch sewer flows connect to an existing trunk sewer main located in the El Mirage Road right of way approximately 1,000 feet north of Camelback Road. The required off-site sewer main will extend approximately 9,620 feet from the intersection of Glendale Avenue and El Mirage Road to the existing trunk sewer main.

The on-site sewer collection facilities will include a backbone network of 12" and 8" diameter sewer collection and a network of 8" diameter sewer collection mains within the various Marbella Ranch parcels. Due to physical constraints imposed by the Dysart Drain, a lift station and force main is required to pump sewer flows from Marbella Ranch Phase 2 across the Dysart Drain and into the Phase 1 backbone sewer collection system.

The proposed system meets the master planning criteria as established by Liberty. The existing Liberty sewer collection system has adequate capacity and can be extended to provide sewer service to Marbella Ranch. Sewer treatment requirements will be met from the existing Palm Valley Water Reclamation Facility.

2. Introduction

2.1 Objective

This preliminary engineering report will determine on-site sewer collection system requirements for the Marbella Ranch project. Marbella Ranch is an approximately 365 acre property within the City of Glendale strip annex and planning area but is actually part of unincorporated Maricopa County. Sewer service will be provided by Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty"). Liberty will file an application with the Arizona Corporation Commission to extend its Certificate of Convenience and Necessity ("CC&N") to include the Marbella Ranch project. This report is being prepared in support of the CC&N application.

2.2 Project Location

The Marbella Ranch project is located on the El Mirage Road alignment between Glendale Avenue and Northern Avenue in Section 2, Township 2 North, Range 1 West. The project is within the City of Glendale strip annex and planning area but is actually part of unincorporated Maricopa County. Luke Air Force Base ("Luke") is located to the west of Marbella Ranch. The Luke Air Force Base ("Luke") Air Installation Compatible Use Zone ("AICUZ") runs along the northwestern portion of the property. See Figure 2.1.

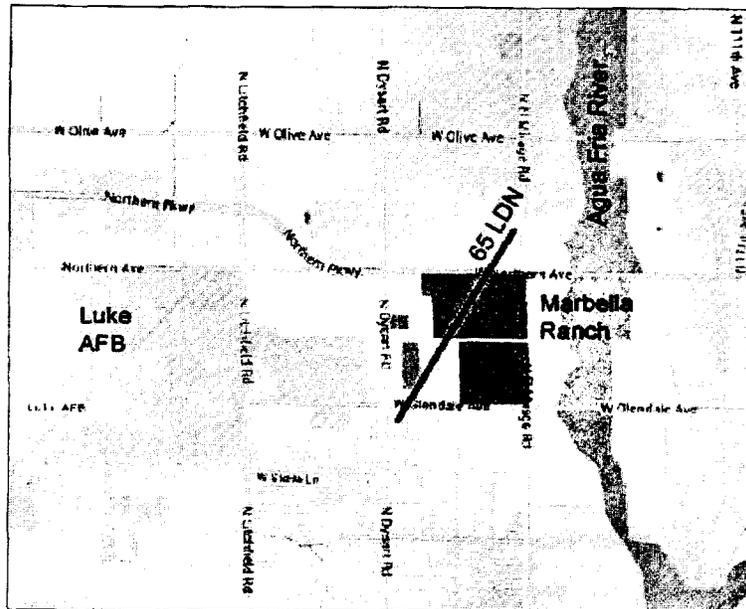


Figure 2.1 – Area Map

2.3 Topographic Conditions

The property ranges in elevation from approximately 1,086.5 ft at the northeastern corner of Marbella Ranch to a low of 1,060 ft at the southeastern corner of Marbella Ranch. Historic drainage is along a line from the center of the property at the north border through the

southeastern corner. This historic drainage has been cut-off by the Dysart Drain, which runs easterly through the center of the project. Accordingly, the northern portion of the property drains from both the east and west towards the historic drainage and then south into the Dysart Drain. The southern portion of the property drains along the historic drainage to the southeastern corner of the property.

2.4 Proposed Development

Marbella Ranch is an approximately 365 acre property currently owned by El Paso Natural Gas, LLC ("El Paso"). The Property is under contract to TRS 8, LLC who will develop the Marbella Ranch project. The Property is currently zoned Rural-43 by Maricopa County.

On March 3, 2014 TRS 8, LLC filed with Maricopa County Case CPA2014002 – Comprehensive Plan Amendment and Case Z2014011 – Rezoning Request. The requested plan amendment and rezoning request is for a Multiple-Family Residential (R-5) Residential Unit Plan of Development ("RUPD") zoning district on the property outside of the AICUZ line for single family detached and attached residential subdivisions with a variety of lot widths, as well as the potential for multi-family residential (apartment units). The maximum number of dwelling units on the Property will not exceed 1,260 units. The portion of the property within the AICUZ lines is planned for open space or industrial uses. Luke supports the Rezoning Application and Comprehensive Plan Amendment.

Marbella Ranch will be developed in phases. Phase 1 of Marbella Ranch is located in the southern portion of the property and is planned for 600 single family homes. Construction of the first phase of the development is scheduled to begin in 2016 and is expected to take approximately five years to build-out.

Phase 2 of Marbella Ranch is located in the northern portion of the property and is planned for 660 dwelling units and includes a 50.5 acre industrial parcel. The current plan is for 300 single family homes and 360 apartment units in the residential portion of Phase 2. However, the R-5, RUPD zoning provides flexibility in regard to what type of residential units are constructed. Accordingly, this report will consider all units in Phase 2 to be single family homes so that projected sewer flow is not understated.

Construction of Phase 2 of the development is expected to begin about two years after the start of Phase 1 and is expected to take approximately five years to build-out. Overall project build-out is expected to take approximately seven years with home sales estimated at 200 units per year.

Figure 2.2 is a development map for Marbella Ranch.

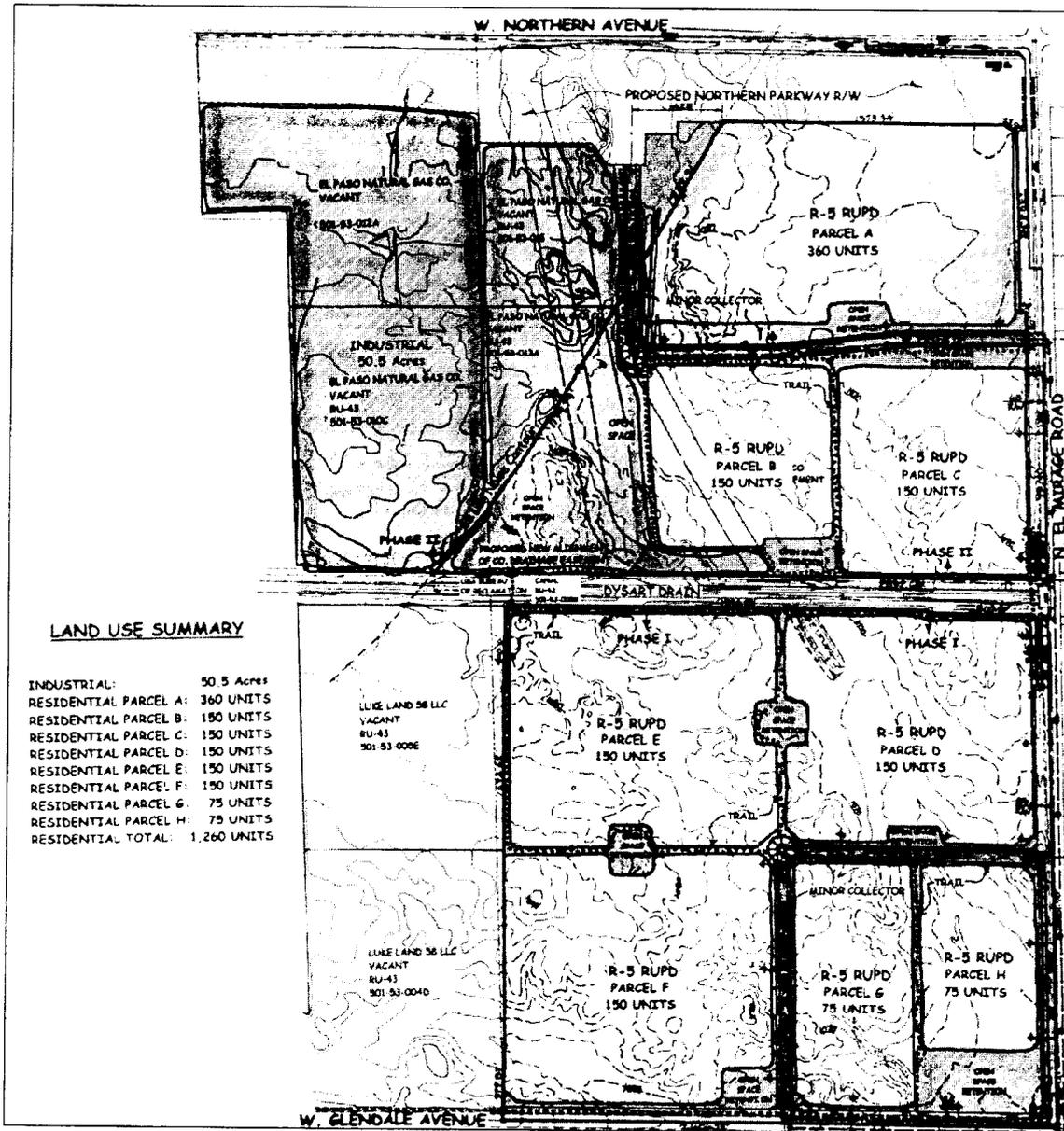


Figure 2.2 – Marbella Ranch Development Map

3. Design Criteria

All design criteria are in accordance with the requirements of Liberty as presented in Liberty's *Development Guide for Maricopa County Properties* dated October 22, 2009. The Liberty design criteria exceed minimum standards established by the Arizona Department of Environmental Quality ("ADEQ") for sewer systems.

Liberty specifies the demand criteria as shown in Table 3.1.

Table 3.1 – Liberty Demand Criteria

Land Use	Average Daily Flow (gpcd)	Capita/DU	Peak Hour Peaking Factor
Single Family	100	3.2	3.0
Multi Family	100	2.0	3.0
Commercial	1,500 gpd/acre	n/a	3.0

Liberty establishes the additional sewer system criteria presented in Table 3.2.

Table 3.2 – Additional Sewer System Criteria

Category	Criteria
Sewer Depth of Cover	7'-6" minimum for trunk-lines 5'-0" minimum for all other provided that service lines Have 4'-6" minimum cover at the property line.
Manning's Roughness Coefficient	N=0.013
Velocities	2.0 fps minimum at peak hour 2.0 fps minimum at average daily flow for trunk lines 10.0 fps maximum
Manhole Spacing	500' maximum for lines less than 18" diameter
Sewer Capacity Ratio	d/D = 0.75 maximum at peak hour
Minimum Pipe Diameter	8", 12" along section lines, 6" for force mains
Force Main Velocities	3.0 fps minimum 7.0 fps maximum
Manhole Invert Drops	<45° direction change – 0.1' drop across manhole ≥45° direction change – 0.2' drop across manhole

The sewer collection system design for Marbella Ranch was based on the design criteria as provided by Liberty. However, since Liberty does not specify a demand for industrial uses, after consultation with Liberty, a demand of 750 gpd/acre was selected as appropriate for the planned industrial uses in Marbella Ranch. For the 50.5 acre industrial parcel, the estimated sewer flow using 750 gpd/acre is equivalent to an industrial use supporting 1,515 employees

using ADEQ standards. Table 3.3 summarizes the sewer master planning factors utilized for Marbella Ranch.

Table 3.3 – Summary Sewer Master Planning Factors

Population and Demand Factors				
Land Use	Pop Density (capita/DU)	Demand (per day)		
		Gallons Per Capita	Gallons Per	Unit
SF	3.2	100	-	Dwelling Unit
MF	2.0	100	-	Dwelling Unit
COMM			1,500	Acre
IND			750	Acre
OS			-	Acre

4. Sewer Flows

Table 4.1 presents the land use and resulting sewer flows for Marbella Ranch using the master planning criteria established by Liberty.

Table 4.1 – Land Use and Sewer Flows

Parcel	Land Use	Acres	Residential Dwelling Units	Other Demand Units	Pop Density (capita/DU)	Population	Demand Per Capita	Demand Per Other	Flows	
									Avg Day (gpd)	Peak Hour (gpd)
Phase 1										
D	SF	32.0	150		3.2	480	100	-	48,000	144,000
E	SF	34.5	150		3.2	480	100	-	48,000	144,000
F	SF	34.0	150		3.2	480	100	-	48,000	144,000
G	SF	17.0	75		3.2	240	100	-	24,000	72,000
H	SF	12.0	75		3.2	240	100	-	24,000	72,000
Open Space	OS	12.0	-	Acre	-	-	-	-	-	-
ROW	OS	5.0	-	Acre	-	-	-	-	-	-
		146.5	600			1,920				
Phase 2										
A	MF	45.0	360		2.0	720	100	-	72,000	216,000
B	SF	22.0	150		3.2	480	100	-	48,000	144,000
C	SF	20.0	150		3.2	480	100	-	48,000	144,000
Industrial	IND	50.5	-	Acre	-	-	-	750	37,875	113,625
Open Space	OS	75.0	-	Acre	-	-	-	-	-	-
ROW	OS	6.0	-	Acre	-	-	-	-	-	-
		218.5	660			1,680				
TOTALS		365.0	1,260			3,600			397,875	1,193,625
						Peaking Factor:	3.00			

5. Existing Facilities/Conditions

Liberty's existing service area consists of approximately 21 square miles located southwest of Marbella Ranch and north of Interstate Highway 10. Liberty provides sewer collection and treatment service for all of the City of Litchfield Park and portions of Avondale, Buckeye, Glendale, Goodyear and unincorporated Maricopa County.

Liberty's existing sewer collection and treatment facilities include the Palm Valley Water Reclamation Facility ("PVWRF"), located at 14222 W. McDowell Road, which was constructed and placed into service in February 2001. The current permitted capacity of the PVWRF is 5.1

MGD with the required Aquifer Protection Permit being issued by ADEQ on April 13, 2012. This facility is expandable to 8.0 MGD and was designed primarily to serve all residential and commercial development from Cotton Lane on the west to Dysart Road on the east and from McDowell Road on the south to the northern limit of Liberty's sewer service area.

Liberty has verified that the PVWRF has sufficient capacity to serve Marbella Ranch and that Liberty will expand capacity of the PVWRF to meet sewer treatment requirements as new customers connect and sewer flows increase in its sewer service area.

Liberty owns and operates a trunk sewer line that extends from the PVWRF northerly to a point in El Mirage Road approximately 1,000 feet north of Camelback Road ("Existing Trunk Sewer Main"). The Existing Trunk Sewer Main begins as a 30" diameter line and decreases in diameter in steps from 24" to 21" to 18" to 15" when it reaches Camelback and El Mirage Roads. Liberty has advised that the Existing Trunk Sewer Main has sufficient capacity to accept Marbella Ranch flows.

6. Proposed Facilities

Liberty has requested that Marbella Ranch sewer flows connect to the Existing Trunk Sewer Main located in the El Mirage Road right of way approximately 1,000 feet north of Camelback Road. The required off-site sewer main will extend approximately 9,620 feet from the intersection of Glendale Avenue and El Mirage Road to the Existing Trunk Sewer Main.

Liberty's sewer collection system will be extended from the off-site main through the Marbella Ranch development and to individual homes and businesses. The on-site sewer collection facilities will include a backbone network of 12" and 8" diameter sewer collection mains ("Backbone Collection Mains") and a network of 8" diameter sewer collection mains within the various Marbella Ranch parcels.

Due to physical constraints imposed by the Dysart Drain, a lift station and force main is required to pump sewer flows from Marbella Ranch Phase 2 across the Dysart Drain and into the Phase 1 backbone sewer collection system. The design flow for the lift station is 0.618 MGD or 430 gpm. The lift station will include a wet well, duplex pumps, backup generator and odor control facilities. A 6" diameter force main will be required. At a flow of 430 gpm the flow velocity is 4.87 ft/sec, meeting Liberty and ADEQ requirements. Prior to construction of the lift station and force main, a detailed lift station and force main design report will be required to verify compliance with ADEQ design requirements described in R18-9-E301.D.

The Backbone Collection Mains, lift station and force main required to serve Marbella Ranch were sized by subdividing the Marbella Ranch development into tributary areas to the Backbone Collection Main. Topography, land use and the anticipated alignment of proposed roadways and utility corridors were used in identifying the sub-areas. The proposed tributary areas were analyzed to verify that all of the tributary areas could gravity drain into the Backbone Collection Main using 8" diameter sewer lines laid at minimum slope. Refer to Table 6.1 on the following pages for calculations, population data, sewer sizes, sewer slopes, sewer capacities, sewer velocities and other pertinent information required to size the Backbone Collection Mains.

Following Table 6.1, Figure 6.1 provides a map of the planned Backbone Collection Mains, lift station and force main. An engineer's estimate of cost for all required collection facilities is provided in appendix 1.

Table 6.1 – Backbone Collection Main Sizing

Pipe #	Contributing Pipes	Upstream (U.S.) Node	Upstream Estimated Invert Elevation	Estimated U.S. Natural Ground Elev. (1)	Estimated U.S. Depth to Invert (feet)	Downstream (D.S.) Node	Downstream Estimated Invert Elevation	Estimated D.S. Natural Ground Elev. (1)	Estimated D.S. Depth to Invert (feet)	Line Diameter (inches)	Estimated Length (feet)	Sewer Line Slope (feet per foot)	Population Collected by Sewer (2)	Cumulative Population Served by Sewer
Reach 1														
101	none	10	1,068.00	1,078.00	10.0	11	1,065.55	1,080.00	14.5	8	700	0.0033	0	0
102	101	11	1,065.45	1,080.00	14.6	LS	1,064.05	1,071.00	6.9	8	400	0.0033	120	120
Reach 2														
103	none	12	1,066.00	1,074.00	8.0	13	1,064.95	1,074.00	9.0	8	300	0.0033	0	0
104	103	13	1,064.85	1,074.00	9.1	15	1,060.30	1,071.00	10.7	8	1,300	0.0033	960	960
105	none	14	1,064.00	1,074.00	10.0	15	1,062.95	1,071.00	8.0	8	300	0.0033	600	600
106	104, 105	15	1,060.10	1,071.00	10.9	LS	1,059.63	1,071.00	11.4	12	225	0.0019	0	1,560
Liftstation & Forcemain														
FM	102, 106	LS	1,059.63	1,071.00	11.4	20	1,066.00	1,071.00	5.0	6	250	n/a	0	1,680
Reach 3														
201	FM	20	1,062.00	1,071.00	9.0	21	1,059.48	1,073.50	14.0	12	1,200	0.0019	360	2,040
202	201	21	1,059.38	1,073.50	14.1	22	1,056.61	1,073.00	16.4	12	1,320	0.0019	600	2,640
203	202	22	1,056.41	1,073.00	16.6	23	1,053.64	1,067.00	13.4	12	660	0.0040	120	2,760
204	203	23	1,053.54	1,067.00	13.5	26	1,050.60	1,064.00	13.4	12	700	0.0040	240	3,000
Reach 4														
205	none	24	1,061.00	1,069.00	8.0	25	1,056.00	1,064.00	8.0	8	1,000	0.0048	360	360
206	205	25	1,055.90	1,064.00	8.1	26	1,054.30	1,064.00	9.7	8	320	0.0048	240	600
Off-Site Sewer														
301	204, 206	26	1,050.40	1,064.00	13.6	100	1,015.10	1,028.20	13.1	12	9,620	0.0034	0	3,600

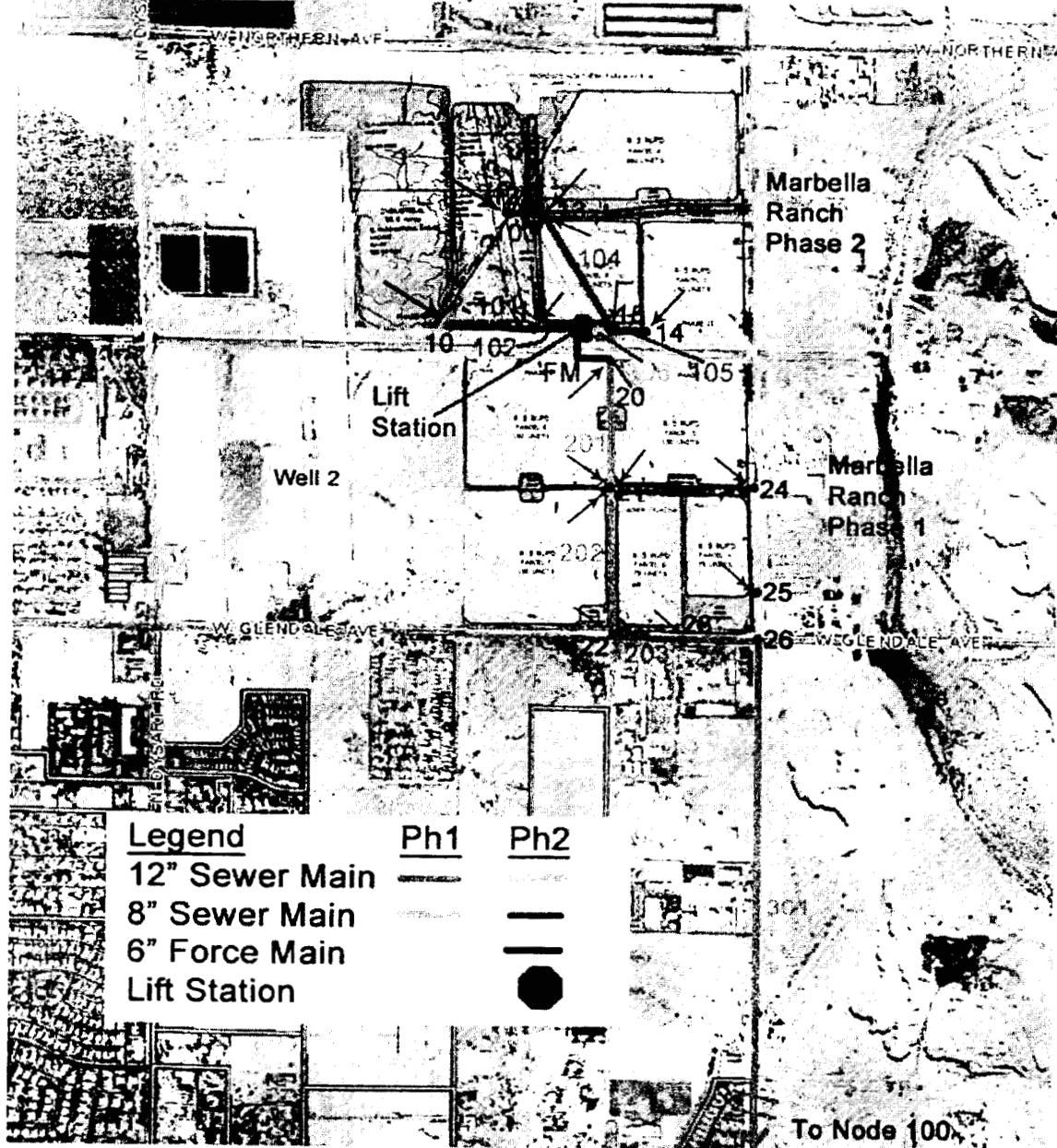
Table 6.1 – Backbone Collection Main Sizing

Estimated Avg. Daily Flow (Liberty)	Peaking Factor (Liberty) (4)	Estimated Avg. Daily Flow (ADEQ)	Peaking Factor (ADEQ) (6)	Estimated Peak Flow (mgd) (7)	Estimated Peak Flow Cumulative (mgd)	Sewer Line Capacity (mgd) (8)	Depth Ratio at Peak Flow (d/D)	Flow Velocity at Peak Flow (ft/sec)	Velocity with Pipe Flowing Full (ft/sec)	Contributing Area	Dwelling Units	Industrial Acres (9)
0.0379	3.00	0.0379	3.00	0.114	0.114	0.45	0.34	1.66	2.00	Industrial Parcel B - W (25% of flow)	0	50.5
0.0120	3.00	0.0096	3.62	0.036	0.150	0.45	0.40	1.84	2.00		38	0
0.0379	3.00	0.0379	3.00	0.114	0.114	0.45	0.34	1.66	2.00	Industrial Industrial, Parcel A, Parcel B - N (50%) Parcel B - S (25%), Parcel C	0	50.5
0.0960	3.00	0.0768	2.42	0.288	0.402	0.45	0.74	2.26	2.00		435	0
0.0600	3.00	0.0480	2.56	0.180	0.180	0.45	0.44	1.88	2.00		188	0
0.1939	3.00	0.1627	2.2522	0.582	0.582	1.00	0.55	2.06	2.00		623	51
0.2059	3.00	0.1723	2.23	0.618	0.618	0.89	n/a	4.87	n/a		660	50.5
0.0360	3.00	0.0288	2.18	0.108	0.726	1.00	0.63	2.18	2.00	Parcel E - N (75% of flow) Parcel E - S (25%), Parcel D - W (25%), Parcel F - N (75%) Parcel F - S (25%) Parcel G	113	0
0.0600	3.00	0.0480	2.12	0.180	0.906	1.00	0.74	2.26	2.00		188	0
0.0120	3.00	0.0096	2.11	0.036	0.942	1.46	0.59	3.06	2.89		38	0
0.0240	3.00	0.0192	2.09	0.072	1.014	1.46	0.62	3.12	2.89		75	0
0.0360	3.00	0.0288	2.90	0.108	0.108	0.54	0.30	1.88	2.41	Parcel D - E (75%) Parcel H	113	0
0.0240	3.00	0.0192	2.56	0.072	0.180	0.54	0.40	2.22	2.41		75	0
0.3979	3.00	0.3259	2.05	1.194	1.194	1.34	0.74	3.00	2.66		1,260	50.5

Table 6.1 – Backbone Collection Main Sizing - Footnotes

- 1 Elevations from ALTA Survey prepared by Land Survey Services PLC, 4/14/2014
- 2 Population = # of homes x 3.2 people/DU
- 3 Estimated Avg Flow = # of homes x 3.2 people/DU x 100 gpcd + Industrial acres x 750 gpc
- 4 Peaking Factor = 3.0, Per Liberty Development Manual
- 5 Per R18-9-E301 - Estimated Avg. Flow = # of homes x 3.2 people/DU x 80 gpcd + Industrial acres x 750 gpc (equivalent 1,515 employees)
- 6 Per R18-9-E301, 3.0 used for Industrial
- 7 Peak Flow = Average Daily Flow x Peaking Factor (larger of Liberty or ADEQ)
- 8 Sewer Line Capacity is calculated using Manning's equation assuming pipe flowing full with a manning's value of 0.013 per Liberty requirements
- 9 Industrial Flows included at Node 10 and Node 14 to allow flexibility in routing industrial flows. Aggregated flow at Lift Station includes a single Industrial Flow component.

Figure 6.1 – Planned Sewer Collection System Map



7. Summary/Conclusions

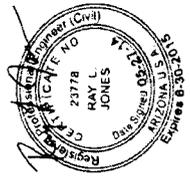
Based on the analysis presented in this report, the existing Liberty sewer collection system has adequate capacity and can be extended to provide sewer service to Marbella Ranch. The proposed system meets the sewer master planning criteria as established by Liberty and ADEQ. Sewer treatment requirements will be met from the existing PVWRF.

APPENDIX 1

**Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Marbella Ranch - Sewer Facilities
Estimate of Construction Cost**

5/27/2014
Prepared by ARICOR Water Solutions

Item Description	Quantity	Units	Unit Price	Amount	Detail Plant Account By Year					
					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Phase 1										
Off-Site El Mirage Trunk Sewer Main (South of Glendale)										
12" SDR 35 PVC (imported backfill per MCDOT requirements)	9,620	lf	\$ 90.00	\$ 865,800	361					
48" Manholes	20	ea	5,000.00	100,000	361					
Allowance for Special Construction	1	lot	50,000.00	50,000	361					
Pavement Replacement	12,800	sy	30.00	384,000	361					
Engineering & Permits	1	lot	10%	140,000	361					
Contingency	1	lot	5%	70,000	361					
Total				\$ 1,609,800						
On-Site Sewer Trunk Mains										
12" SDR 35 PVC (imported backfill per MCDOT requirements)	1,360	lf	\$ 80.00	\$ 122,400	361					
12" SDR 35 PVC (native backfill)	2,520	lf	40.00	100,800	361					
8" SDR 35 PVC (imported backfill per MCDOT requirements)	1,320	lf	70.00	92,400	361					
48" Manholes	15	ea	5,000.00	75,000	361					
Pavement Replacement	2,400	sy	30.00	72,000	361					
Engineering & Permits	1	lot	12%	55,512	361					
Contingency	1	lot	5%	23,130	361					
Total				\$ 541,242						
On-Site Sewer Collection System (within subdivisions)										
8" SDR 35 PVC (native backfill)	20,250	lf	\$ 40.00	\$ 810,000	361					
48" Manholes	53	lf	2,500.00	132,500	361					
4" PVC Services	600	ea	550.00	330,000	363					
Engineering & Permits	1	lot	12%	152,700	361					
Contingency	1	lot	5%	63,625	361					
Total				\$ 1,488,825						
TOTAL ON-SITE				\$ 2,030,067						
TOTAL PHASE 1				\$ 3,639,867						
Phase II										
Lift Station & Force Main										
Wet Well	1	lot	\$ 200,000	\$ 200,000	370					
Extend Power to Site	1	lot	10,000.00	10,000	371					
Site Work	1	lot	15,000.00	15,000	354					
Pumps	1	ea	50,000.00	50,000	371					
Piping & Valves	1	lot	25,000.00	25,000	371					
Electrical	1	lot	25,000.00	25,000	371					
Genset	1	ea	30,000.00	30,000	355					
Odor Control System	1	lot	20,000.00	20,000	371					
6" C-900 PVC	250	lf	45.00	11,250	360					
Dysart Drain Crossing (Cased Overshoot)	150	lf	200.00	30,000	360					
Engineering & Permits	1	lot	15%	32,438	371					
Contingency	1	lot	5%	20,813	371					
Total				\$ 469,500						
On-Site Sewer Trunk Mains										
12" SDR 35 PVC (native backfill)	150	lf	\$ 60.00	\$ 9,000	361					
8" SDR 35 PVC (native backfill)	3,000	lf	40.00	120,000	361					
48" Manholes	9	ea	2,500.00	22,500	361					
Engineering & Permits	1	lot	12%	18,180	361					
Contingency	1	lot	5%	7,575	361					
Total				\$ 177,255						
On-Site Sewer Collection System (within subdivisions)										
8" SDR 35 PVC (native backfill)	22,275	lf	\$ 40.00	\$ 891,000	361					
48" Manholes	58	ea	2,500.00	145,000	361					
4" PVC Services	660	ea	550.00	363,000	363					
Engineering & Permits	1	lot	12%	167,880	361					
Contingency	1	lot	5%	69,950	361					
Total				\$ 1,636,830						
TOTAL PHASE 2				\$ 2,283,585						



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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WASTEWATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 6

**(Estimated Total Construction Costs and
Plant Cost Projections)**

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
 Marbella Ranch - Sewer Facilities
 Estimate of Construction Cost

5/27/2014
 Prepared by ARICOR Water Solutions

Item Description	Quantity	Units	Unit Price	Amount	NARUC	Detail Plant Account By Year					
						Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Phase I											
Off-Site El Mirage Trunk Sewer Main (South of Glendale)											
12" SDR 35 PVC (imported backfill per McDOT requirements)	9,620	lf	\$ 90.00	\$ 865,800	361	\$ 865,800					
48" Manholes	20	ea	5,000.00	100,000	361	100,000					
Allowance for Special Construction	1	lot	50,000.00	50,000	361	50,000					
Pavement Replacement	12,800	sv	30.00	384,000	361	384,000					
Engineering & Permits	1	lot	10%	140,000	361	140,000					
Contingency	1	lot	5%	70,000	361	70,000					
Total				\$ 1,609,800		\$ 1,609,800					
On-Site Sewer Trunk Mains											
12" SDR 35 PVC (imported backfill per McDOT requirements)	1,360	lf	\$ 90.00	\$ 122,400	361	\$ 122,400					
12" SDR 35 PVC (native backfill)	2,520	lf	60.00	151,200	361	151,200					
8" SDR 35 PVC (imported backfill per McDOT requirements)	1,320	lf	60.00	79,200	361	79,200					
48" Manholes	15	ea	5,000.00	75,000	361	75,000					
Pavement Replacement	2,400	sv	30.00	72,000	361	72,000					
Engineering & Permits	1	lot	12%	59,976	361	59,976					
Contingency	1	lot	5%	24,990	361	24,990					
Total				\$ 584,756		\$ 584,756					
On-Site Sewer Collection System (within subdivisions)											
8" SDR 35 PVC (native backfill)	20,250	lf	\$ 40.00	\$ 810,000	361	\$ 202,500	\$ 202,500	\$ 202,500	\$ 202,500		
48" Manholes	53	lf	2,500.00	132,500	361	33,125	33,125	33,125	33,125		
4" PVC Services	600	ea	550.00	330,000	363	82,500	82,500	82,500	82,500		
Engineering & Permits	1	lot	12%	152,700	361	38,175	38,175	38,175	38,175		
Contingency	1	lot	5%	63,625	361	15,906	15,906	15,906	15,907		
Total				\$ 1,458,825		\$ 372,206	\$ 372,206	\$ 372,206	\$ 372,207		
TOTAL ON-SITE						\$ 2,073,591					
TOTAL PHASE I						\$ 3,683,391					
Phase II											
LIR Station & Force Main											
Wet Well	1	lot	\$ 200,000	\$ 200,000	370		\$ 200,000				
Extend Power to Site	1	lot	10,000.00	10,000	371		10,000				
Site Work	1	lot	15,000.00	15,000	354		15,000				
Pumps	1	ea	50,000.00	50,000	371		50,000				
Piping & Valves	1	lot	25,000.00	25,000	371		25,000				
Electrical	1	lot	25,000.00	25,000	371		25,000				
Genset	1	ea	30,000.00	30,000	355		30,000				
Odor Control System	1	lot	20,000.00	20,000	371		20,000				
6" C 300 PVC	250	lf	45.00	11,250	360						
Dysart Drain Crossing (Cased Overshoot)	150	lf	200.00	30,000	360						
Engineering & Permits	1	lot	15%	32,438	371		32,438				
Contingency	1	lot	5%	20,813	371		20,813				
Total				\$ 469,500			\$ 428,250				
On-Site Sewer Trunk Mains											
12" SDR 35 PVC (native backfill)	150	lf	\$ 60.00	\$ 9,000	361		\$ 9,000				
8" SDR 35 PVC (native backfill)	3,000	lf	40.00	120,000	361		120,000				
48" Manholes	9	ea	2,500.00	22,500	361		22,500				
Engineering & Permits	1	lot	12%	16,180	361		16,180				
Contingency	1	lot	5%	7,575	361		7,575				
Total				\$ 177,255			\$ 177,255				
On-Site Sewer Collection System (within subdivisions)											
8" SDR 35 PVC (native backfill)	22,275	lf	\$ 40.00	\$ 891,000	361		\$ 222,750	\$ 222,750	\$ 222,750	\$ 222,750	
48" Manholes	58	lf	2,500.00	145,000	361		36,250	36,250	36,250	36,250	
4" PVC Services	660	ea	550.00	363,000	363		90,750	90,750	90,750	90,750	
Engineering & Permits	1	lot	12%	167,880	361		41,970	41,970	41,970	41,970	
Contingency	1	lot	5%	89,950	361		17,488	17,488	17,488	17,488	
Total				\$ 1,636,830			\$ 409,208	\$ 409,208	\$ 409,208	\$ 409,208	
TOTAL PHASE II						\$ 2,283,585					



Liberty Utilities (Litchfield Park Water & Sewer) Corp.
 Marbella Ranch Project
 Plant Value

Line No.	NARUC Account No.	Description	Year 1					Net Plant
			Allowed Deprec. Rate	Plant Additions	Depreciation	Plant Balance	A/D Balance	
1	351	Organization Cost	0.00%	-	-	-	-	-
2	352	Franchise Cost	0.00%	-	-	-	-	-
3	353	Land and Land Rights	0.00%	-	-	-	-	-
4	354	Structures & Improvements	3.33%	-	-	-	-	-
5	355	Power Generating Equipment	5.00%	-	-	-	-	-
6	360	Collection Sewers - Force	2.00%	-	-	-	-	-
7	361	Collection Sewers - Gravity	2.00%	2,484,272	24,843	2,484,272	24,843	2,459,429
8	362	Special Collecting Structures	2.00%	-	-	-	-	-
9	363	Services to Customers	2.00%	82,500	825	82,500	825	81,675
10	364	Flow Measuring Devices	10.00%	-	-	-	-	-
11	365	Flow Measuring Installations	10.00%	-	-	-	-	-
12	366	Reuse Services	2.00%	-	-	-	-	-
13	367	Reuse Meters and Meter Installations	8.33%	-	-	-	-	-
14	370	Receiving Wells	3.33%	-	-	-	-	-
15	371	Pumping Equipment	12.50%	-	-	-	-	-
16	374	Reuse Distribution Reservoirs	2.50%	-	-	-	-	-
17	375	Reuse Transmission and Dist. Sys.	2.50%	-	-	-	-	-
18	380	Treatment and Disposal Equipment	5.00%	-	-	-	-	-
19	381	Plant Sewers	5.00%	-	-	-	-	-
20	382	Outfall Sewer Lines	3.33%	-	-	-	-	-
21	389	Other Plant and Misc. Equipment	6.67%	-	-	-	-	-
22	390	Office Furniture & Equipment	6.67%	-	-	-	-	-
23	390.1	Computers & Software	20.00%	-	-	-	-	-
24	391	Transportation Equipment	20.00%	-	-	-	-	-
25	392	Stores Equipment	4.00%	-	-	-	-	-
26	393	Tools, Shop & Garage Equipment	5.00%	-	-	-	-	-
27	394	Laboratory Equipment	10.00%	-	-	-	-	-
28	395	Power Operated Equipment	5.00%	-	-	-	-	-
29	396	Communications Equipment	10.00%	-	-	-	-	-
30	397	Miscellaneous Equipment	10.00%	-	-	-	-	-
31	398	Other Tangible Plant	10.00%	-	-	-	-	-
32								
33								
34								
35		TOTAL		2,566,772	25,668	2,566,772	25,668	2,541,104

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
 Marbella Ranch Project
 Plant Value

Exhibit 6

Page 3

Line No.	MARUC Account No.	Description	Allowed Deprec. Rate	Year 2				
				Plant Additions	Depreciation	Plant Balance	A/D Balance	Net Plant
1	351	Organization Cost	0.00%	-	-	-	-	-
2	352	Franchise Cost	0.00%	-	-	-	-	-
3	353	Land and Land Rights	0.00%	-	-	-	-	-
4	354	Structures & Improvements	3.33%	-	-	-	-	-
5	355	Power Generating Equipment	5.00%	-	-	-	-	-
6	360	Collection Sewers - Force	2.00%	-	-	-	-	-
7	361	Collection Sewers - Gravity	2.00%	289,706	52,583	2,773,978	77,425	2,696,553
8	362	Special Collecting Structures	2.00%	-	-	-	-	-
9	363	Services to Customers	2.00%	82,500	2,475	165,000	3,300	161,700
10	364	Flow Measuring Devices	10.00%	-	-	-	-	-
11	365	Flow Measuring Installations	10.00%	-	-	-	-	-
12	366	Reuse Services	2.00%	-	-	-	-	-
13	367	Reuse Meters and Meter Installations	8.33%	-	-	-	-	-
14	370	Receiving Wells	3.33%	-	-	-	-	-
15	371	Pumping Equipment	12.50%	-	-	-	-	-
16	374	Reuse Distribution Reservoirs	2.50%	-	-	-	-	-
17	375	Reuse Transmission and Dist. Sys.	2.50%	-	-	-	-	-
18	380	Treatment and Disposal Equipment	5.00%	-	-	-	-	-
19	381	Plant Sewers	5.00%	-	-	-	-	-
20	382	Outfall Sewer Lines	3.33%	-	-	-	-	-
21	389	Other Plant and Misc. Equipment	6.67%	-	-	-	-	-
22	390	Office Furniture & Equipment	6.67%	-	-	-	-	-
23	390.1	Computers & Software	20.00%	-	-	-	-	-
24	391	Transportation Equipment	20.00%	-	-	-	-	-
25	392	Stores Equipment	4.00%	-	-	-	-	-
26	393	Tools, Shop & Garage Equipment	5.00%	-	-	-	-	-
27	394	Laboratory Equipment	10.00%	-	-	-	-	-
28	395	Power Operated Equipment	5.00%	-	-	-	-	-
29	396	Communications Equipment	10.00%	-	-	-	-	-
30	397	Miscellaneous Equipment	10.00%	-	-	-	-	-
31	398	Other Tangible Plant	10.00%	-	-	-	-	-
32								
33								
34								
35		TOTAL		372,206	55,058	2,938,978	80,725	2,858,253

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
 Marbella Ranch Project
 Plant Value

Exhibit 6

Page 4

Line No.	NARUC Account No.	Description	Year 3					Net Plant
			Allowed Deprec. Rate	Plant Additions	Depreciation	Plant Balance	A/D Balance	
1	351	Organization Cost	0.00%	-	-	-	-	
2	352	Franchise Cost	0.00%	-	-	-	-	
3	353	Land and Land Rights	0.00%	-	-	-	-	
4	354	Structures & Improvements	3.33%	15,000	250	15,000	14,750	
5	355	Power Generating Equipment	5.00%	30,000	750	30,000	29,250	
6	360	Collection Sewers - Force	2.00%	-	-	-	-	
7	361	Collection Sewers - Gravity	2.00%	785,419	63,334	3,559,397	3,418,638	
8	362	Special Collecting Structures	2.00%	-	-	-	-	
9	363	Services to Customers	2.00%	173,250	5,033	338,250	329,918	
10	364	Flow Measuring Devices	10.00%	-	-	-	-	
11	365	Flow Measuring Installations	10.00%	-	-	-	-	
12	366	Reuse Services	2.00%	-	-	-	-	
13	367	Reuse Meters and Meter Installations	8.33%	-	-	-	-	
14	370	Receiving Wells	3.33%	200,000	3,330	200,000	196,670	
15	371	Pumping Equipment	12.50%	183,250	11,453	183,250	171,797	
16	374	Reuse Distribution Reservoirs	2.50%	-	-	-	-	
17	375	Reuse Transmission and Dist. Sys.	2.50%	-	-	-	-	
18	380	Treatment and Disposal Equipment	5.00%	-	-	-	-	
19	381	Plant Sewers	5.00%	-	-	-	-	
20	382	Outfall Sewer Lines	3.33%	-	-	-	-	
21	389	Other Plant and Misc. Equipment	6.67%	-	-	-	-	
22	390	Office Furniture & Equipment	6.67%	-	-	-	-	
23	390.1	Computers & Software	20.00%	-	-	-	-	
24	391	Transportation Equipment	20.00%	-	-	-	-	
25	392	Stores Equipment	4.00%	-	-	-	-	
26	393	Tools, Shop & Garage Equipment	5.00%	-	-	-	-	
27	394	Laboratory Equipment	10.00%	-	-	-	-	
28	395	Power Operated Equipment	5.00%	-	-	-	-	
29	396	Communications Equipment	10.00%	-	-	-	-	
30	397	Miscellaneous Equipment	10.00%	-	-	-	-	
31	398	Other Tangible Plant	10.00%	-	-	-	-	
32								
33								
34								
35								
TOTAL				1,386,919	84,149	4,325,897	164,874	4,161,023

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
 Marbella Ranch Project
 Plant Value

Exhibit 6

Page 5

Line No.	NARUC Account No.	Description	Year 4					
			Allowed Deprec. Rate	Plant Additions	Depreciation	Plant Balance	A/D Balance	Net Plant
1	351	Organization Cost	0.00%	-	-	-	-	-
2	352	Franchise Cost	0.00%	-	-	-	-	-
3	353	Land and Land Rights	0.00%	-	-	-	-	-
4	354	Structures & Improvements	3.33%	-	-	-	-	-
5	355	Power Generating Equipment	5.00%	-	500	15,000	749	14,251
6	360	Collection Sewers - Force	2.00%	-	1,500	30,000	2,250	27,750
7	361	Collection Sewers - Gravity	2.00%	608,165	77,270	4,167,562	-	-
8	362	Special Collecting Structures	2.00%	-	-	-	218,029	3,949,533
9	363	Services to Customers	2.00%	173,250	8,498	511,500	-	-
10	364	Flow Measuring Devices	10.00%	-	-	-	16,830	494,670
11	365	Flow Measuring Installations	10.00%	-	-	-	-	-
12	366	Reuse Services	2.00%	-	-	-	-	-
13	367	Reuse Meters and Meter Installations	2.00%	-	-	-	-	-
14	370	Receiving Wells	8.33%	-	-	-	-	-
15	371	Pumping Equipment	3.33%	-	-	-	-	-
16	374	Reuse Distribution Reservoirs	12.50%	-	6,660	200,000	9,990	190,010
17	375	Reuse Transmission and Dist. Sys.	2.50%	-	22,906	183,250	34,359	148,891
18	380	Treatment and Disposal Equipment	2.50%	-	-	-	-	-
19	381	Plant Sewers	5.00%	-	-	-	-	-
20	382	Outfall Sewer Lines	5.00%	-	-	-	-	-
21	389	Other Plant and Misc. Equipment	3.33%	-	-	-	-	-
22	390	Office Furniture & Equipment	6.67%	-	-	-	-	-
23	390.1	Computers & Software	6.67%	-	-	-	-	-
24	391	Transportation Equipment	20.00%	-	-	-	-	-
25	392	Stores Equipment	20.00%	-	-	-	-	-
26	393	Tools, Shop & Garage Equipment	4.00%	-	-	-	-	-
27	394	Laboratory Equipment	5.00%	-	-	-	-	-
28	395	Power Operated Equipment	10.00%	-	-	-	-	-
29	396	Communications Equipment	5.00%	-	-	-	-	-
30	397	Miscellaneous Equipment	10.00%	-	-	-	-	-
31	398	Other Tangible Plant	10.00%	-	-	-	-	-
32								
33								
34								
35								
TOTAL				781,415	117,333	5,107,312	282,207	4,825,105

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
 Marbella Ranch Project
 Plant Value

Exhibit 6

Page 6

Line No.	NARUC Account No.	Description	Allowed Deprec. Rate	Year 5				Net Plant
				Plant Additions	Depreciation	Plant Balance	A/D Balance	
1	351	Organization Cost	0.00%	-	-	-	-	-
2	352	Franchise Cost	0.00%	-	-	-	-	-
3	353	Land and Land Rights	0.00%	-	-	-	-	-
4	354	Structures & Improvements	3.33%	-	500	15,000	1,249	13,751
5	355	Power Generating Equipment	5.00%	-	1,500	30,000	3,750	26,250
6	360	Collection Sewers - Force	2.00%	-	-	-	-	-
7	361	Collection Sewers - Gravity	2.00%	318,458	86,536	4,486,020	304,564	4,181,456
8	362	Special Collecting Structures	2.00%	-	-	-	-	-
9	363	Services to Customers	2.00%	90,750	11,138	602,250	27,968	574,283
10	364	Flow Measuring Devices	10.00%	-	-	-	-	-
11	365	Flow Measuring Installations	10.00%	-	-	-	-	-
12	366	Reuse Services	2.00%	-	-	-	-	-
13	367	Reuse Meters and Meter Installations	8.33%	-	-	-	-	-
14	370	Receiving Wells	3.33%	-	-	-	-	-
15	371	Pumping Equipment	12.50%	-	6,660	200,000	16,650	183,350
16	374	Reuse Distribution Reservoirs	2.50%	-	22,906	183,250	57,266	125,984
17	375	Reuse Transmission and Dist. Sys.	2.50%	-	-	-	-	-
18	380	Treatment and Disposal Equipment	5.00%	-	-	-	-	-
19	381	Plant Sewers	5.00%	-	-	-	-	-
20	382	Outfall Sewer Lines	3.33%	-	-	-	-	-
21	389	Other Plant and Misc. Equipment	6.67%	-	-	-	-	-
22	390	Office Furniture & Equipment	6.67%	-	-	-	-	-
23	390.1	Computers & Software	20.00%	-	-	-	-	-
24	391	Transportation Equipment	20.00%	-	-	-	-	-
25	392	Stores Equipment	4.00%	-	-	-	-	-
26	393	Tools, Shop & Garage Equipment	5.00%	-	-	-	-	-
27	394	Laboratory Equipment	10.00%	-	-	-	-	-
28	395	Power Operated Equipment	5.00%	-	-	-	-	-
29	396	Communications Equipment	10.00%	-	-	-	-	-
30	397	Miscellaneous Equipment	10.00%	-	-	-	-	-
31	398	Other Tangible Plant	10.00%	-	-	-	-	-
32				-	-	-	-	-
33				-	-	-	-	-
34				-	-	-	-	-
35				-	-	-	-	-
TOTAL				409,208	129,239	5,516,520	411,446	5,105,074

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WASTEWATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 7

(General Statement of Financial Condition)

COMPANY NAME

Litchfield Park Service Company (Sewer)

BALANCE SHEET

Acct. No.	ASSETS	2012	2013
CURRENT AND ACCRUED ASSETS			
131	Cash	\$ 723,394	\$ (11,584)
132	Special Deposits	\$ -	\$ 2,083,201
135	Temporary Cash Investments	\$ -	\$ -
141	Customer Accounts Receivable	\$ 1,755,385	\$ 1,538,629
146	Notes/Receivables from Associated Companies	\$ 4,666,537	\$ 6,120,635
151	Plant Material and Supplies	\$ -	\$ -
162	Prepayments	\$ 74,761	\$ 30,500
174	Miscellaneous Current and Accrued Assets	\$ 328,254	\$ 284,962
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 7,548,331	\$ 10,046,344
FIXED ASSETS			
101	Utility Plant in Service	74,571,547	76,282,231
103	Property Held for Future Use		
105	Construction Work in Progress	0	357,041
108	Accumulated Depreciation - Utility Plant	14,441,042	16,405,407
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 60,130,505	\$ 60,233,865
	TOTAL ASSETS	\$ 67,678,836	\$ 70,280,209

NOTE: Total Assets on this page should equal Total Liabilities and Capital on the following page.

COMPANY NAME Litchfield Park Service Company (Sewer)
--

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	2012	2013
CURRENT LIABILITIES			
231	Accounts Payable	\$ -	\$ -
232	Notes Payable (Current Portion)	\$ 157,761	\$ 150,400
234	Notes/Accounts Payable to Associated Companies	\$ -	
235	Customer Deposits	\$ 155,440	\$ -
236	Accrued Taxes	\$ 44,211	\$ 34,644
237	Accrued Interest	\$ 80,731	\$ 77,628
241	Miscellaneous Current and Accrued Liabilities	\$ 1,182,382	\$ 44,665
	TOTAL CURRENT LIABILITIES	\$ 1,620,525	\$ 307,337
LONG-TERM DEBT (Over 12 Months)			
224	Long-Term Notes and Bonds	\$ 5,321,804	\$ 4,453,218
DEFERRED CREDITS			
252	Advances in Aid of Construction	\$ 12,211,297	\$ 12,110,401
253	Other Deferred Credits	\$ 95,892	
255	Accumulated Deferred Investment Tax Credits	\$ -	\$ -
271	Contributions in Aid of Construction	\$ 32,415,368	\$ 35,077,436
272	Less: Amortization of Contributions	\$ 5,308,346	\$ 5,957,420
281	Accumulated Deferred Income Tax	\$ 694,371	\$ 2,395,960
	TOTAL DEFERRED CREDITS	\$ 40,108,582	\$ 43,626,377
	TOTAL LIABILITIES	\$ 47,050,911	\$ 48,386,932
CAPITAL ACCOUNTS			
201	Common Stock Issued	\$ 33,626	\$ 33,626
211	Other Paid in Capital	\$ 14,429,804	\$ 13,728,278
215	Retained Earnings	\$ 6,164,495	\$ 8,131,373
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 20,627,925	\$ 21,893,277
	TOTAL LIABILITIES AND CAPITAL	\$ 67,678,836	\$ 70,280,209

COMPANY NAME

Litchfield Park Service Company (Sewer)

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

	OPERATING REVENUES	2012	2013
521	Flat Rate Revenues	\$ 9,698,079	\$ 8,624,304
522	Measured Revenues	\$ -	\$ 861,147
536	Other Wastewater Revenues	\$ 463,236	\$ 374,767
	TOTAL REVENUES	\$ 10,161,315	\$ 9,860,219
	OPERATING EXPENSES		
701	Salaries and Wages	\$ 1,077,158	\$ 1,201,594
710	Purchased Wastewater Treatment	\$ 26,656	\$ 39,395
711	Sludge Removal Expense	\$ 230,913	\$ 246,971
715	Purchased Power	\$ 606,563	\$ 628,493
716	Fuel for Power Production	\$ -	\$ -
718	Chemicals	\$ 363,900	\$ 295,100
720	Materials and Supplies	\$ 86,994	\$ 119,214
731	Contractual Services - Professional	\$ 25,746	\$ (40,983)
735	Contractual Services - Testing	\$ 57,735	\$ 36,144
736	Contractual Services - Other	\$ 2,835,298	\$ 2,439,628
740	Rents	\$ 43,083	\$ 2,472
750	Transportation Expense	\$ 26,465	\$ 18,856
755	Insurance Expense	\$ 69,329	\$ 84,335
765	Regulatory Commission Expense	\$ 14,189	\$ -
775	Miscellaneous Expense	\$ 139,720	\$ 122,361
403	Depreciation Expense	\$ 1,251,940	\$ 1,648,570
408	Taxes Other Than Income	\$ -	\$ -
408.11	Property Taxes	\$ 627,380	\$ 752,647
409	Income Taxes	\$ -	\$ -
	TOTAL OPERATING EXPENSES	\$ 7,483,069	\$ 7,594,797
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ 99,563	\$ 24,550
420	AFUDC Income		15,996
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	349,841	339,090
	TOTAL OTHER INCOME/EXP	\$ (250,278)	\$ (298,544)
	NET INCOME/(LOSS)	\$ 2,427,968	\$ 1,966,878

1 APPLICATION OF
2 LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
3 FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
4 AND NECESSITY TO PROVIDE WASTEWATER UTILITY SERVICE
5 IN MARICOPA COUNTY, ARIZONA

6 Exhibit 8

7
8 (Applicant's Schedule of Rates and Charges)
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

Applies to all WASTEWATER service areas
PART THREE
STATEMENT OF CHARGES FOR WASTEWATER SERVICE

I. RATES

Originally in Decision No. 72026, dated December 10, 2010, and again in Decision No. 72682, dated November 17, 2011, the Commission authorized the following rates and charges to become effective December 1, 2011:

A. Monthly Usage Charge – 100 Percent Phase In (Phase 3)

<u>Meter Size</u> Inches	<u>Minimum Charge</u> Per Month
Residential – Per Unit / Per Month	\$38.99
Multiple Unit Service – Per Unit / Month	36.19
Small Commercial ¹	65.93
Regular Domestic ²	36.91
Restaurants, Motels, Grocery, DC	36.91
Wigwam Resort / Room	36.91
Wigwam Resort / Main	1,433.30
Elementary School	974.64
Middle & High School	1,146.64
Community College	1,777.29
Effluent Sales ³	Market

¹ Small Commercial is a wastewater commercial customer that averages a maximum of 10,000 gallons of water usage per month.

² Regular Domestic is a wastewater commercial customer that averages a minimum of 10,000 gallons of water usage per month.

³ Market Rate – maximum effluent rate shall not exceed \$430 per acre foot based on a potable water rate of \$1.32 per thousand gallons and shall not be less than \$0.17 per thousand gallons.

Issued: November 30, 2011

ISSUED BY:

Effective: December 1, 2011

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all WASTEWATER service areas
PART THREE
STATEMENT OF CHARGES FOR WASTEWATER SERVICE

B. Commodity Charge – 100 Percent Phase In (Phase 3)

(per 1,000 gallons of water)	
Regular Domestic	\$3.22
Restaurants, Motels, Grocery, DC	4.30

Issued: November 30, 2011

ISSUED BY:

Effective: December 1, 2011

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all WASTEWATER service areas
PART THREE
STATEMENT OF CHARGES FOR WASTEWATER SERVICE

C. Service Charges

<u>Service</u>	<u>Charge</u>
Establishment (a)	\$20.00
Establishment (After Hours) (a)	40.00
Re-Establishment of Service (a)	(b)
Reconnection (Regular Hours) (a)	\$50.00
Reconnection (After Hours) (a)	65.00
NSF Check	25.00
Deferred Payment, Per Month	1.50%
Late Charge	(c)
Service Calls, Per Hour / After Hours (d)	\$40.00
Deposit Requirement	(e)
Deposit Interest	3.50%
Service Lateral Connection Charge – All Sizes	(f)
Main Extension Tariff	(g)

- (a) Service charges for customers taking both water and sewer services are not duplicative.
(b) Minimum charge times number of months disconnected.
(c) Greater of \$5.00 or 1.50% of unpaid balance.
(d) No charge for service calls during normal working hours.
(e) Per Rule R14-2-603(B):
Residential – two times the average bill;
Non-Residential – two and one-half times the average bill.
(f) At cost. Customer/Developer shall install or cause to be installed all Service Laterals as a non-refundable contribution-in-aid of construction.
(g) All Main Extensions shall be completed at cost and shall be treated as non-refundable contribution-in-aid of construction.

Issued: November 30, 2011

ISSUED BY:

Effective: December 1, 2011

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all WASTEWATER service areas
PART THREE
STATEMENT OF CHARGES FOR WASTEWATER SERVICE

II. **TAXES AND ASSESSMENTS**

In addition to all other rates and charges authorized herein, the Company shall collect from its customers all applicable sales, transaction, privilege, regulatory or other taxes and assessments as may apply now or in the future, per Rule R14-2-608(D)(5).

Issued: November 30, 2011

Effective: December 1, 2011

ISSUED BY:

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all WASTEWATER service areas
PART FOUR
STATEMENT OF TERMS AND CONDITIONS FOR WASTEWATER SERVICE

I. CUSTOMER DISCHARGE TO SYSTEM

A. Service Subject to Regulation

The Company provides wastewater service using treatment and collection facilities that are regulated by numerous county, state and federal Statutes and Regulations. Those Regulations include limitations as to domestic strength wastewater and the type of wastewater that may be discharged into the system by any person directly or indirectly connected to the plant.

B. Waste Limitations

The Company has established the permissible limits of concentration as domestic strength wastewater and will limit concentration for various specific substances, materials, waters, or wastes that can be accepted in the sewer system, and to specify those substances, materials, waters, or wastes that are prohibited from entering the sewer system. Each permissible limit so established shall be placed on file in the business office of the Company, with a copy filed with the Commission. No person shall discharge, or cause to be discharged, any new sources of inflow including, but not limited to, storm water, surface water, groundwater, roof runoffs, subsurface drainage, cooling water, or polluted industrial process waters into the sanitary sewer. The Company will require an affidavit from all commercial and industrial customers, and their professional engineer, stating that the wastewater discharged to the system does not exceed domestic strength.

C. Inspection and Right of Entry

Every facility that is involved directly or indirectly with the discharge of wastewater to the Treatment Plant may be inspected by the Company as it deems necessary. These facilities shall include but not be limited to sewer; sewage pumping plants; all processes; devices and connection sewer; and all similar sewerage facilities. Inspections may be made to determine that such facilities are maintained and operated properly and are adequate to meet the provisions of these rules. Inspections may include the collection of samples. Authorized personnel of the Company shall be provided immediate access to all of the above facilities or to other facilities directly or indirectly connected to the Treatment Plant at all reasonable times including those occasioned by emergency conditions. Any permanent or temporary obstruction to easy access to the user's facility to be inspected shall promptly be removed by the facility user or owner at

Issued: November 30, 2011

ISSUED BY:

Effective: December 1, 2011

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all WASTEWATER service areas

PART FOUR

STATEMENT OF TERMS AND CONDITIONS FOR WASTEWATER SERVICE

the written or verbal request of the Company and shall not be replaced. No person shall interfere with, delay, resist or refuse entrance to an authorized Company representative attempting to inspect any facility involved directly or indirectly with a discharge of wastewater to the Treatment Plant. Adequate identification shall be provided by the Company for all inspectors and other authorized personnel and these persons shall identify themselves when entering any property for inspection purposes or when inspecting the work of any contractor.

All transient motor homes, travel trailers and other units containing holding tanks must arrive at the Company's service area in an empty condition. Inspection will be required of said units prior to their being allowed to hookup to the wastewater system.

D. Termination of Water Service for Violation of Wastewater Rules and Regulations

The Company is authorized to discontinue water service to any person connected to both its water and sewer systems who violates the Company's wastewater terms and conditions as set forth in this PART FOUR or in any way creates a public health hazard or the likelihood of such a public health hazard. This termination authority does not apply to non-payment for water or wastewater services.

Issued: November 30, 2011

ISSUED BY:

Effective: December 1, 2011

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

Applies to all WASTEWATER service areas
PART FOUR
STATEMENT OF TERMS AND CONDITIONS FOR WASTEWATER SERVICE

II. RULES AND REGULATIONS

The Company has adopted the Rules and Regulations established by the Commission as the basis for its operating procedures. A.A.C. R14-2-601 through A.A.C. R14-2-609 will be controlling of Company procedures, unless specifically approved tariffs or Commission Order(s) provide otherwise.

Issued: November 30, 2011

ISSUED BY:

Effective: December 1, 2011

Greg Sorensen, Director of Operations
Litchfield Park Service Company
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WASTEWATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 9

(Estimated Annual Operating Revenue and Expenses – First Five Years)

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
 Marbella Ranch Project
 Projected Statements of Income

Exhibit 9

Line No.		<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
1	Flat Rate Wastewater Revenue /a					
2	Residential	9,684	67,788	164,628	261,468	358,308
3	Commercial	-	-	-	-	-
4	Industrial	-	-	-	-	819
5						
6	Other Wastewater Revenues	800	4,000	4,000	4,000	4,040
7	Total Estimated Revenues	10,484	71,788	168,628	265,468	363,167
8						
9	Purchased Power/1	658	4,607	11,188	17,769	24,383
10	Chemicals & Sludge Removal/1	623	4,360	10,588	16,817	23,076
11	Repairs & Maint/2	126	880	2,136	3,393	4,656
12	Insurance/2	13	93	225	358	491
13	Office, Billing, Postage, Ops. /2	104	728	1,768	2,807	3,852
14	Total Variable Costs	1,524	10,667	25,905	41,144	56,458
15						
16	Depreciation /3	25,668	55,058	84,149	117,333	129,239
17	CIAC Amort /4	(2,700)	(12,645)	(23,635)	(40,318)	(47,441)
18	Property Taxes /5	133	981	3,067	6,256	9,936
19	Income Taxes /6	(5,009)	6,279	28,033	49,964	76,148
20	Total Other Expense	18,092	49,673	91,614	133,234	167,882
21						
22	Total Operating Expenses	19,616	60,340	117,520	174,378	224,340
23						
24	Operating Income (Expense)	(9,132)	11,448	51,108	91,090	138,827
25						
26	/a - Based on customer growth and flat rate revenue					
27	/1 - Based on gallons treated					
28	/2 - Based on number of customers					
29	/3 - Based on plant estimate & authorized depreciation rates					
30	/4 - Based on customer growth at current HUF					
31	/5 - ADOR property tax calculation					
32	/6 - Based on composite rate last rate case					
33						

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WASTEWATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 10

(Written Request for Service)

March 20, 2014

Mr. Greg Sorenson
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
12725 W Indian School Rd., Suite D101
Avondale, AZ 85392

Re: Request for Water and Sewer Service

Dear Mr. Sorenson:

El Paso Natural Gas Company, L.L.C. ("El Paso") is the current owner of land located in Section 2, Township 2 North, Range 1 West consisting of the following tax parcel numbers:

501-53-006A, 501-53-007A, 501-53-008B, 501-53-009B, 501-53-010C, 501-53-0012A,
501-53-013A, 51-53-014A, 501-53-015 and 501-53-016A

El Paso is under contract to sell the property to TRS 8, LLC ("TRS"). TRS is planning to develop the property to include up to 1,260 residential homes and commercial and industrial property.

El Paso and TRS hereby request that Liberty Utilities (Litchfield Park Water & Sewer) Corp. provide water and sewer services to the indicated tax parcels and include the property in the Company's planned extension of its Certificate of Convenience and Necessity for water and sewer services.

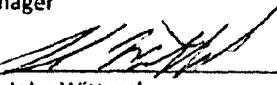
El Paso Natural Gas Company, L.L.C.

TRS 8, LLC

By: Kinder Morgan Operating LP A
Its: Manager

By: Taproot Consulting LLC
Its: Manager

By: _____

By:  _____

Its: _____

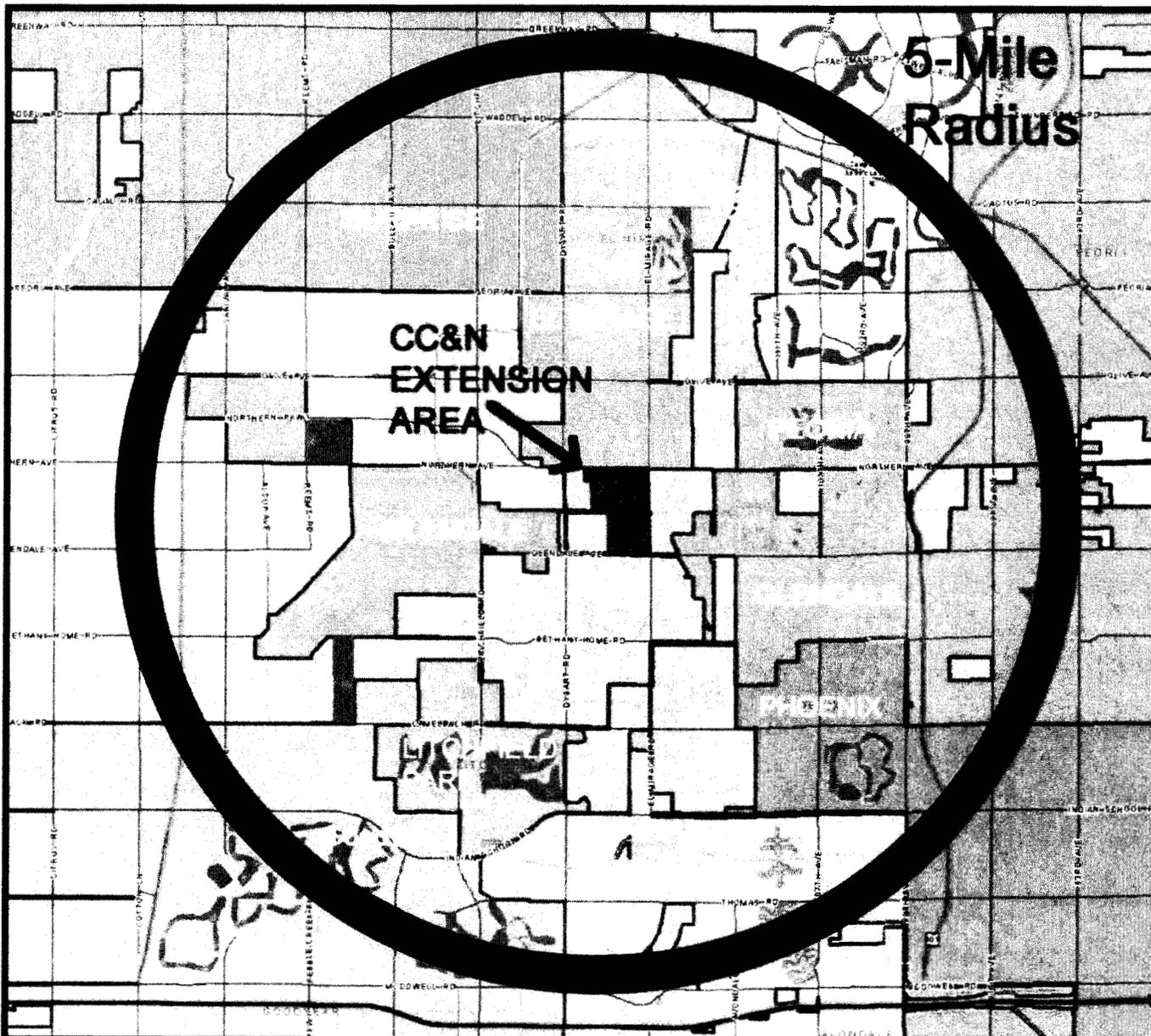
John Wittrock
Its: Manager

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WASTEWATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 11

(Maps of Existing Service Area and Requested Area)



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Extension and Nearby Municipalities

Map:

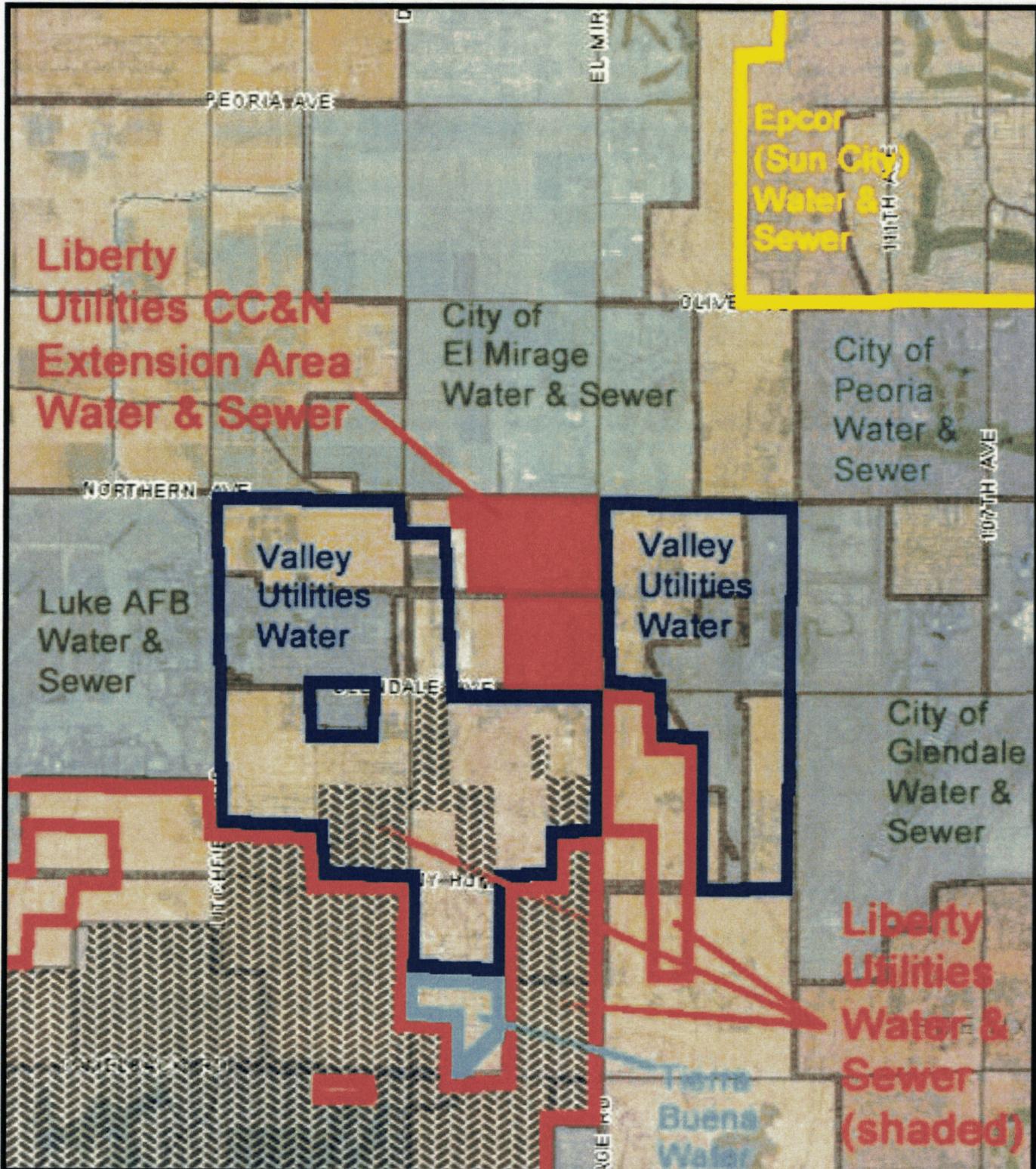
11-1

ARICOR
Water Solutions

**Liberty Utilities (Litchfield Park
Water & Sewer) Corp.**

DATE:

5-27-14



CC&N Extension and Nearby Service Areas

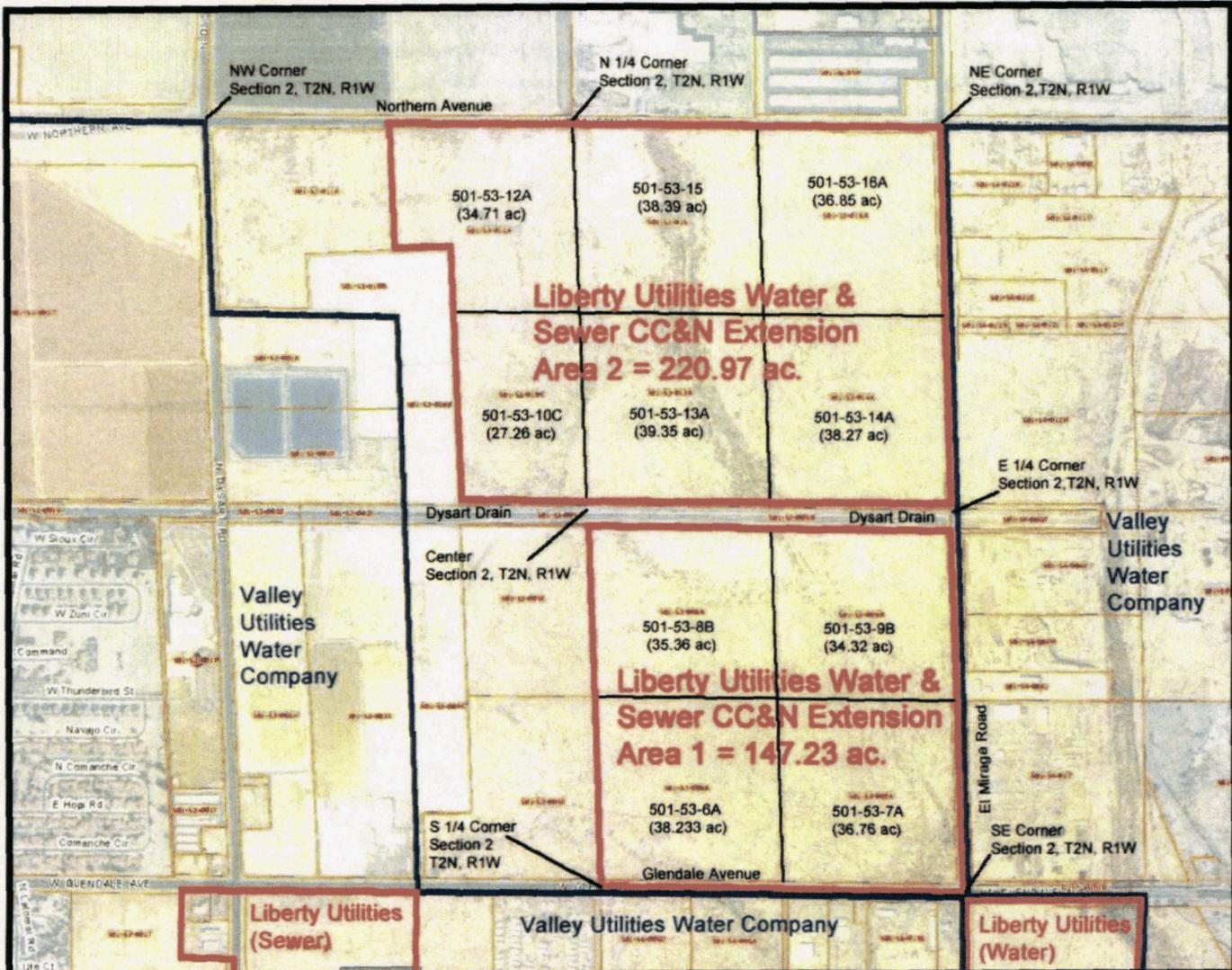
Map:

11-2



Liberty Utilities (Litchfield Park Water & Sewer) Corp.

DATE:
5-27-14



CC&N Extension Area 1 consists of four parcels and CC&N Extension Area 2 consists of six parcels. The total Extension Area is 368.20 acres. All parcels are currently owned by El Paso Natural Gas Company, L.L.C. and are under contract to TRS 8, LLC the developer of the property.

El Paso Natural Gas Company, L.L.C. and TRS 8, LLC have jointly requested both water and sewer service from Liberty Utilities (Litchfield Park Water & Sewer) Corp. by letter dated March 20, 2014. There are no parcels within the Extension Area that have not requested service.

There are no existing water or sewer service connections within the CC&N Extension Area

CC&N Extension Areas and Individual Parcels

Map:

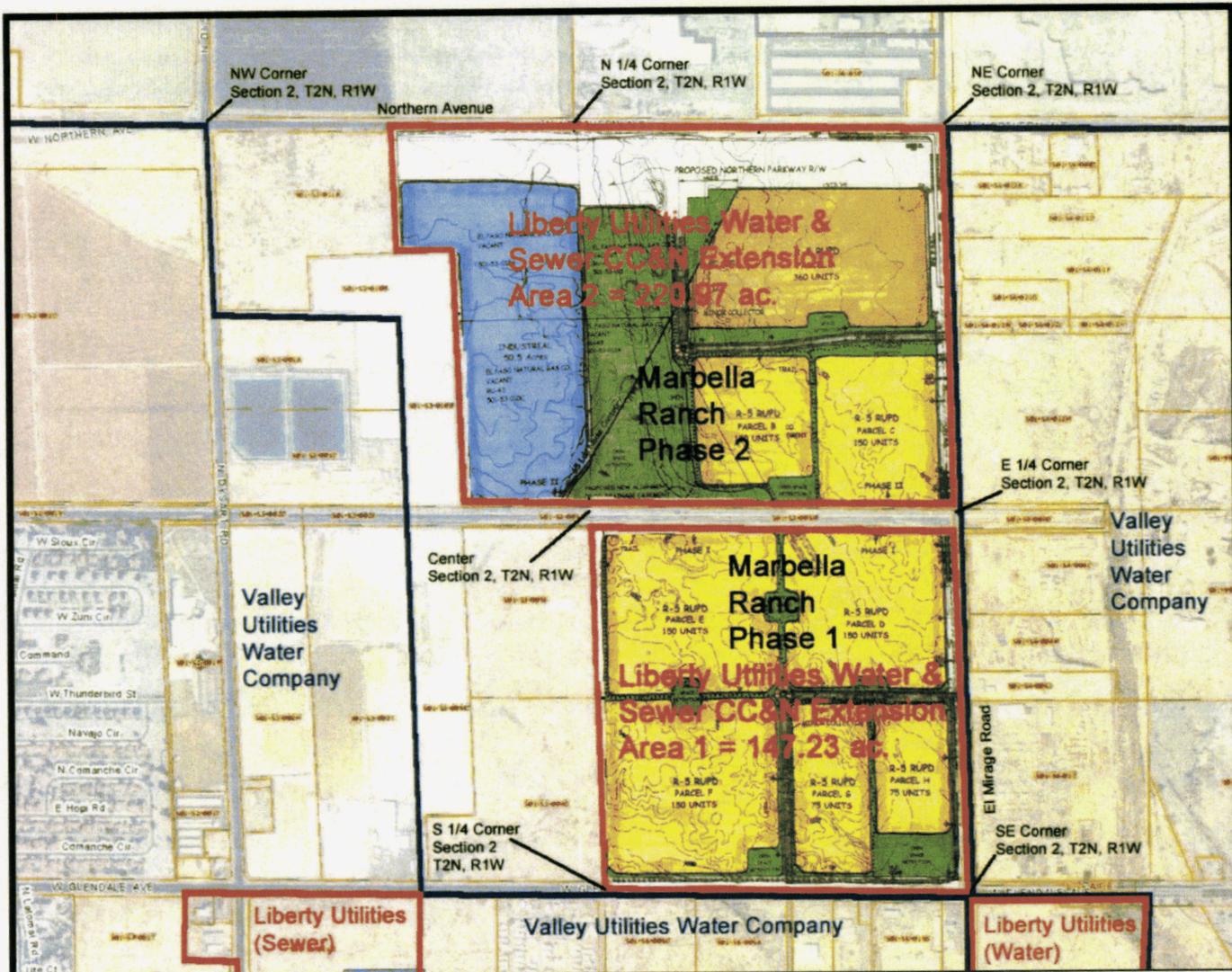
11-3

ARICOR
Water Solutions

**Liberty Utilities (Litchfield Park
Water & Sewer) Corp.**

DATE:

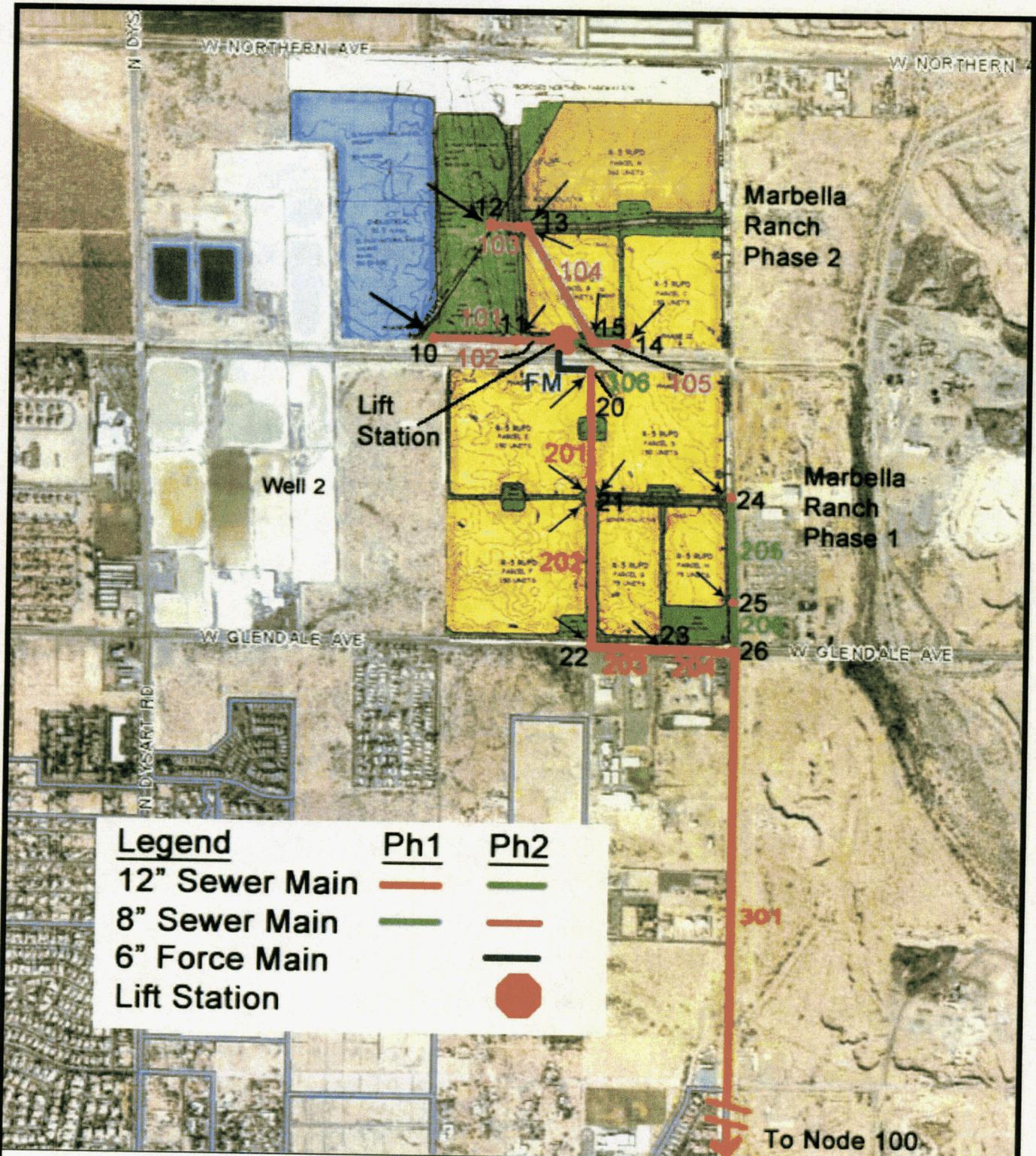
5-27-14



TRS 8, LLC is planning to develop an approximately 350 acre mixed use development known as Marbella Ranch in the CC&N Extension Area. Marbella Ranch Phase 1 consists of 600 housing units. Marbella Ranch Phase 2 consists of 660 housing units. Phase 2 also includes 50.5 acres of industrial development.

TRS 8, LLC has requested rezoning for a Multiple-Family Residential (R-5) Residential Unit Plan of Development (“RUPD”) zoning district on the Property outside of the AICUZ lines. R-5 RUPD allows for single family detached and attached residential subdivisions with a variety of lot widths, as well as the potential for multi-family residential.

<p>CC&N Extension Area and Proposed Marbella Ranch</p>		<p>Map: 11-4</p>
	<p>Liberty Utilities (Litchfield Park Water & Sewer) Corp.</p>	<p>DATE: 5-27-14</p>



Legend	Ph1	Ph2
12" Sewer Main		
8" Sewer Main		
6" Force Main		
Lift Station		

Proposed Sewer System and Principal Components

Map:
11-5



Liberty Utilities (Litchfield Park Water & Sewer) Corp.

DATE:
5-27-14

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WASTEWATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 12

(Notice to Municipalities within 5 miles)

[Liberty Utilities Letterhead]

May __, 2014

Notice Required Pursuant to R14-2-602.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Liberty Utilities (Litchfield Park Water & Sewer) Corp.

Pursuant to A.A.C. R14-2-602.B.4, Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty") is providing this notice that Liberty has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide wastewater service to properties approximately 1/8 of a mile north of its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392
623-935-9367

Date Application was Filed

TBD

Type of Service to be Provided

Wastewater Service

A Description of Requested Service Area

See Exhibit 4 and Map – 11-1 from the Application to the ACC, attached.

Commission Docket Number

W-01427A-14-TBD

Instructions on How to Obtain a Copy of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Liberty Utilities, 12725 W. Indian School Road, Suite D-101, Avondale, AZ 85392. In addition, upon request, Liberty will provide a printed copy or electronic copy upon request.

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WASTEWATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 13

(Estimated Number of Customers – First Five Years)

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Marbella Ranch Project
Customer Projections

Exhibit 13

Line
No.

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
1 Customer Additions:					
2 Residential	40	200	200	200	200
3 Commercial	0	0	0	0	0
4 Industrial	0	0	0	0	2
5					
6 Cumulative Customers:					
7 Residential	40	240	440	640	840
8 Commercial	0	0	0	0	0
9 Industrial	0	0	0	0	2
10					

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WASTEWATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 14
(ADEQ Aquifer Protection Permit)

**STATE OF ARIZONA
AQUIFER PROTECTION PERMIT NO. P-100310
PLACE ID 815, LTF 53068**

1.0 AUTHORIZATION

In compliance with the provisions of Arizona Revised Statutes (A.R.S.) Title 49, Chapter 2, Articles 1, 2 and 3, Arizona Administrative Code (A.A.C.) Title 18, Chapter 9, Articles 1 and 2, A.A.C. Title 18, Chapter 11, Article 4 and amendments thereto, and the conditions set forth in this permit, Litchfield Park Service Company is hereby authorized to operate Palm Valley Water Reclamation Facility, located in Goodyear, Arizona, in Maricopa County, over groundwater of the Phoenix Active Management Area, in Township 2 N, Range 1 W, Section 33, SE¼, SW¼, SW¼, of the Gila and Salt River Baseline and Meridian.

This permit becomes effective on the date of the Water Quality Division Director's signature and shall be valid for the life of the facility (operational, closure, and post-closure periods) unless suspended or revoked pursuant to A.A.C. R18-9-A213. The permittee shall construct, operate and maintain the permitted facilities:

1. Following all the conditions of this permit including the design and operational information documented or referenced below, and
2. Such that Aquifer Water Quality Standards (AWQS) are not violated at the applicable point(s) of compliance (POC) set forth below or if an AWQS for a pollutant has been exceeded in an aquifer at the time of permit issuance, that no additional degradation of the aquifer relative to that pollutant and as determined at the applicable POC occurs as a result of the discharge from the facility.

1.1 PERMITTEE INFORMATION

Facility Name: Palm Valley Water Reclamation Facility
Facility Address: 14222 West McDowell Road
Goodyear, Arizona 85338
County: Maricopa

Permittee: Litchfield Park Service Company
Permittee Address: 12725 W Indian School Rd, Suite D101
Avondale, AZ 85392

Facility Contact: Matthew Garlick
Emergency Phone No.: (623) 935-9367

Latitude/Longitude: 33° 27' 55" N / 112° 21' 55" W
Legal Description: Township 2 N, Range 1 W, Section 33, SE¼, SW¼, SW¼ of the Gila and Salt River Baseline and Meridian

1.2 AUTHORIZING SIGNATURE



Michael A. Fulton, Director
Water Quality Division
Arizona Department of Environmental Quality

Signed this 17th day of April, 2012

2.0 SPECIFIC CONDITIONS [A.R.S. §§ 49-203(4), 49-241(A)]**2.1 Facility / Site Description [A.R.S. § 49-243(K)(8)]**

Litchfield Park Service Company (LPSCO) is authorized to operate Palm Valley Water Reclamation Facility (WRF), 5.1 million gallons per day (mgd) facility. The treatment process consists of two (2) bar screens, a vortex grit removal unit, an influent pump station, an influent equalization basin, three (3) sequential batch reactor (SBR) basins, a surge tank, four (4) cloth media disk filters, three (3) ultraviolet (UV) disinfection units, three (3) sludge holding tanks, two (2) centrifuges and two (2) rotary drum thickeners. The WRF is designed and constructed according to plans approved by ADEQ.

Effluent shall be reused for any allowable use under a valid reclaimed water permit (A.A.C. R18-9, Article 7), discharged to the Roosevelt Irrigation District (RID) canal under a valid AZPDES permit, or used for on-site process water applications (such as equipment cleaning). Discharges to the RID canal are exempt from APP requirements pursuant to A.R.S. § 49-250(B)(6) and (16). The Palm Valley WRF reclaimed water distribution system may also be connected to the reclaimed water distribution system for the City of Goodyear 157th Avenue WRF (APP No. P-101324), after the APP for the City of Goodyear 157th Avenue WRF has been amended to allow the connection (as per Section 3.0, Compliance Schedule). Once the reclaimed water distribution systems for the two facilities have been connected, reclaimed water from each of the facilities may be delivered to either facility's reclaimed water customers. Sludge shall be dewatered onsite by centrifuges and/or rotary drum thickeners. The dewatered sludge, including screenings, grit, and scum, shall be hauled off-site for management and disposal in accordance with state and federal regulations.

4.1 mgd Facility

The existing 4.1 mgd WRF includes two (2) bar screens, three (3) SBR basins, three (3) cloth media disc filters, and two (2) UV disinfection units. Discharge monitoring for this stage of operation shall be conducted as per Section 4.2, Table IA-1. Upon completion of construction of the 5.1 mgd expansion, monitoring under Table IA-1 shall be discontinued as per Section 3.0, Compliance Schedule.

5.1 mgd Expansion

The 5.1 mgd WRF shall include two (2) bar screens, three (3) SBR basins, four (4) cloth media disc filters, and three (3) UV disinfection units. In addition, two (2) of the three (3) existing SBR basins shall be retrofitted with new floating decanters and jet aeration systems, in order to expand the capacity of the facility without constructing additional SBR basins. Discharge monitoring for this stage of operation shall be conducted as per Section 4.2, Table IA-2.

Amendment Description

The purpose of this amendment is to increase the capacity of the WRF from 4.1 mgd to 5.1 mgd by adding a disc filter unit and a UV disinfection unit to the existing plant, to retrofit two (2) of the three (3) existing SBRs with new equipment to expand the capacity of the plant, and to allow connection between the Palm Valley WRF reclaimed water distribution system and the City of Goodyear 157th Avenue WRF reclaimed water distribution system.

The depth to groundwater is approximately 120 feet below land surface, and the direction of groundwater flow is toward the west-northwest.

All industrial hookups and other non-residential hookups to the treatment system shall be authorized according to the applicable federal, state or local regulations.

The site includes the following permitted discharging facility:

Palm Valley Water Reclamation Facility	33° 27' 55" N	112° 21' 55" W
--	---------------	----------------

Annual Registration Fee [A.R.S. § 49-242 and A.A.C. R18-14-104]

The Annual Registration Fee for this permit is established by A.R.S. § 49-242 and is payable to ADEQ each year. The design flow is 5.1 mgd.

Financial Capability [A.R.S. § 49-243(N) and A.A.C. R18-9-A203]

The permittee has demonstrated financial capability under A.R.S. § 49-243(N) and A.A.C. R18-9-A203(C)(5). The permittee shall maintain financial capability throughout the life of the facility. Litchfield Park Service Company submitted a Letter of Credit in the amount of \$500,000.00 to ADEQ as a financial assurance mechanism.

2.2 Best Available Demonstrated Control Technology [A.R.S. § 49-243(B) and A.A.C. R18-9-A202(A)(5)]

The WRF shall be designed, constructed, operated, and maintained to meet the treatment performance criteria for new facilities as specified in A.A.C. R18-9-B204. The facility shall meet the performance requirement for industrial pre-treatment as per A.A.C. R18-9-B204(B)(6)(b).

2.2.1 Engineering Design

This expansion of the WRF was designed and shall be constructed as per the design report stamped, dated, and signed (sealed) on August 17, 2010, by Brian P. McBride, P.E. (Professional Engineer) with McBride Engineering Solutions, Inc., and subsequent sealed submittals that served as additions to the design report.

2.2.2 Site-specific Characteristics

Not applicable.

2.2.3 Pre-operational Requirements

The permittee shall submit a signed, dated, and sealed Engineer's Certificate of Completion in a format approved by the Department per Compliance Schedule in Section 3.0. The Certificate shall be submitted to the Groundwater Section, and a copy shall be sent to the Water Quality Compliance Section.

2.2.4 Operational Requirements

1. The permittee shall maintain a copy of the up-to-date operations and maintenance manual at the WRF site at all times; the manual shall be available upon request during inspections by ADEQ personnel.
2. The pollution control structures shall be inspected for the items listed in Section 4.2, Table III - Facility Inspection (Operational Monitoring).
3. If any damage of the pollution control structures is identified during inspection, proper repair procedures shall be performed. All repair procedures and material(s) used shall be documented on the Self-Monitoring Report Form submitted quarterly to the ADEQ Water Quality Compliance Section.

2.2.5 Reclaimed Water Classification

[A.A.C. R18-9-703(C)(2)(a), A.A.C. R18-11-303 through 307]

The treatment facility is rated as producing reclaimed water meeting the Class A+ Reclaimed Water Quality Standards (A.A.C. R18-11, Article 3), which may be used for any allowable Class A, B, or C use under a valid reclaimed water permit (A.A.C. R18-9, Article 7).

2.2.6 Certified Areawide Water Quality Management Plan Conformance
[A.A.C. R18-9-A201(B)(6)(a)]

Facility operations must conform to the approved Certified Areawide Water Quality Management Plan according to the 208 consistency determination in place at the time of permit issuance.

2.3 Discharge Limitations [A.R.S. §§ 49-201(14), 49-243 and A.A.C. R18-9-A205(B)]

1. The permittee is authorized to operate the WRF with a maximum average monthly flow of 5.1 mgd.
2. The permittee shall notify all users that the materials authorized to be disposed of through the WRF are typical household sewage and pre-treated commercial wastewater and shall not include motor oil, gasoline, paints, varnishes, hazardous wastes, solvents, pesticides, fertilizers or other materials not generally associated with toilet flushing, food preparation, laundry facilities and personal hygiene.
3. The permittee shall operate and maintain all permitted facilities to prevent unauthorized discharges pursuant to A.R.S. § 49-201(12) resulting from failure or bypassing of applicable BACT pollutant control technologies including liner failure¹, uncontrollable leakage, overtopping (e.g., exceeding the maximum storage capacity, defined as a fluid level exceeding the crest elevation of a permitted impoundment), of basins, lagoons, impoundments or sludge drying beds, berm breaches, accidental spills, or other unauthorized discharges.
4. Specific discharge limitations are listed in Section 4.2, Tables IA-1, IA-2 and IB.

2.4 Points of Compliance (POCs) [A.R.S. § 49-244]

The POCs are established at the following designated locations:

POC	POC Location	Latitude	Longitude
I	Theoretical POC located at the northwest corner of the WRF	33° 27' 56" N	112° 21' 54" W

Groundwater monitoring is not required at the point of compliance, except as a contingency action:

The Director may amend this permit to require the installation of a well and the initiation of groundwater monitoring at the POC; or to designate additional points of compliance, if information on groundwater gradients or groundwater usage indicates the need.

2.5 Monitoring Requirements [A.R.S. § 49-243(K)(1), A.A.C. R18-9-A206(A)]

All monitoring required in this permit shall continue for the duration of the permit, regardless of the status of the facility. All sampling, preservation and holding times shall be in accordance with currently accepted standards of professional practice. Trip blanks, equipment blanks and duplicate samples shall also be obtained, and Chain-of-Custody procedures shall be followed, in accordance with currently accepted standards of professional practice. The permittee shall develop a site-specific Quality Management Plan (QMP) which describes the sample collection and analysis procedures to ensure that the result of work

¹Liner failure in a single-lined impoundment is any condition that would result in leakage exceeding 550 gallons per day per acre.

performed under this permit will satisfy the data quality objectives of the permit. The permittee shall be responsible for the quality and accuracy of all data required by this permit. If a third party collects or analyzes samples on behalf of the permittee, the permittee shall obtain a copy of the third party site-specific QMP. The permittee shall consult with the most recent version of the ADEQ QMP and Title 40, PART 136, of the Environmental Protection Agency's Code of Federal Regulations (CFR) for guidance in this regard. Copies of laboratory analyses and Chain-of-Custody forms shall be maintained at the permitted facility. Upon request, these documents shall be made immediately available for review by ADEQ personnel.

2.5.1 Pre-operational Monitoring

Not applicable at the time of permit issuance.

2.5.2 Routine Discharge Monitoring

The permittee shall monitor the effluent on a routine basis according to Section 4.2, Table IA-1 or IA-2, as applicable. Representative samples of the effluent shall be collected downstream of the UV disinfection channel.

2.5.3 Reclaimed Water Monitoring

On a routine basis, the permittee shall monitor the reclaimed water parameters listed under Section 4.2, Table IB in addition to the routine discharge monitoring parameters listed in Section 4.2, Tables IA-1 and IA-2. Representative samples of the reclaimed water shall be collected downstream of the UV disinfection channel.

2.5.4 Facility / Operational Monitoring

Operational monitoring inspections shall be conducted according to Section 4.2, Table III.

1. If any damage of the pollution control structures is identified during inspection, proper repair procedures shall be performed. All repair procedures and materials used shall be documented on the SMRF submitted quarterly to the ADEQ Water Quality Compliance Section, Data Unit. If none of the conditions occur, the report shall say "no event" for a particular reporting period. If the facility is not in operation, the permittee shall indicate this on the SMRF.
2. The permittee shall submit data required in Section 4.2, Table III regardless of the operating status of the facility unless otherwise approved by the Department or allowed in this permit.

2.5.5 Groundwater Monitoring and Sampling Protocols

Not applicable.

2.5.6 Surface Water Monitoring and Sampling Protocols

Not applicable.

2.5.7 Analytical Methodology

All samples collected for compliance monitoring shall be analyzed using Arizona state-approved methods. If no state-approved method exists, then any appropriate EPA-approved method shall be used. Regardless of the method used, the detection limits must be sufficient to determine compliance with the regulatory limits of the parameters specified in this permit. Analyses shall be performed by a laboratory licensed by the Arizona Department of Health Services, Office of Laboratory Licensure and Certification. For results to be considered valid, all analytical work shall meet quality control standards specified in the approved methods. A list of state-certified laboratories in Arizona can be obtained at the address below:

Arizona Department of Health Services
Office of Laboratory Licensure and Certification
250 North 17th Avenue
Phoenix, Arizona 85007
Phone: (602) 364-0720

2.5.8. Installation and Maintenance of Monitoring Equipment

Monitoring equipment required by this permit shall be installed and maintained so that representative samples required by the permit can be collected. If new groundwater wells are determined to be necessary, the construction details shall be submitted to the ADEQ Groundwater Section for approval prior to installation, and the permit shall be amended to include any new monitoring points.

2.6 Contingency Plan Requirements

[A.R.S. § 49-243(K)(3), (K)(7) and A.A.C. R18-9-A204 and R18-9-A205]

2.6.1 General Contingency Plan Requirements

At least one copy of this permit and the approved contingency and emergency response plan(s) submitted in the application shall be maintained at the location where day-to-day decisions regarding the operation of the facility are made. The permittee shall be aware of and follow the contingency and emergency plans.

Any AL exceedance, violation of a DL, AQL, or other permit condition shall be reported to ADEQ following the reporting requirements in Section 2.7.3.

Some contingency actions involve verification sampling. Verification sampling shall consist of the first follow-up sample collected from a location that previously indicated a violation or the exceedance of an AL. Collection and analysis of the verification sample shall use the same protocols and test methods to analyze for the pollutant or pollutants that exceeded an AL or violated an AQL. The permittee is subject to enforcement action for the failure to comply with any contingency actions in this permit. Where verification sampling is specified in this permit, it is the option of the permittee to perform such sampling. If verification sampling is not conducted within the timeframe allotted, ADEQ and the permittee shall presume the initial sampling result to be confirmed as if verification sampling had been conducted. The permittee is responsible for compliance with contingency plans relating to the exceedance of an AL or violation of a DL, AQL, or any other permit condition.

2.6.2 Exceeding of Alert Levels/Performance Levels

2.6.2.1 Exceeding of Performance Levels Set for Operational Conditions

1. If an operational performance level (PL) set in Section 4.2, Table III has been exceeded the permittee shall:
 - a. Notify the ADEQ Water Quality Compliance Section within five days of becoming aware of the exceedance.
 - b. Submit a written report within 30 days after becoming aware of the exceedance. The report shall document all of the following:
 - (1) A description of the exceedance and its cause;
 - (2) the period of the exceedance, including exact date(s) and time(s), if known, and the anticipated time period during which the exceedance is expected to continue;
 - (3) any action taken or planned to mitigate the effects of the exceedance or spill, or to eliminate or prevent recurrence of the exceedance or spill;

- (4) any monitoring activity or other information which indicates that any pollutants would be reasonably expected to cause a violation of an AQS; and
 - (5) any malfunction or failure of pollution control devices or other equipment or process.
2. The facility is no longer on alert status once the operational indicator no longer indicates that a PL is being exceeded. The permittee shall, however, complete all tasks necessary to return the facility to its pre-alert operating condition.

2.6.2.2 Exceeding of Alert Levels (ALs) Set for Discharge Monitoring

1. If an AL set in Section 4.2, Tables IA-1 and IA-2 has been exceeded, the permittee shall immediately investigate to determine the cause. The investigation shall include the following:
 - a. Inspection, testing, and assessment of the current condition of all treatment or pollutant discharge control systems that may have contributed to the exceedance;
 - b. Review of recent process logs, reports, and other operational control information to identify any unusual occurrences; and
 - c. If the investigation procedures indicated in (a) and (b) above fail to reveal the cause of the exceedance, the permittee shall sample individual waste streams composing the wastewater for the parameters in question, if necessary to identify the cause of the exceedance.
2. The permittee shall initiate actions identified in the approved contingency plan and specific contingency measures identified in Section 2.6 to resolve any problems identified by the investigation which may have led to an AL exceedance. To implement any other corrective action the permittee shall obtain prior approval from ADEQ according to Section 2.6.6.
3. Within 30 days of an AL exceedance, the permittee shall submit the laboratory results to the ADEQ Water Quality Compliance Section, Data Unit, along with a summary of the findings of the investigation, the cause of the exceedance, and actions taken to resolve the problem.
4. Upon review of the submitted report, the Department may amend the permit to require additional monitoring, increased frequency of monitoring, amendments to permit conditions or other actions.

2.6.2.2.1 Exceeding Permit Flow Limit

1. If the AL for average monthly flow in Section 4.2, Tables IA-1 or IA-2 has been exceeded, the permittee shall submit an application for an APP amendment to expand the WRF or submit a report detailing the reasons that expansion is not necessary.
2. Acceptance of the report instead of an application for expansion requires ADEQ approval.

2.6.3 Discharge Limit Violation

1. If a DL set in Section 4.2, Tables IA-1, IA-2, or IB has been violated, the permittee shall immediately investigate to determine the cause of the violation. The investigation shall include the following:
 - a. Inspection, testing, and assessment of the current condition of all treatment or pollutant discharge control systems that may have contributed to the violation;
 - b. Review of recent process logs, reports, and other operational control information to identify any unusual occurrences; and

- c. If the investigation procedures indicated in (a) and (b) above fail to reveal the cause of the violation, the permittee shall sample individual waste streams composing the wastewater for the parameters in violation, if necessary to identify the cause of the violation.

The permittee also shall submit a report according to Section 2.7.3, which includes a summary of the findings of the investigation, the cause of the violation, and actions taken to resolve the problem. The permittee shall consider and ADEQ may require corrective action that may include control of the source of discharge, cleanup of affected soil, surface water or groundwater, and mitigation of the impact of pollutants on existing uses of the aquifer. Corrective actions shall either be specifically identified in this permit, included in an ADEQ-approved contingency plan, or separately approved according to Section 2.6.6.

2. Upon review of the submitted report, the Department may amend the permit to require additional monitoring, increased frequency of monitoring, amendments to permit conditions, or other actions.

2.6.4 Aquifer Quality Limit Violation

Not applicable - Groundwater monitoring is not required under this permit.

2.6.5 Emergency Response and Contingency Requirements for Unauthorized Discharges pursuant to A.R.S. § 49-201(12) and pursuant to A.R.S. § 49-241

2.6.5.1 Duty to Respond

The permittee shall act immediately to correct any condition resulting from a discharge pursuant to A.R.S. § 49-201(12) if that condition could pose an imminent and substantial endangerment to public health or the environment.

2.6.5.2 Discharge of Hazardous Substances or Toxic Pollutants

In the event of any unauthorized discharge pursuant to A.R.S. § 49-201(12) of suspected hazardous substances (A.R.S. § 49-201(19)) or toxic pollutants (A.R.S. § 49-243(f)) on the facility site, the permittee shall promptly isolate the area and attempt to identify the discharged material. The permittee shall record information, including name, nature of exposure and follow-up medical treatment, if necessary, on persons who may have been exposed during the incident. The permittee shall notify the ADEQ Water Quality Compliance Section within 24 hours of discovering the discharge of hazardous material which (a) has the potential to cause an AWQS or AQL exceedance, or (b) could pose an endangerment to public health or the environment.

2.6.5.3 Discharge of Non-hazardous Materials

In the event of any unauthorized discharge pursuant to A.R.S. § 49-201(12) of non-hazardous materials from the facility, the permittee shall promptly attempt to cease the discharge and isolate the discharged material. Discharged material shall be removed and the site cleaned up as soon as possible. The permittee shall notify the ADEQ Water Quality Compliance Section within 24 hours of discovering the discharge of non-hazardous material which (a) has the potential to cause an AQL exceedance, or (b) could pose an endangerment to public health or the environment.

2.6.5.4 Reporting Requirements

The permittee shall submit a written report for any unauthorized discharges reported under Sections 2.6.5.2 and 2.6.5.3 to the ADEQ Water Quality Compliance Section within 30 days of the discharge or as required by subsequent ADEQ action. The report shall summarize the event, including any human exposure, and facility response activities and include all information specified in Section 2.7.3. If a notice is issued by ADEQ subsequent to the discharge notification, any additional information requested in the notice shall also be submitted within the time frame

specified in the notice. Upon review of the submitted report, ADEQ may require additional monitoring or corrective actions.

2.6.6 Corrective Actions

Specific contingency measures identified in Section 2.6 have already been approved by ADEQ and do not require written approval to implement.

With the exception of emergency response actions taken under Section 2.6.5, the permittee shall obtain written approval from the Groundwater Section prior to implementing a corrective action to accomplish any of the following goals in response to exceedance of an AL or violation of an AQL, DL, or other permit condition:

1. Control of the source of an unauthorized discharge;
2. Soil cleanup;
3. Cleanup of affected surface waters;
4. Cleanup of affected parts of the aquifer;
5. Mitigation to limit the impact of pollutants on existing uses of the aquifer.

Within 30 days of completion of any corrective action, the operator shall submit to the ADEQ Water Quality Compliance Section a written report describing the causes, impacts, and actions taken to resolve the problem.

2.7 Reporting and Recordkeeping Requirements [A.R.S. § 49-243(K)(2) and A.A.C. R18-9-A206(B) and R18-9-A207]

2.7.1 Self-monitoring Report Form

1. The permittee shall complete the SMRFs provided by ADEQ, and submit them to the Water Quality Compliance Section, Data Unit.
2. The permittee shall complete the SMRF to the extent that the information reported may be entered on the form. If no information is required during a reporting period, the permittee shall enter "not required" on the SMRF and submit the report to ADEQ. The permittee shall use the format devised by ADEQ.
3. The tables contained in Section 4.0 list the parameters to be monitored and the frequency for reporting results for compliance monitoring. Analytical methods shall be recorded on the SMRFs.
4. In addition to the SMRF, the information contained in A.A.C. R18-9-A206(B)(1) shall be included for exceeding an AL or violation of an AQL, DL, or any other permit condition being reported in the current reporting period.

2.7.2 Operation Inspection / Log Book Recordkeeping

A signed copy of this permit shall be maintained at all times at the location where day-to-day decisions regarding the operation of the facility are made. A log book (paper copies, forms, or electronic data) of the inspections and measurements required by this permit shall be maintained at the location where day-to-day decisions are made regarding the operation of the facility. The log book shall be retained for ten years from the date of each inspection, and upon request, the permit and the log book shall be made immediately available for review by ADEQ personnel. The information in the log book shall include, but not be limited to, the following information as applicable:

1. Name of inspector;
2. Date and shift inspection was conducted;
3. Condition of applicable facility components;
4. Any damage or malfunction; and the date and time any repairs were performed;
5. Documentation of sampling date and time; and
6. Any other information required by this permit to be entered in the log book.

Monitoring records for each measurement shall comply with A.A.C. R18-9-A206(B)(2).

2.7.3. Permit Violation and Alert Level Status Reporting

1. The permittee shall notify the Water Quality Compliance Section in writing (by mail or by fax - see Section 2.7.5) within five days (except as provided in Section 2.6.5) of becoming aware of a violation of any permit condition, discharge limitation, or of an AL exceedance.
2. The permittee shall submit a written report to the Water Quality Compliance Section within 30 days of becoming aware of the violation of any permit condition or discharge limitation. The report shall document all of the following:
 - a. Identification and description of the permit condition for which there has been a violation and a description of the cause;
 - b. The period of violation including exact date(s) and time(s), if known, and the anticipated time period during which the violation is expected to continue;
 - c. Any corrective action taken or planned to mitigate the effects of the violation, or to eliminate or prevent a recurrence of the violation;
 - d. Any monitoring activity or other information which indicates that any pollutants would be reasonably expected to cause a violation of an AWQS;
 - e. Proposed changes to the monitoring which include changes in constituents or increased frequency of monitoring; and
 - f. Description of any malfunction or failure of pollution control devices or other equipment or processes.

2.7.4. Operational, Other or Miscellaneous Reporting

The permittee shall complete the SMRF provided by the Department to reflect facility inspection requirements designated in Section 4.2, Table III and submit to the ADEQ Water Quality Compliance Section, Data Unit quarterly along with other reports required by this permit. Facility inspection reports shall be submitted no less frequently than quarterly, regardless of operational status.

If the treatment facility is classified for reclaimed water under this permit, the permittee shall submit the reclaimed water monitoring results as required in Section 4.2, Table IB and flow volumes to any of the following in accordance with A.A.C. R18-9-703(C)(2)(c):

1. Any reclaimed water agent who has contracted for delivery of reclaimed water from the permittee; and
2. Any end user who has not waived interest in receiving this information.

2.7.5 Reporting Location

All SMRFs shall be submitted to:

Arizona Department of Environmental Quality
Water Quality Compliance Section, Data Unit
Mail Code 5415B-1
1110 West Washington Street
Phoenix, Arizona 85007
Phone (602) 771-4681

All documents required by this permit to be submitted to the Water Quality Compliance Section shall be directed to the following address:

Arizona Department of Environmental Quality
 Water Quality Compliance Section
 Mail Code 5415B-1
 1110 West Washington Street
 Phoenix, Arizona 85007
 Phone (602) 771-4497
 Fax (602) 771-4505

All documents required by this permit to be submitted to the Groundwater Section shall be directed to:

Arizona Department of Environmental Quality
 Groundwater Section
 Mail Code 5415B-3
 1110 West Washington Street
 Phoenix, Arizona 85007
 Phone (602) 771-4428

2.7.6 Reporting Deadline

The following table lists the quarterly report due dates²:

Reporting Period	Due Date
January-March	April 30
April-June	July 30
July-September	October 30
October-December	January 30

The following table lists the semi-annual and annual report due dates:

Reporting Period	Due Date
Semi-annual: January-June	July 30
Semi-annual: July-December	January 30
Annual: January-December	January 30

2.7.7 Changes to Facility Information in Section 1.0

The Groundwater Section and the Water Quality Compliance Section shall be notified within ten days of any change of facility information including Facility Name, Permittee Name, Mailing or Street Address, Facility Contact Person, or Emergency Telephone Number.

2.8 Temporary Cessation [A.R.S. § 49-243(K)(8) and A.A.C. R18-9-A209(A)]

The permittee shall give written notice to the Water Quality Compliance Section before ceasing operation of the facility for a period of 60 days or greater. The permittee shall take the following measures upon temporary cessation:

²A post-mark date no later than the due date is considered meeting the due date requirements under this Section.

1. If applicable, direct the wastewater flows from the facility to another state-approved wastewater treatment facility;
2. Correct the problem that caused the temporary cessation of the facility; and
3. Notify the ADEQ Water Quality Compliance Section with a monthly facility status report describing the activities conducted on the treatment facility to correct the problem.

At the time of notification the permittee shall submit for ADEQ approval a plan for maintenance of discharge control systems and for monitoring during the period of temporary cessation. Immediately following ADEQ approval, the permittee shall implement the approved plan. If necessary, ADEQ shall amend permit conditions to incorporate conditions to address temporary cessation. During the period of temporary cessation, the permittee shall provide written notice to the Water Quality Compliance Section of the operational status of the facility every three years. If the permittee intends to permanently cease operation of any facility, the permittee shall submit closure notification, as set forth in Section 2.9 below.

2.9 Closure [A.R.S. §§ 49-243(K)(6), 49-252 and A.A.C. R18-9-A209(B)]

For a facility addressed under this permit, the permittee shall give written notice of closure to the Water Quality Compliance Section of the intent to cease operation without resuming activity for which the facility was designed or operated.

2.9.1 Closure Plan

Within 90 days following notification of closure, the permittee shall submit for approval to the Groundwater Section a closure plan which meets the requirements of A.R.S. § 49-252 and A.A.C. R18-9-A209(B)(3).

If the closure plan achieves clean-closure immediately, ADEQ shall issue a letter of approval to the permittee. If the closure plan contains a schedule for bringing the facility to a clean-closure configuration at a future date, ADEQ may incorporate any part of the schedule as an amendment to this permit.

2.9.2 Closure Completion

Upon completion of closure activities, the permittee shall give written notice to the Groundwater Section documenting that the approved closure plan has been implemented fully and providing supporting information to demonstrate that clean-closure has been achieved (soil sample results, verification sampling results, groundwater data, as applicable). If clean-closure has been achieved, ADEQ shall issue a letter of approval to the permittee at that time. If any of the following conditions apply, the permittee shall follow the terms of post-closure stated in this permit:

1. Clean-closure cannot be achieved at the time of closure notification or within one year thereafter under a diligent schedule of closure actions;
2. Further action is necessary to keep the facility in compliance with AWQS at the applicable POC;
3. Continued action is required to verify that the closure design has eliminated discharge to the extent intended;
4. Remediation or mitigation measures are necessary to achieve compliance with Title 49, Ch. 2; and
5. Further action is necessary to meet property use restrictions.

2.10 Post-closure [A.R.S. §§ 49-243(K)(6), 49-252 and A.A.C. R18-9 A209(C)]

Post-closure requirements shall be established based on a review of facility closure actions and will be subject to review and approval by the Groundwater Section.

In the event clean-closure cannot be achieved pursuant to A.R.S. § 49-252, the permittee shall submit for approval to the Groundwater Section a post-closure plan that addresses post-closure maintenance and monitoring actions at the facility. The post-closure plan shall meet all requirements of A.R.S. §§ 49-201(30)

and 49-252 and A.A.C. R18-9-A209(C). Upon approval of the post-closure plan, this permit shall be amended or a new permit shall be issued to incorporate all post-closure controls and monitoring activities of the post-closure plan.

2.10.1 Post-closure Plan

A specific post-closure plan may be required upon the review of the closure plan.

2.10.2 Post-closure Completion

Not required at the time of permit issuance.

3.0 COMPLIANCE SCHEDULE [A.R.S. § 49-243(K)(5) and A.A.C. R18-9-A208]

For each compliance schedule item listed below, the permittee shall submit the required information, including a cover letter that lists the compliance schedule items, to the Groundwater Section. A copy of the cover letter must also be submitted to the ADEQ Water Quality Compliance Section.

<p>The permittee shall submit a signed, dated, and sealed Engineer's Certificate of Completion for the 5.1 mgd expansion in a format approved by the Department that confirms that the facility is constructed according to the Department-approved design report or plans and specifications, as applicable.</p>	<p>Within 90 days after completion of construction of the 5.1 mgd expansion.</p>
<p>The permittee may cease monitoring as per Section 4.2, Table IA-1, begin monitoring as per Section 4.2, Table IA-2, and notify the Water Quality Compliance Section, Data Unit, of the change in monitoring.</p>	<p>Within 30 days after submitting the Engineer's Certificate of Completion for the 5.1 mgd expansion.</p>
<p>The permittee shall notify ADEQ of commencement of discharge from the 5.1 mgd WRF.</p>	<p>Within 15 days after commencement of monitoring under Section 4.2, Table IA-2.</p>
<p>The permittee may apply for a permit amendment to remove Section 4.2, Table IA-1.</p>	<p>After commencement of monitoring under Section 4.2, Table IA-2.</p>
<p>The permittee may connect the Palm Valley WRF reclaimed water distribution system to the City of Goodyear 157th Avenue WRF reclaimed water distribution system.</p>	<p>After a permit amendment is issued to the City of Goodyear allowing the City of Goodyear 157th Avenue WRF (APP No. P-101324) to connect its reclaimed water distribution system to the Palm Valley WRF reclaimed water distribution system.</p>

4.0 TABLES OF MONITORING REQUIREMENTS

4.1 PRE-OPERATIONAL MONITORING (OR CONSTRUCTION REQUIREMENTS)

Not applicable.

4.0 TABLES OF MONITORING REQUIREMENTS

4.2 COMPLIANCE (or OPERATIONAL) MONITORING

TABLE IA-1
ROUTINE DISCHARGE MONITORING - 4.1 MGD³

Sample Point Number	Sample Point Location			Latitude	Longitude
1	Immediately downstream of the UV Channel			33° 27' 55" N	112° 21' 56" W
Total Flow: Daily	NE ⁸	NE	mgd ⁹	Everyday	Quarterly
Total Flow: Monthly Average ¹⁰	3.9	4.1	mgd	Monthly Calculation	Quarterly
Reuse Flow: Daily	NE	4.1	mgd	Everyday	Quarterly
Reuse Flow: Monthly Average	NE	4.1	mgd	Monthly Calculation	Quarterly
<i>E. coli</i> : Single sample maximum	NE	15.0	CFU or MPN ¹¹	Daily	Quarterly
<i>E. coli</i> : four (4) of seven (7) samples in a week ¹²	NE	Non-detect ¹³	CFU or MPN	Daily	Quarterly
Total Nitrogen ¹⁴ : Five-sample rolling geometric mean	8.0	10.0	mg/l ¹⁵	Monthly ¹⁶	Quarterly

³Monitoring under Table IA-1 is no longer required after the commencement of monitoring under Table IA-2.

⁴AL = Alert Level

⁵DL = Discharge Limit

⁶Total flow is the total of flows to on-site process use, reclaimed water, discharge to the RID canal, and the City of Goodyear 157th Avenue WRF, and flow from the City of Goodyear 157th Avenue WRF.

⁷Flow shall be measured using a continuous recording flow meter which totals the flow daily.

⁸NE = Not Established = Monitoring is required but no limits are specified.

⁹mgd = million gallons per day

¹⁰Monthly average of daily flow values.

¹¹CFU = Colony Forming Units / 100 ml sample. MPN = Most Probable Number / 100 ml sample. For CFU, a value of <1.0 shall be considered to be non-detect. For MPN, a value of <2.2 shall be considered to be non-detect.

¹²Week means a seven-day period starting on Sunday and ending on the following Saturday.

¹³If at least four (4) of seven (7) samples in a week are non-detect, report "yes" in the appropriate space on the SMRF (indicating that the standard has been met). If at least four (4) of seven (7) samples in a week have detections of *E. coli*, report "no" in the appropriate space on the SMRF (indicating that the standard has not been met).

¹⁴Total Nitrogen = Nitrate as N + Nitrite as N + Total Kjeldahl Nitrogen

¹⁵mg/l = milligrams per liter

¹⁶A five-month geometric mean of the results of the five (5) most recent samples

TABLE IA-1
ROUTINE DISCHARGE MONITORING – 4.1 MGD (continued)

Sampling Point Number	Sampling Point Identification			Latitude	Longitude
2	Flow meter at the connection to the City of Goodyear 157 th Avenue WRF reclaimed water distribution system, located 3,000 feet west of Palm Valley WRF at the intersection of McDowell Road and Bullard Avenue			33° 27' 51.48" N	112° 22' 31.08" W
Parameter	AL	DL	Units	Sampling Frequency	Reporting Frequency
Flow from the Palm Valley WRF reclaimed water distribution system to the City of Goodyear 157 th Avenue WRF reclaimed water distribution system	NE	NE	mgd	Everyday	Quarterly
Flow from the City of Goodyear 157 th Avenue WRF reclaimed water distribution system to the Palm Valley WRF reclaimed water distribution system	NE	NE	mgd	Everyday	Quarterly

TABLE IA-1
 ROUTINE DISCHARGE MONITORING - 4.1 MGD (continued)

Sample Point Number	Sample Point Location			Latitude	Longitude
1	Immediately downstream of the UV Channel			33° 27' 55" N	112° 21' 56" W
Parameter	APC	DBP	Unit	Sampling Frequency	Reporting Frequency
Metals (total):					
Antimony	0.0048	0.006	mg/l	Quarterly	Quarterly
Arsenic	0.04	0.05	mg/l	Quarterly	Quarterly
Barium	1.60	2.00	mg/l	Quarterly	Quarterly
Beryllium	0.0032	0.004	mg/l	Quarterly	Quarterly
Cadmium	0.004	0.005	mg/l	Quarterly	Quarterly
Chromium	0.08	0.1	mg/l	Quarterly	Quarterly
Cyanide (as free cyanide)	0.16	0.2	mg/l	Quarterly	Quarterly
Fluoride	3.2	4.0	mg/l	Quarterly	Quarterly
Lead	0.04	0.05	mg/l	Quarterly	Quarterly
Mercury	0.0016	0.002	mg/l	Quarterly	Quarterly
Nickel	0.08	0.1	mg/l	Quarterly	Quarterly
Selenium	0.04	0.05	mg/l	Quarterly	Quarterly
Thallium	0.0016	0.002	mg/l	Quarterly	Quarterly

TABLE IA-1
ROUTINE DISCHARGE MONITORING - 4.1 MGD (continued)

Parameter	AL	ML	Units	Sampling Frequency	Reporting Frequency
Volatile and Semi-Volatile Organic Compounds (VOCs and SVOCs):					
Benzene	0.004	0.005	mg/l	Semi-Annually	Semi-Annually
Carbon tetrachloride	0.004	0.005	mg/l	Semi-Annually	Semi-Annually
o-Dichlorobenzene	0.48	0.6	mg/l	Semi-Annually	Semi-Annually
para-Dichlorobenzene	0.06	0.075	mg/l	Semi-Annually	Semi-Annually
1,2-Dichloroethane	0.004	0.005	mg/l	Semi-Annually	Semi-Annually
1,1-Dichloroethylene	0.0056	0.007	mg/l	Semi-Annually	Semi-Annually
cis-1,2-Dichloroethylene	0.056	0.07	mg/l	Semi-Annually	Semi-Annually
trans-1,2-Dichloroethylene	0.08	0.1	mg/l	Semi-Annually	Semi-Annually
Dichloromethane	0.004	0.005	mg/l	Semi-Annually	Semi-Annually
1,2-Dichloropropane	0.004	0.005	mg/l	Semi-Annually	Semi-Annually
Ethylbenzene	0.56	0.7	mg/l	Semi-Annually	Semi-Annually
Hexachlorobenzene	0.0008	0.001	mg/l	Semi-Annually	Semi-Annually
Hexachlorocyclopentadiene	0.04	0.05	mg/l	Semi-Annually	Semi-Annually
Monochlorobenzene	0.08	0.1	mg/l	Semi-Annually	Semi-Annually
Styrene	0.08	0.1	mg/l	Semi-Annually	Semi-Annually
Tetrachloroethylene	0.004	0.005	mg/l	Semi-Annually	Semi-Annually
Toluene	0.8	1.0	mg/l	Semi-Annually	Semi-Annually
1,1,1-Trichloroethane	0.16	0.2	mg/l	Semi-Annually	Semi-Annually
1,2,4-Trichlorobenzene	0.056	0.07	mg/l	Semi-Annually	Semi-Annually
1,1,2-Trichloroethane	0.004	0.005	mg/l	Semi-Annually	Semi-Annually
Trichloroethylene	0.004	0.005	mg/l	Semi-Annually	Semi-Annually
Vinyl Chloride	0.0016	0.002	mg/l	Semi-Annually	Semi-Annually
Xylenes (Total)	8.0	10.0	mg/l	Semi-Annually	Semi-Annually

TABLE IA-2
ROUTINE DISCHARGE MONITORING - 5.1 MGD¹⁷

Sample Point Number	Location			Latitude	Longitude
1	Immediately downstream of the UV Channel			33° 27' 55" N	112° 21' 56" W
Parameter	Alert Level	Discharge Limit	Unit	Sampling Frequency	Reporting Frequency
Total Flow ²⁰ : Daily ²¹	NE ²²	NE	mgd ²³	Everyday	Quarterly
Total Flow: Monthly Average ²⁴	4.9	5.1	mgd	Monthly Calculation	Quarterly
Reuse Flow: Daily	NE	5.1	mgd	Everyday	Quarterly
Reuse Flow: Monthly Average	NE	5.1	mgd	Monthly Calculation	Quarterly
<i>E. coli</i> : Single sample maximum	NE	15.0	CFU or MPN ²⁵	Daily	Quarterly
<i>E. coli</i> : four (4) of seven (7) samples in a week ²⁶	NE	Non-detect ²⁷	CFU or MPN	Daily	Quarterly
Total Nitrogen ²⁸ : Five-sample rolling geometric mean	8.0	10.0	mg/l ²⁹	Monthly ³⁰	Quarterly

¹⁷Monitoring under Table IA-1 is no longer required upon commencement of monitoring under Table IA-2. The permittee shall notify the Water Quality Compliance Section, Data Unit, of the change in monitoring as per Section 3.0, Compliance Schedule.

¹⁸AL = Alert Level

¹⁹DL = Discharge Limit

²⁰Total flow is the total of flows to on-site process use, reclaimed water, discharge to the RID canal, and the City of Goodyear 157th Avenue WRF, and flow from the City of Goodyear 157th Avenue WRF.

²¹Flow shall be measured using a continuous recording flow meter which totals the flow daily.

²²NE = Not Established = Monitoring is required but no limits are specified.

²³mgd = million gallons per day

²⁴Monthly average of daily flow values.

²⁵CFU = Colony Forming Units / 100 ml sample. MPN = Most Probable Number / 100 ml sample. For CFU, a value of <1.0 shall be considered to be non-detect. For MPN, a value of <2.2 shall be considered to be non-detect.

²⁶Week means a seven-day period starting on Sunday and ending on the following Saturday.

²⁷If at least four (4) of seven (7) samples in a week are non-detect, report "yes" in the appropriate space on the SMRF (indicating that the standard has been met). If at least four (4) of seven (7) samples in a week have detections of *E. coli*, report "no" in the appropriate space on the SMRF (indicating that the standard has not been met).

²⁸Total Nitrogen = Nitrate as N + Nitrite as N + Total Kjeldahl Nitrogen

²⁹mg/l = milligrams per liter

³⁰A five-month geometric mean of the results of the five (5) most recent samples

TABLE IA-2
 ROUTINE DISCHARGE MONITORING – 5.1 MGD (continued)

Sampling Point Number	Sampling Point Description	Latitude	Longitude		
2	Flow meter at the connection to the City of Goodyear 157 th Avenue WRF reclaimed water distribution system, located 3,000 feet west of Palm Valley WRF, at the intersection of McDowell Road and Bullard Avenue	33° 27' 51.48" N	112° 22' 31.08" W		
Flow From	To	Unit	Frequency	Monitoring Frequency	
Flow from the Palm Valley WRF reclaimed water distribution system to the City of Goodyear 157 th Avenue WRF reclaimed water distribution system	NE	NE	mgd	Everyday	Quarterly
Flow from the City of Goodyear 157 th Avenue WRF reclaimed water distribution system to the Palm Valley WRF reclaimed water distribution system	NE	NE	mgd	Everyday	Quarterly

TABLE IA-2
ROUTINE DISCHARGE MONITORING - 5.1 MGD (continued)

Sampling Point Number	Sampling Point Location			Latitude	Longitude
1	Immediately downstream of the UV Channel			33° 27' 55" N	112° 21' 56" W
Metals (total):					
Antimony	0.0048	0.006	mg/l	Quarterly	Quarterly
Arsenic	0.04	0.05	mg/l	Quarterly	Quarterly
Barium	1.60	2.00	mg/l	Quarterly	Quarterly
Beryllium	0.0032	0.004	mg/l	Quarterly	Quarterly
Cadmium	0.004	0.005	mg/l	Quarterly	Quarterly
Chromium	0.08	0.1	mg/l	Quarterly	Quarterly
Cyanide (as free cyanide)	0.16	0.2	mg/l	Quarterly	Quarterly
Fluoride	3.2	4.0	mg/l	Quarterly	Quarterly
Lead	0.04	0.05	mg/l	Quarterly	Quarterly
Mercury	0.0016	0.002	mg/l	Quarterly	Quarterly
Nickel	0.08	0.1	mg/l	Quarterly	Quarterly
Selenium	0.04	0.05	mg/l	Quarterly	Quarterly
Thallium	0.0016	0.002	mg/l	Quarterly	Quarterly

TABLE IA-2
ROUTINE DISCHARGE MONITORING - 5.1 MGD (continued)

Parameter	AP	DE	Unit	Sampling Frequency	Reporting Frequency
Volatile and Semi-Volatile Organic Compounds (VOCs and SVOCs):					
Benzene	0.004	0.005	mg/l	Semi-Annually	Semi-Annually
Carbon tetrachloride	0.004	0.005	mg/l	Semi-Annually	Semi-Annually
1,2 <i>o</i> -Dichlorobenzene ^{1,4-Dichlorobenzene}	0.48	0.6	mg/l	Semi-Annually	Semi-Annually
para-Dichlorobenzene	0.06	0.075	mg/l	Semi-Annually	Semi-Annually
1,2-Dichloroethane	0.004	0.005	mg/l	Semi-Annually	Semi-Annually
1,1-Dichloroethylene	0.0056	0.007	mg/l	Semi-Annually	Semi-Annually
cis-1,2-Dichloroethylene	0.056	0.07	mg/l	Semi-Annually	Semi-Annually
trans-1,2-Dichloroethylene	0.08	0.1	mg/l	Semi-Annually	Semi-Annually
Dichloromethane	0.004	0.005	mg/l	Semi-Annually	Semi-Annually
1,2-Dichloropropane	0.004	0.005	mg/l	Semi-Annually	Semi-Annually
Ethylbenzene	0.56	0.7	mg/l	Semi-Annually	Semi-Annually
Hexachlorobenzene	0.0008	0.001	mg/l	Semi-Annually	Semi-Annually
Hexachlorocyclopentadiene	0.04	0.05	mg/l	Semi-Annually	Semi-Annually
Monochlorobenzene	0.08	0.1	mg/l	Semi-Annually	Semi-Annually
Styrene	0.08	0.1	mg/l	Semi-Annually	Semi-Annually
Tetrachloroethylene	0.004	0.005	mg/l	Semi-Annually	Semi-Annually
Toluene	0.8	1.0	mg/l	Semi-Annually	Semi-Annually
1,1,1-Trichloroethane	0.16	0.2	mg/l	Semi-Annually	Semi-Annually
1,2,4 - Trichlorobenzene	0.056	0.07	mg/l	Semi-Annually	Semi-Annually
1,1,2 - Trichloroethane	0.004	0.005	mg/l	Semi-Annually	Semi-Annually
Trichloroethylene	0.004	0.005	mg/l	Semi-Annually	Semi-Annually
Vinyl Chloride	0.0016	0.002	mg/l	Semi-Annually	Semi-Annually
Xylenes (Total)	8.0	10.0	mg/l	Semi-Annually	Semi-Annually

TABLE IB
RECLAIMED WATER MONITORING -- CLASS A-1³¹

Sampling Point Number	Sampling Point Location		Latitude	Longitude
1	Immediately downstream of the UV Channel		33° 27' 55" N	112° 21' 56" W
Parameter	Limit	Units	Sampling Frequency	Reporting Frequency
Total Nitrogen ³² : Five-sample rolling geometric mean	10.0	mg/l	Monthly	Quarterly
<i>E. coli</i> : Single-sample maximum	15.0	CFU or MPN ³³	Daily ³⁴	Quarterly
<i>E. coli</i> : Four (4) of last seven (7) samples	Non-detect ³⁵	CFU or MPN	Daily	Quarterly
Turbidity ³⁶ : Single reading	5.0	NTU ³⁷	Everyday ³⁸	Quarterly
Turbidity: 24-hour average	2.0	NTU	Everyday	Quarterly
Enteric Virus: Four (4) of last seven (7) samples	Non-detect	PFU ³⁹	Suspended/ Monthly ⁴⁰	Quarterly

³¹ Reclaimed water monitoring under Table IB shall be performed in addition to routine discharge monitoring required under Section 4.2, Tables IA-1 and IA-2.

³² Nitrate N, plus Nitrite N, plus Total Kjeldahl Nitrogen (TKN)

³³ CFU = Colony Forming Units per 100 ml; MPN = Most Probable Number per 100 ml. For CFU, a value of <1.0 shall be considered to be non-detect. For MPN, a value of <2.2 shall be considered to be non-detect.

³⁴ For fecal coliform, "daily" sampling means every day in which a sample can practically be obtained and delivered in sufficient time for proper analysis, provided that no less than four (4) samples in each seven-day period are obtained and analyzed.

³⁵ If at least four (4) of the last seven (7) samples are non-detect, report "yes" in the appropriate space on the SMRF (indicating that the standard has been met). If at least four (4) of the last seven (7) samples have detections of fecal coliform, report "no" in the appropriate space on the SMRF (indicating that the standard has not been met).

³⁶ Turbidimeter shall have a signal averaging time not exceeding 120 seconds. Occasional spikes due to back-flushing or instrument malfunction shall not be considered an exceedance. All exceedances must be explained and submitted to the Department with the corresponding quarterly SMRF.

³⁷ NTU = Nephelometric Turbidity Units

³⁸ For the single turbidity reading, "everyday" means the maximum reading during the 24-hour period.

³⁹ Plaque Forming Units per 40 Liters. A value of <1.1 PFU/40 L shall be considered to be non-detect.

⁴⁰ Enteric virus sampling shall resume only when the discharge limit for the 24-hour average for turbidity is exceeded for two (2) consecutive 24-hour monitoring periods. Monthly enteric virus monitoring shall continue until four (4) out of seven (7) consecutive sample results show no detection. During times when enteric virus sampling is suspended, enter "suspended" in the appropriate space on the SMRF.

TABLE II
GROUNDWATER MONITORING

Not applicable.

TABLE III
FACILITY INSPECTION (Operational Monitoring)

Facility Component	Performance Level	Inspection Frequency	Reporting Frequency
Pump Integrity	Good working condition	Weekly	Quarterly
Treatment Plant Components	Good working condition	Weekly	Quarterly

5.0 REFERENCES AND PERTINENT INFORMATION

The terms and conditions set forth in this permit have been developed based upon the information contained in the following, which are on file with the Department:

1. APP Application, dated: August 24, 2010
2. Final Engineering Report, dated: March 24, 2011
3. Public Notice, dated: January 26, 2012
4. Public Hearing, dated: Not applicable.
5. Responsiveness Summary, dated: Not applicable.

6.0 NOTIFICATION PROVISIONS

6.1 Annual Registration Fees

The permittee is notified of the obligation to pay an Annual Registration Fee to ADEQ. The Annual Registration Fee is based upon the amount of daily influent or discharge of pollutants in gallons-per-day (gpd) as established by A.R.S. § 49-242.

6.2 Duty to Comply [A.R.S. §§ 49-221 through 263]

The permittee is notified of the obligation to comply with all conditions of this permit and all applicable provisions of Title 49, Chapter 2, Articles 1, 2 and 3 of the Arizona Revised Statutes, Title 18, Chapter 9, Articles 1 through 4, and Title 18, Chapter 11, Article 4 of the Arizona Administrative Code. Any permit non-compliance constitutes a violation and is grounds for an enforcement action pursuant to Title 49, Chapter 2, Article 4 or permit amendment, suspension, or revocation.

6.3 Duty to Provide Information [A.R.S. §§ 49-243(K)(2) and 49-243(K)(8)]

The permittee shall furnish to the Director, or an authorized representative, within a time specified, any information which the Director may request to determine whether cause exists for amending or terminating this permit, or to determine compliance with this permit. The permittee shall also furnish to the Director, upon request, copies of records required to be kept by this permit.

6.4 Compliance with Aquifer Water Quality Standards [A.R.S. §§ 49-243(B)(2) and 49-243(B)(3)]

The permittee shall not cause or contribute to a violation of an AWQS at the applicable POC for the facility. Where, at the time of issuance of the permit, an aquifer already exceeds an AWQS for a pollutant, the permittee shall not discharge that pollutant so as to further degrade, at the applicable point of compliance for the facility, the water quality of any aquifer for that pollutant.

6.5 Technical and Financial Capability

[A.R.S. §§ 49-243(K)(8) and 49-243(N) and A.A.C. R18-9-A202(B) and R18-9-A203(E) and (F)]

The permittee shall have and maintain the technical and financial capability necessary to fully carry out the terms and conditions of this permit. Any bond, insurance policy, trust fund, or other financial assurance mechanism provided as a demonstration of financial capability in the permit application, pursuant to A.A.C. R18-9-A203(D), shall be in effect prior to any discharge authorized by this permit and shall remain in effect for the duration of the permit.

6.6 Reporting of Bankruptcy or Environmental Enforcement [A.A.C. R18-9-A207(C)]

The permittee shall notify the Director within five days after the occurrence of any one of the following:

1. The filing of bankruptcy by the permittee; or
2. The entry of any order or judgment not issued by the Director against the permittee for the enforcement of any environmental protection statute or rule.

6.7 Monitoring and Records [A.R.S. § 49-243(K)(8) and A.A.C. R18-9-A206]

The permittee shall conduct any monitoring activity necessary to assure compliance with this permit, with the applicable water quality standards established pursuant to A.R.S. §§ 49-221 and 49-223 and §§ 49-241 through 49-252.

6.8 Inspection and Entry [A.R.S. §§ 41-1009, 49-203(B), and 49-243(K)(8)]

In accordance with A.R.S. §§ 41-1009 and 49-203(B), the permittee shall allow the Director, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to enter and inspect the facility as reasonably necessary to ensure compliance with Title 49, Chapter 2, Article 3 of the Arizona Revised Statutes, and Title 18, Chapter 9, Articles 1 through 4 of the Arizona Administrative Code and the terms and conditions of this permit.

6.9 Duty to Modify [A.R.S. § 49-243(K)(8) and A.A.C. R18-9-A211]

The permittee shall apply for and receive a written amendment before deviating from any of the designs or operational practices authorized by this permit.

6.10 Permit Action: Amendment, Transfer, Suspension, and Revocation [A.R.S. §§ 49-201, 49-241 through 251, A.A.C. R18-9-A211, R18-9-A212 and R18-9-A213]

This permit may be amended, transferred, suspended, or revoked for cause, under the rules of the Department. The permittee shall notify the Groundwater Section in writing within 15 days after any change in the owner or operator of the facility. The notification shall state the permit number, the name of the facility, the date of property transfer, and the name, address, and phone number where the new owner or operator can be reached. The operator shall advise the new owner or operators of the terms of this permit and the need for permit transfer in accordance with the rules.

7.0 ADDITIONAL PERMIT CONDITIONS

7.1 Other Information [A.R.S. § 49-243(K)(8)]

Where the permittee becomes aware that it failed to submit any relevant facts in a permit application, or submitted incorrect information in a permit application or in any report to the Director, the permittee shall promptly submit the correct facts or information.

7.2 Severability [A.R.S. §§ 49-201, 49-241 through 251, A.A.C. R18-9-A211, R18-9-A212 and R18-9-A213]

The provisions of this permit are severable, and if any provision of this permit, or the application of any provision of this permit to any circumstance, is held invalid, the application of such provision to other circumstances, and the remainder of this permit, shall not be affected thereby. The filing of a request by the permittee for a permit action does not stay or suspend the effectiveness of any existing permit condition.

7.3 Permit Transfer

This permit may not be transferred to any other person except after notice to and approval of the transfer by the Department. No transfer shall be approved until the applicant complies with all transfer requirements as specified in A.A.C. R18-9-A212(B) and (C).

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WASTEWATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 15

(Wastewater Use Data Sheet)

COMPANY NAME Liberty Utilities
Litchfield Park Service Company

WASTEWATER FLOWS

MONTH/YEAR (Most Recent 12 Months)	NUMBER OF SERVICES	TOTAL MONTHLY SEWAGE FLOW	SEWAGE FLOW ON PEAK DAY
May 2013	19,800	106,671,000	3,824,000
June 2013	19,875	99,653,000	3,934,000
July 2013	19,926	97,680,000	3,469,000
August 2013	19,960	100,600,000	3,245,000
September 2013	20,045	96,543,000	3,910,000
October 2013	20,094	98,872,000	3,846,000
November 2013	20,117	105,719,000	4,066,000
December 2013	20,179	110,136,000	3,961,000
January 2014	20,366	117,203,000	4,186,000
February 2014	20,429	105,351,000	4,199,000
March 2014	20,491	125,069,000	4,528,000
April 2014	20,533	115,640,000	4,206,000

**PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE
PER WASTEWATER SYSTEM**

Method of Effluent Disposal (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Reuse, surface discharge
Groundwater Permit Number	N/A
ADEQ Aquifer Protection Permit Number	P100310
ADEQ Reuse Permit Number	R105272, R105472, R105221, R23573, R23618, R23577, R105644, R105706, R105669, R103615
EPA NPDES Permit Number	AZ0025712

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

APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER AND SEWER) CORP.
FOR AN EXTENSION OF EXISTING CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WASTEWATER UTILITY SERVICE
IN MARICOPA COUNTY, ARIZONA

Exhibit 16

(Notarized Signature on Behalf of Applicant)

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

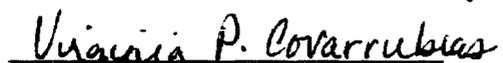
AFFIDAVIT OF STEVE CARLSON

Steve Carlson, being duly sworn, deposes and says:

1. I am a resident of Maricopa County, over 18 years of age, and make this affidavit based on my own personal knowledge.
2. I am the Development Services Manager for Liberty Utilities (Litchfield Park Water and Sewer) Corp. ("Liberty").
3. The Application for an Extension of Liberty's existing wastewater CC&N, to which this affidavit is attached, was prepared under my supervision.


Steve Carlson

SUBSCRIBED and sworn to before me this 2nd day of June, 2014.

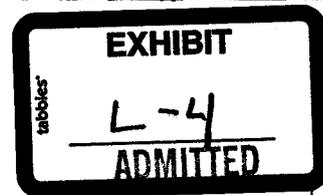

Notary Public

My Commission Expires:
April 13, 2018





0000153213



ORIGINAL

RECEIVED

1 FENNEMORE CRAIG
 2 A Professional Corporation
 3 Patrick J. Black (No. 017141)
 4 2394 E. Camelback Rd, Suite 600
 5 Phoenix, Arizona 85016
 6 Telephone (602) 916-5000

2014 MAY -2 P 2:24

AZ CORP COMMISSION
SECRETARY

7 Attorneys for Liberty Utilities (Litchfield Park Water and Sewer), Corp.

8 **BEFORE THE ARIZONA CORPORATION COMMISSION**

9 IN THE MATTER OF THE APPLICATION
 10 OF LIBERTY UTILITIES (LITCHFIELD
 11 PARK WATER AND SEWER), CORP. FOR
 12 A CERTIFICATE OF CONVENIENCE AND
 13 NECESSITY TO PROVIDE WATER
 14 UTILITY SERVICE IN MARICOPA
 15 COUNTY, ARIZONA

DOCKET NO. W-01427A-14- 0134

16 **NOTICE OF FILING**

17 Pursuant to A.A.C. R14-2-402(b)(5)(v), Liberty Utilities (Litchfield Park Water
 18 and Sewer) Corp. ("Applicant"), an Arizona public service corporation, hereby files
 19 copies of the written notice sent to all municipal managers within a five (5) mile radius of
 20 the proposed extension.

21 RESPECTFULLY SUBMITTED, this 2nd day of May, 2014.

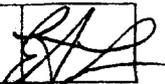
22 FENNEMORE CRAIG, P.C.

23 By: 
 24 Patrick J. Black
 25 Attorneys for Liberty Utilities (Litchfield
 26 Park Water and Sewer) Corp.

Arizona Corporation Commission

DOCKETED

MAY 02 2014

DOCKETED BY 

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

ORIGINAL and 13 copies filed
this 2nd day of May, 2014 with:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

By:  _____

9124291/035227.0035

ATTACHMENT



Liberty Utilities

April 28, 2014

Mr. Brian Dalke
City Manager
City of Goodyear
190 N. Litchfield Rd.
Goodyear, AZ 85338

Notice Required Pursuant to R14-2-402.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Liberty Utilities (Litchfield Park Water & Sewer) Corp.

Pursuant to A.A.C. R14-2-402.B.4, Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty") is providing this notice that Liberty has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide water service to properties contiguous to its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392
623-935-9367

Date Application was Filed

April 17, 2014

Type of Service to be Provided

Water Service

A Description of Requested Service Area

See Exhibit 4 and Map – 11-1 from the Application to the ACC, attached.

Commission Docket Number

W-01427A-14-0134

Instructions on How to Obtain a Copy of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Liberty Utilities, 12725 W. Indian School Road, Suite D-101, Avondale, AZ 85392. In addition, upon request, Liberty will provide a printed copy or electronic copy upon request.

Exhibit 4

**Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Water CC&N Extension**

That portion of Section 2, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

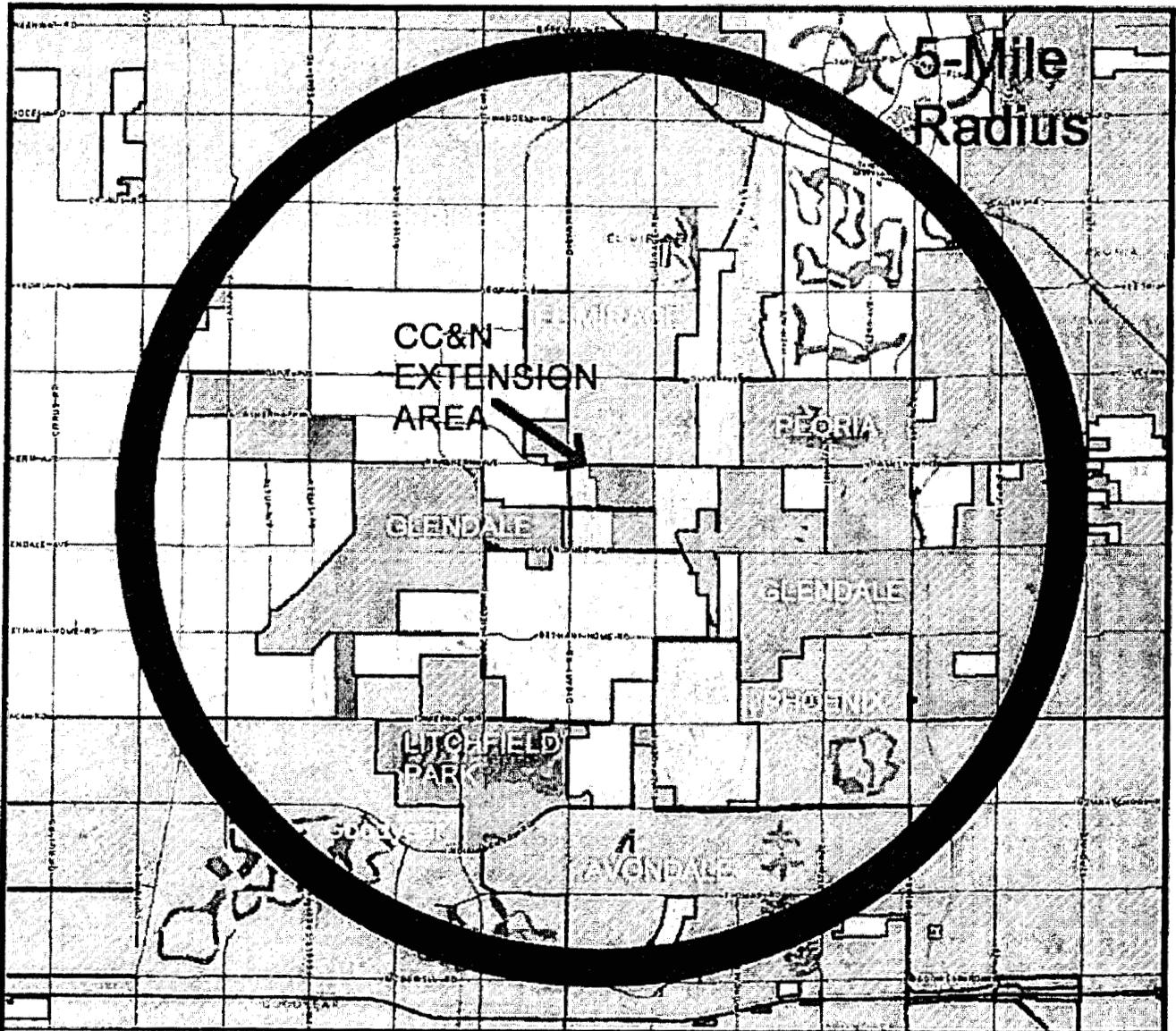
EXCEPT the south 20.00 feet of said Northeast Quarter;

The East $\frac{1}{2}$ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;
the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Extension and Nearby Municipalities

Map:

11-1

ARICOR
Water Solutions

**Liberty Utilities (Litchfield Park
Water & Sewer) Corp.**

DATE:
4-8-14



April 28, 2014

Mr. David Fitzhugh
Acting City Manager
City of Avondale
11465 W Civic Center Drive
Avondale, AZ 85323

Notice Required Pursuant to R14-2-402.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Liberty Utilities (Litchfield Park Water & Sewer) Corp.

Pursuant to A.A.C. R14-2-402.B.4, Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty") is providing this notice that Liberty has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide water service to properties contiguous to its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392
623-935-9367

Date Application was Filed

April 17, 2014

Type of Service to be Provided

Water Service

A Description of Requested Service Area

See Exhibit 4 and Map – 11-1 from the Application to the ACC, attached.

Commission Docket Number

W-01427A-14-0134

Instructions on How to Obtain a Copy of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Liberty Utilities, 12725 W. Indian School Road, Suite D-101, Avondale, AZ 85392. In addition, upon request, Liberty will provide a printed copy or electronic copy upon request.

Exhibit 4

**Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Water CC&N Extension**

That portion of Section 2, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

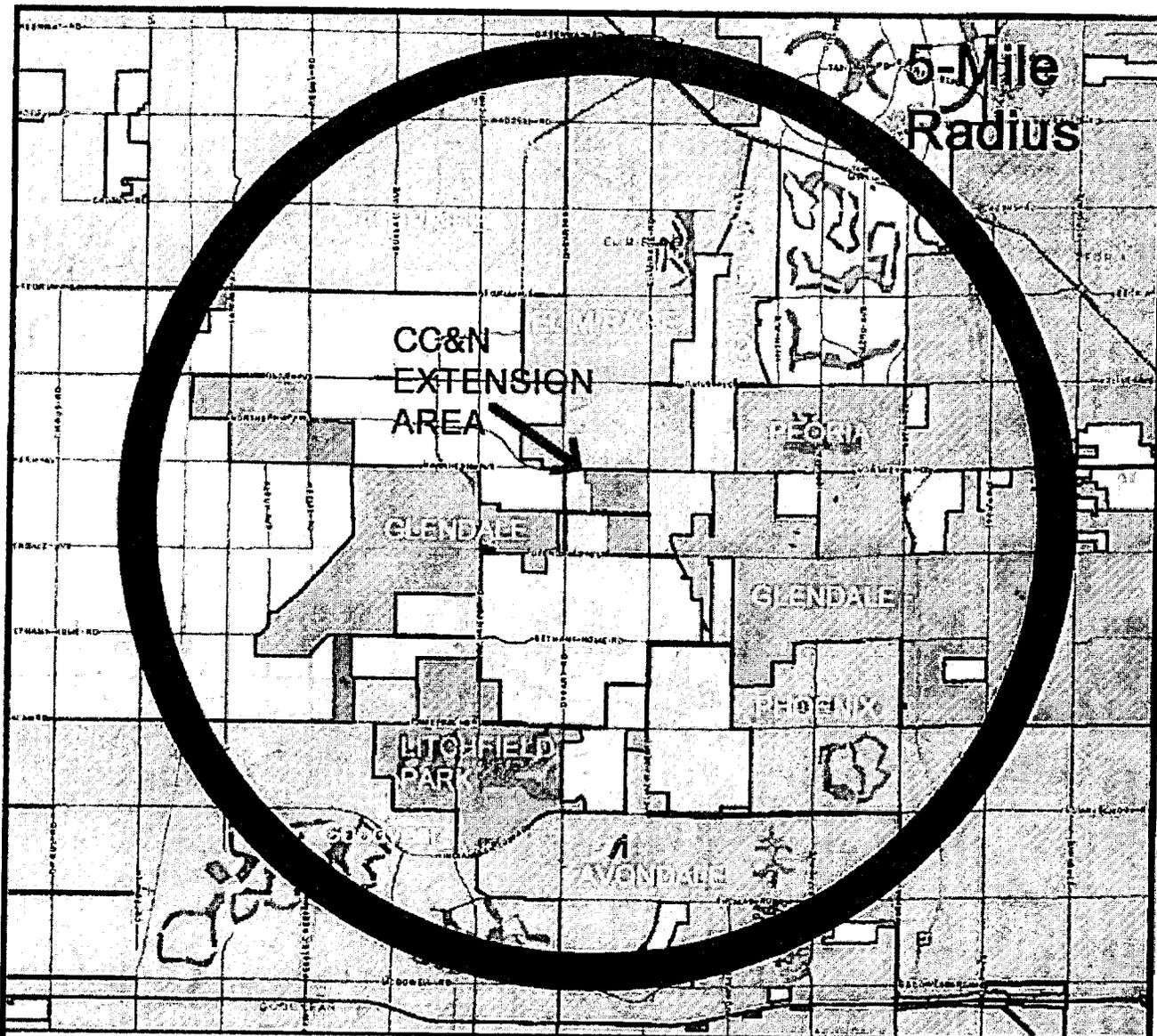
EXCEPT the south 20.00 feet of said Northeast Quarter;

The East $\frac{1}{4}$ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;
the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Extension and Nearby Municipalities

Map:

11-1

ARICOR
Water Solutions

Liberty Utilities (Litchfield Park
Water & Sewer) Corp.

DATE:
4-8-14



April 28, 2014

Mr. Darryl H. Crossman
City Manager
City of Litchfield Park
214 W. Wigwam Blvd.
Litchfield Park AZ 85340

Notice Required Pursuant to R14-2-402.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Liberty Utilities (Litchfield Park Water & Sewer) Corp.

Pursuant to A.A.C. R14-2-402.B.4, Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty") is providing this notice that Liberty has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide water service to properties contiguous to its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392
623-935-9367

Date Application was Filed

April 17, 2014

Type of Service to be Provided

Water Service

A Description of Requested Service Area

See Exhibit 4 and Map - 11-1 from the Application to the ACC, attached.

Commission Docket Number

W-01427A-14-0134

Instructions on How to Obtain a Copy of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Liberty Utilities, 12725 W. Indian School Road, Suite D-101, Avondale, AZ 85392. In addition, upon request, Liberty will provide a printed copy or electronic copy upon request.

Exhibit 4

**Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Water CC&N Extension**

That portion of Section 2, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

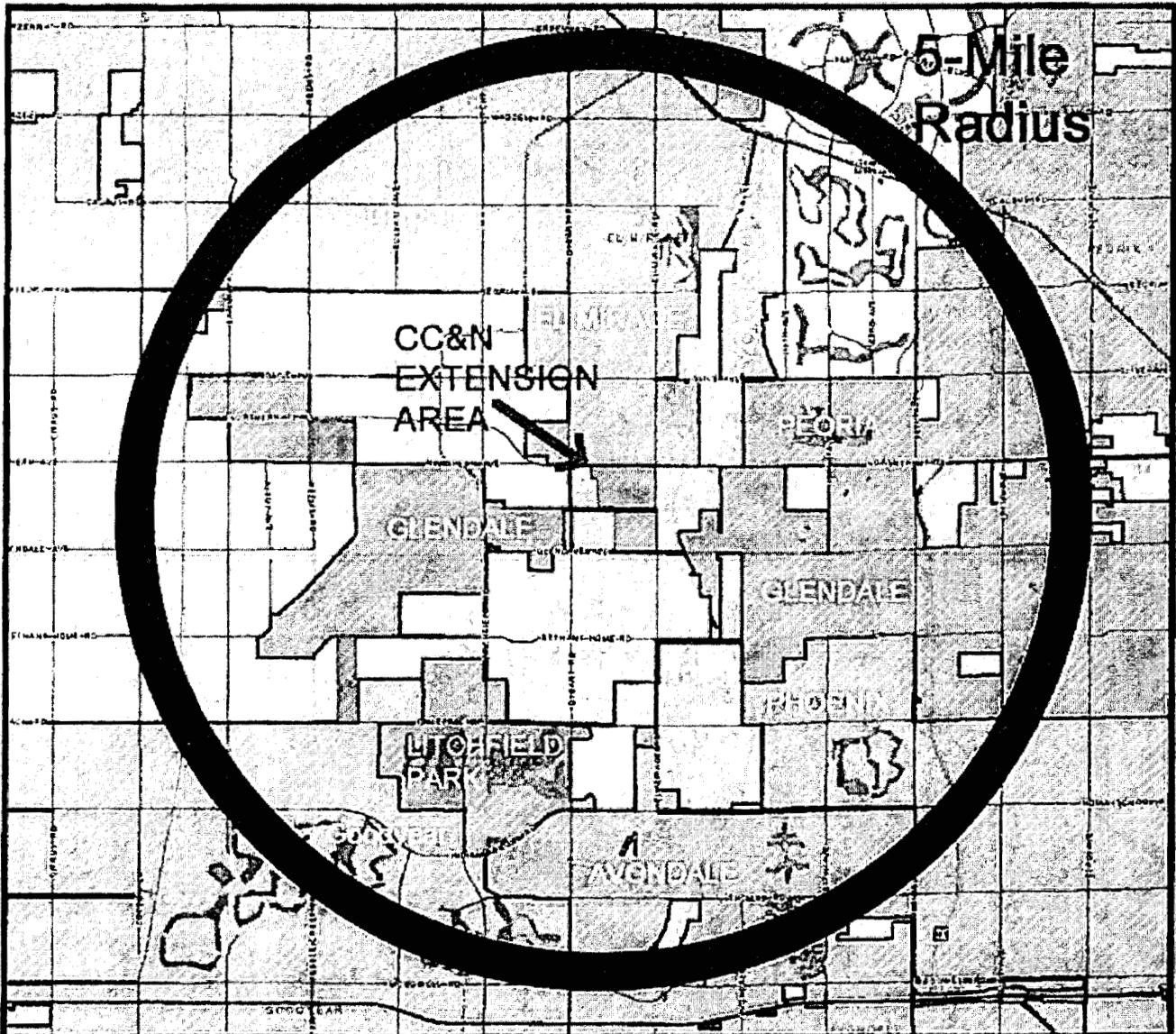
EXCEPT the south 20.00 feet of said Northeast Quarter;

The East ½ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;
the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Extension and Nearby Municipalities		Map: 11-1
---	--	---------------------

ARICOR Water Solutions	Liberty Utilities (Litchfield Park Water & Sewer) Corp.	DATE: 4-8-14
----------------------------------	--	-----------------



April 28, 2014

Mr. Ed Zuercher
City Manger
City of Phoenix
200 W. Washington St., 12th Floor
Phoenix, AZ 85003

Notice Required Pursuant to R14-2-402.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Liberty Utilities (Litchfield Park Water & Sewer) Corp.

Pursuant to A.A.C. R14-2-402.B.4, Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty") is providing this notice that Liberty has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide water service to properties contiguous to its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392
623-935-9367

Date Application was Filed

April 17, 2014

Type of Service to be Provided

Water Service

A Description of Requested Service Area

See Exhibit 4 and Map – 11-1 from the Application to the ACC, attached.

Commission Docket Number

W-01427A-14-0134

Instructions on How to Obtain a Copy of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Liberty Utilities, 12725 W. Indian School Road, Suite D-101, Avondale, AZ 85392. In addition, upon request, Liberty will provide a printed copy or electronic copy upon request.

Exhibit 4

**Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Water CC&N Extension**

That portion of Section 2, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

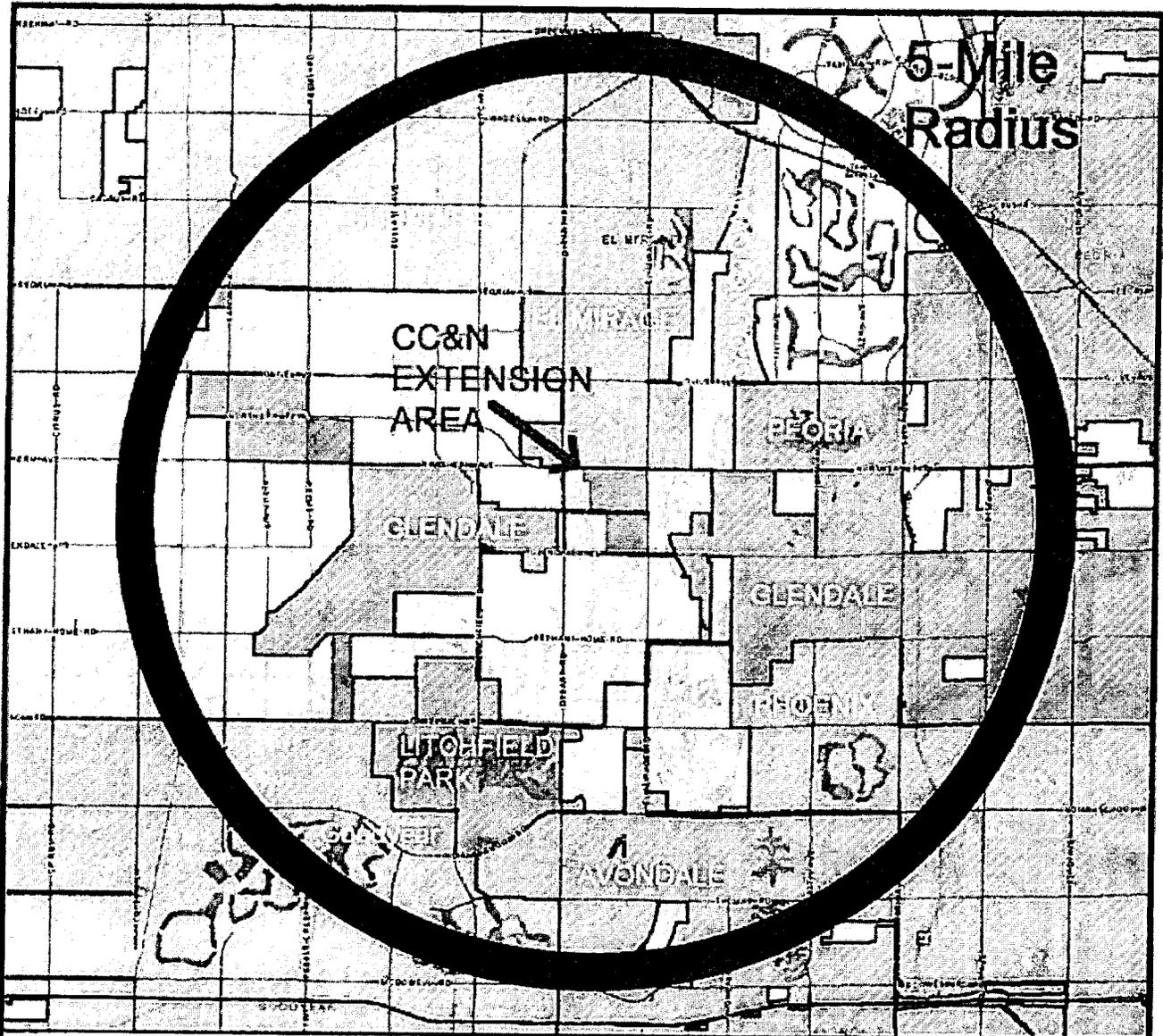
EXCEPT the south 20.00 feet of said Northeast Quarter;

The East $\frac{1}{2}$ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;
the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Extension and Nearby Municipalities

Map:

11-1

ARICOR
Water Solutions

Liberty Utilities (Litchfield Park
Water & Sewer) Corp.

DATE:
4-8-14



April 28, 2014

Mr. Chris Hillman
City Manager
City of Surprise
16000 N Civic Center Plaza
Surprise, AZ 85374

Notice Required Pursuant to R14-2-402.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Liberty Utilities (Litchfield Park Water & Sewer) Corp.

Pursuant to A.A.C. R14-2-402.B.4, Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty") is providing this notice that Liberty has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide water service to properties contiguous to its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392
623-935-9367

Date Application was Filed

April 17, 2014

Type of Service to be Provided

Water Service

A Description of Requested Service Area

See Exhibit 4 and Map - 11-1 from the Application to the ACC, attached.

Commission Docket Number

W-01427A-14-0134

Instructions on How to Obtain a Copy of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Liberty Utilities, 12725 W. Indian School Road, Suite D-101, Avondale, AZ 85392. In addition, upon request, Liberty will provide a printed copy or electronic copy upon request.

Exhibit 4

**Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Water CC&N Extension**

That portion of Section 2, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

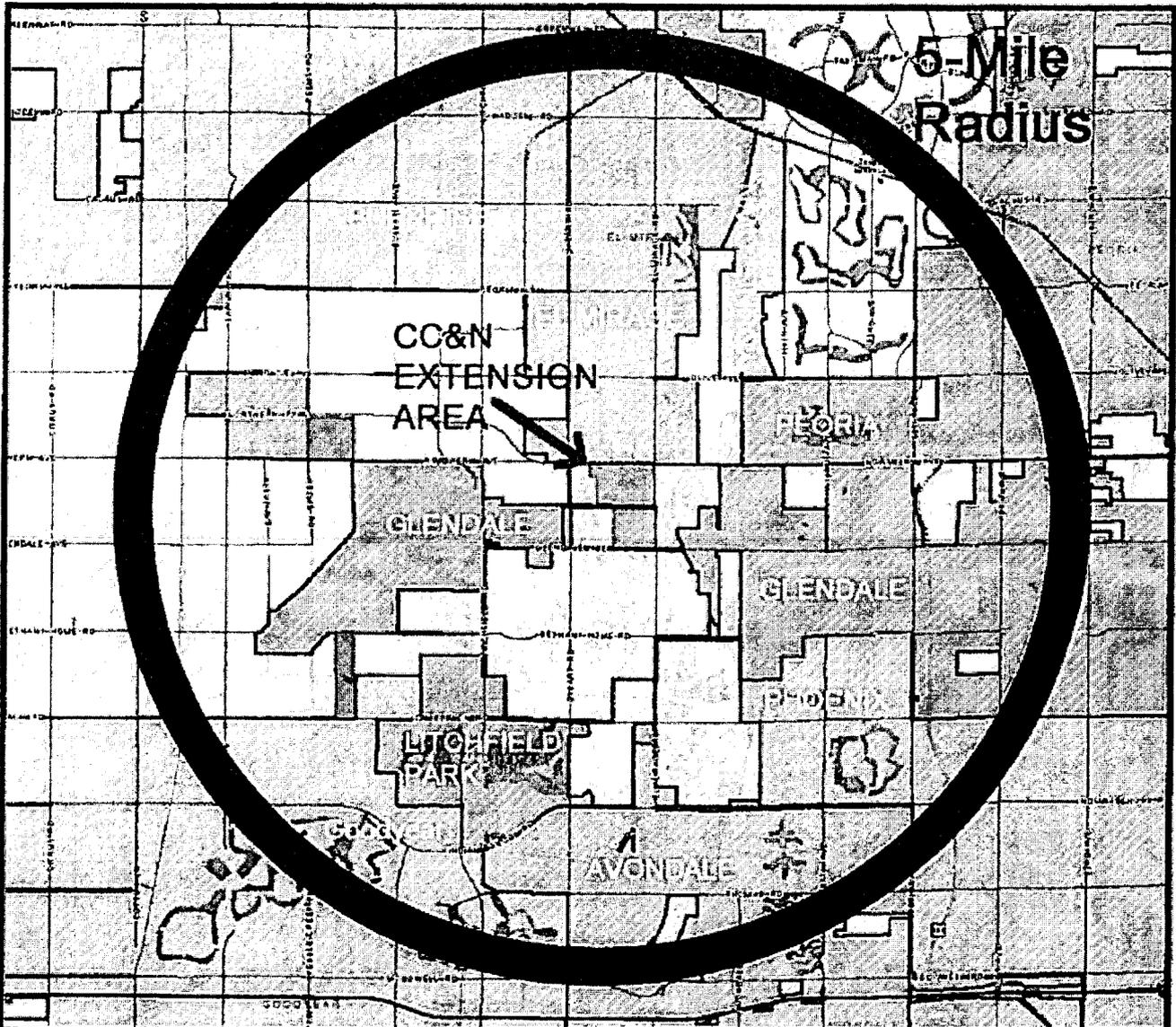
EXCEPT the south 20.00 feet of said Northeast Quarter;

The East $\frac{1}{4}$ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;
the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Extension and Nearby Municipalities

Map:

11-1

ARICOR
Water Solutions

**Liberty Utilities (Litchfield Park
Water & Sewer) Corp.**

DATE:
4-8-14



April 28, 2014

Ms. Brenda Fischer
City Manager
City of Glendale
5850 West Glendale Avenue
Glendale, AZ 85301

Notice Required Pursuant to R14-2-402.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Liberty Utilities (Litchfield Park Water & Sewer) Corp.

Pursuant to A.A.C. R14-2-402.B.4, Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty") is providing this notice that Liberty has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide water service to properties contiguous to its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392
623-935-9367

Date Application was Filed

April 17, 2014

Type of Service to be Provided

Water Service

A Description of Requested Service Area

See Exhibit 4 and Map – 11-1 from the Application to the ACC, attached.

Commission Docket Number

W-01427A-14-0134

Instructions on How to Obtain a Copy of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Liberty Utilities, 12725 W. Indian School Road, Suite D-101, Avondale, AZ 85392. In addition, upon request, Liberty will provide a printed copy or electronic copy upon request.

Exhibit 4

**Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Water CC&N Extension**

That portion of Section 2, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

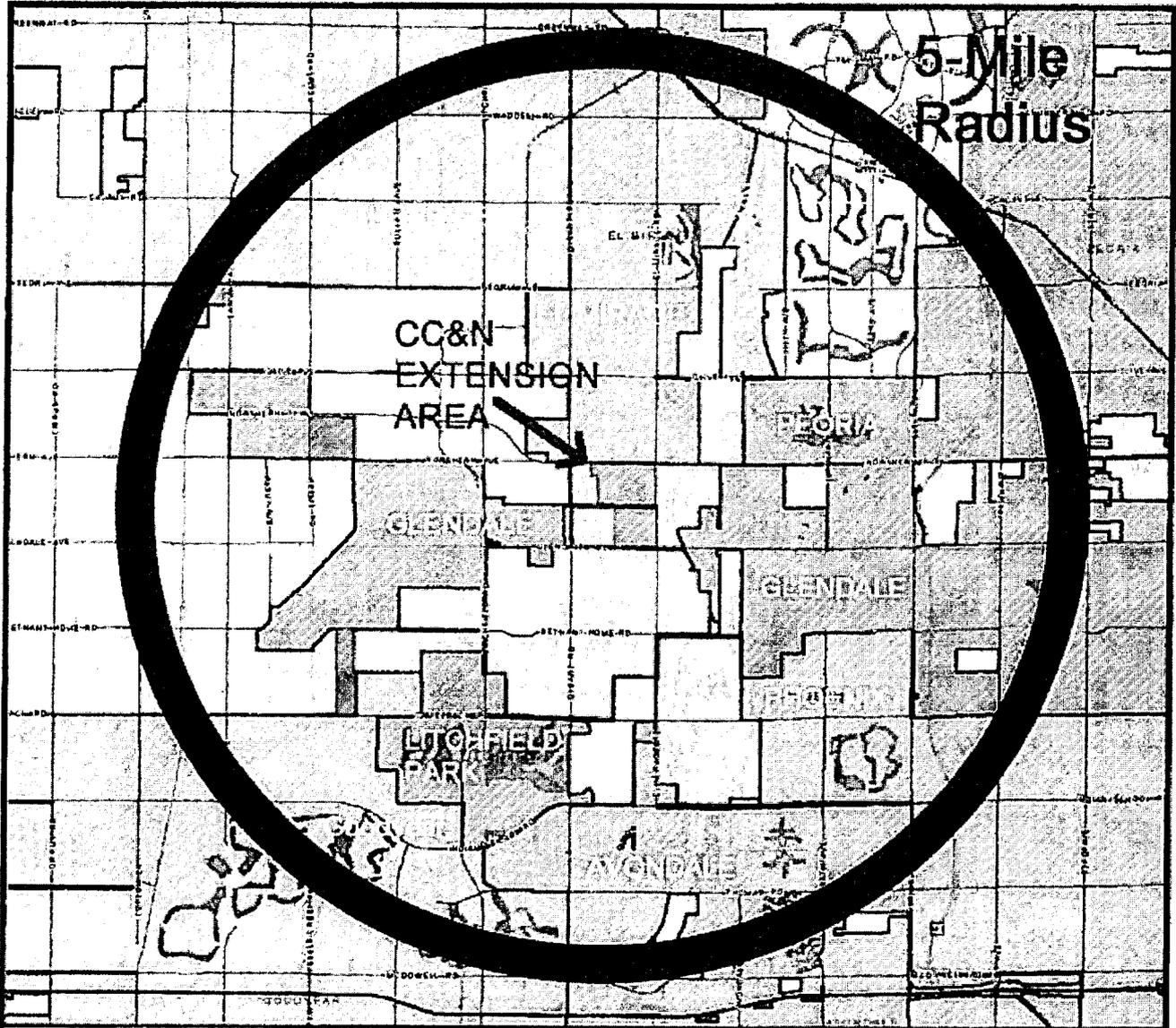
EXCEPT the south 20.00 feet of said Northeast Quarter;

The East ½ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;
the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Extension and Nearby Municipalities

Map:

11-1

ARICOR
Water Solutions

**Liberty Utilities (Litchfield Park
Water & Sewer) Corp.**

DATE:
4-8-14



April 28, 2014

Mr. Carl Swenson
City Manager
City of Peoria
Municipal Complex
8401 W. Monroe Street
Peoria, Arizona 85345

Notice Required Pursuant to R14-2-402.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Liberty Utilities (Litchfield Park Water & Sewer) Corp.

Pursuant to A.A.C. R14-2-402.B.4, Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty") is providing this notice that Liberty has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide water service to properties contiguous to its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392
623-935-9367

Date Application was Filed

April 17, 2014

Type of Service to be Provided

Water Service

A Description of Requested Service Area

See Exhibit 4 and Map - 11-1 from the Application to the ACC, attached.

Commission Docket Number

W-01427A-14-0134

Instructions on How to Obtain a Copy of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Liberty Utilities, 12725 W. Indian School Road, Suite D-101, Avondale, AZ 85392. In addition, upon request, Liberty will provide a printed copy or electronic copy upon request.

Exhibit 4

**Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Water CC&N Extension**

That portion of Section 2, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

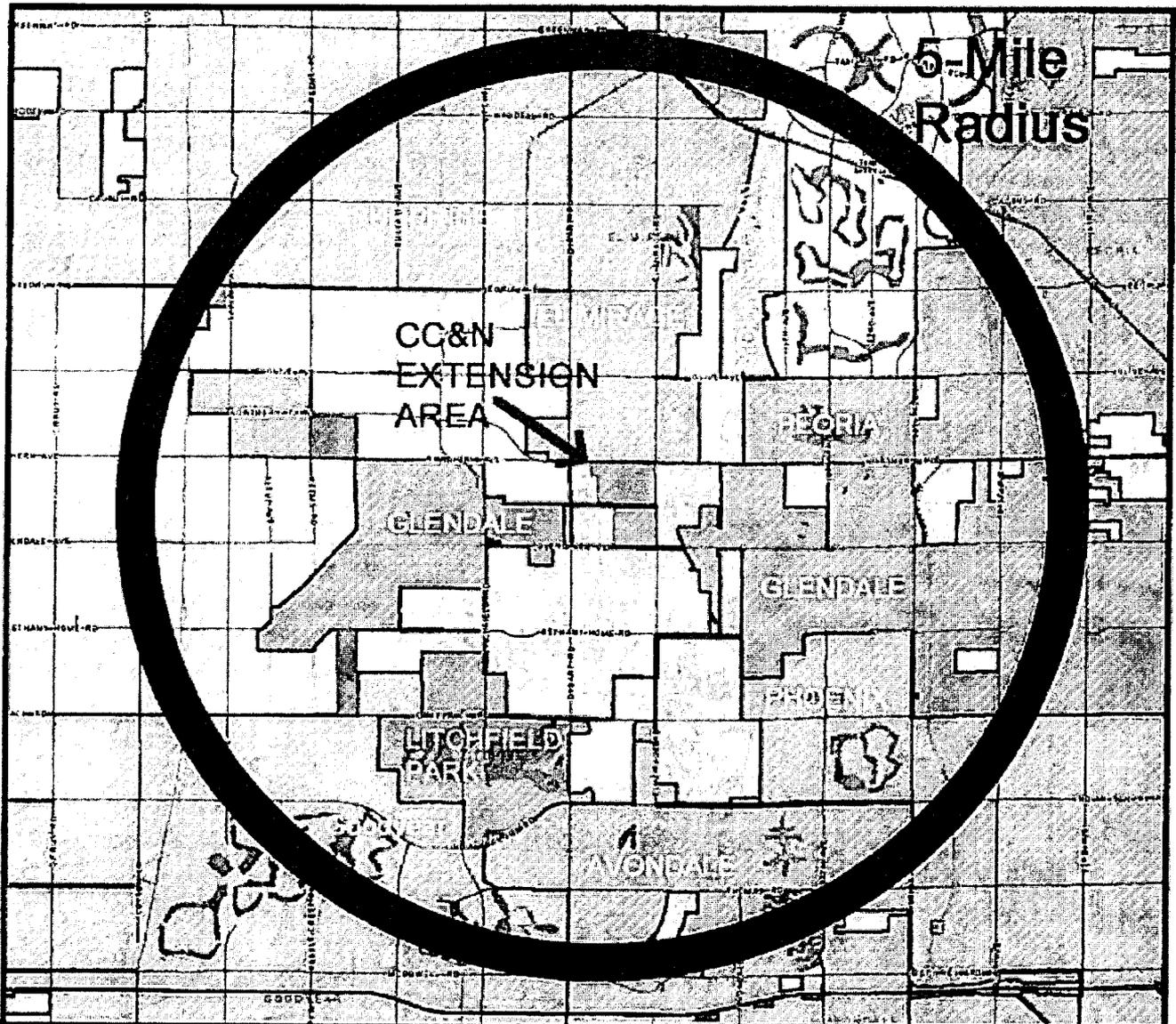
EXCEPT the south 20.00 feet of said Northeast Quarter;

The East ½ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;
the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Extension and Nearby Municipalities

Map:

11-1

ARICOR
Water Solutions

**Liberty Utilities (Litchfield Park
Water & Sewer) Corp.**

DATE:
4-8-14



April 28, 2014

Ms. Jeanne Blackman
Town Manager
Town of Youngtown
12030 Clubhouse Square
Youngtown, AZ 85363

Notice Required Pursuant to R14-2-402.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Liberty Utilities (Litchfield Park Water & Sewer) Corp.

Pursuant to A.A.C. R14-2-402.B.4, Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty") is providing this notice that Liberty has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide water service to properties contiguous to its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392
623-935-9367

Date Application was Filed

April 17, 2014

Type of Service to be Provided

Water Service

A Description of Requested Service Area

See Exhibit 4 and Map – 11-1 from the Application to the ACC, attached.

Commission Docket Number

W-01427A-14-0134

Instructions on How to Obtain a Copy of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Liberty Utilities, 12725 W. Indian School Road, Suite D-101, Avondale, AZ 85392. In addition, upon request, Liberty will provide a printed copy or electronic copy upon request.

Exhibit 4

**Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Water CC&N Extension**

That portion of Section 2, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northeast Quarter;

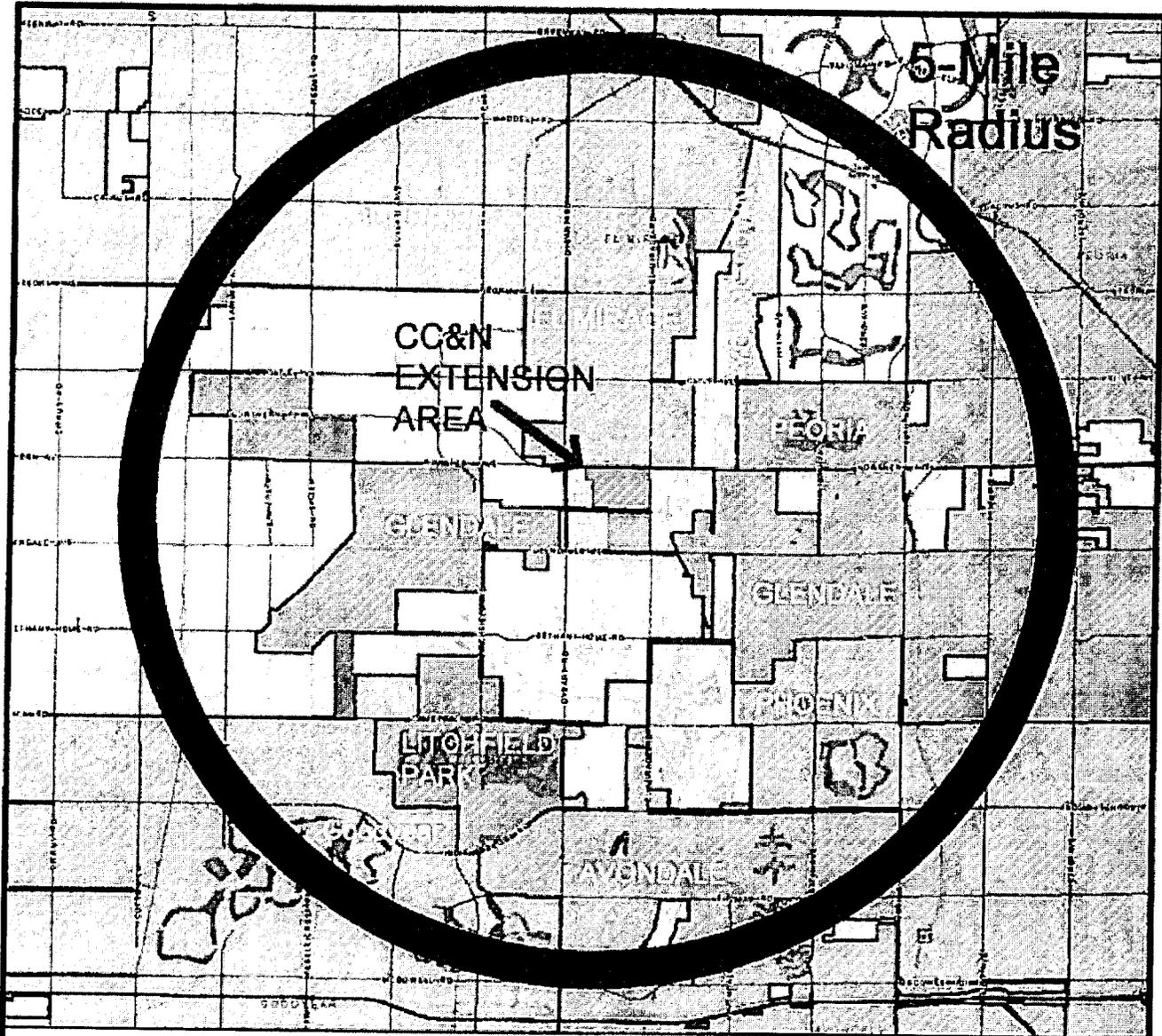
The East $\frac{1}{2}$ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;

the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Extension and Nearby Municipalities

Map:

11-1

ARICOR
Water Solutions

**Liberty Utilities (Litchfield Park
Water & Sewer) Corp.**

DATE:

4-8-14



Liberty Utilities

April 28, 2014

Dr. Spencer A. Isom
City Manager
City of El Mirage
12145 NW Grand Ave
El Mirage AZ 85335

Notice Required Pursuant to R14-2-402.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Liberty Utilities (Litchfield Park Water & Sewer) Corp.

Pursuant to A.A.C. R14-2-402.B.4, Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty") is providing this notice that Liberty has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide water service to properties contiguous to its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392
623-935-9367

Date Application was Filed

April 17, 2014

Type of Service to be Provided

Water Service

A Description of Requested Service Area

See Exhibit 4 and Map - 11-1 from the Application to the ACC, attached.

Commission Docket Number

W-01427A-14-0134

Instructions on How to Obtain a Copy of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Liberty Utilities, 12725 W. Indian School Road, Suite D-101, Avondale, AZ 85392. In addition, upon request, Liberty will provide a printed copy or electronic copy upon request.

Exhibit 4

**Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Water CC&N Extension**

That portion of Section 2, Township 2 North, Range 1 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

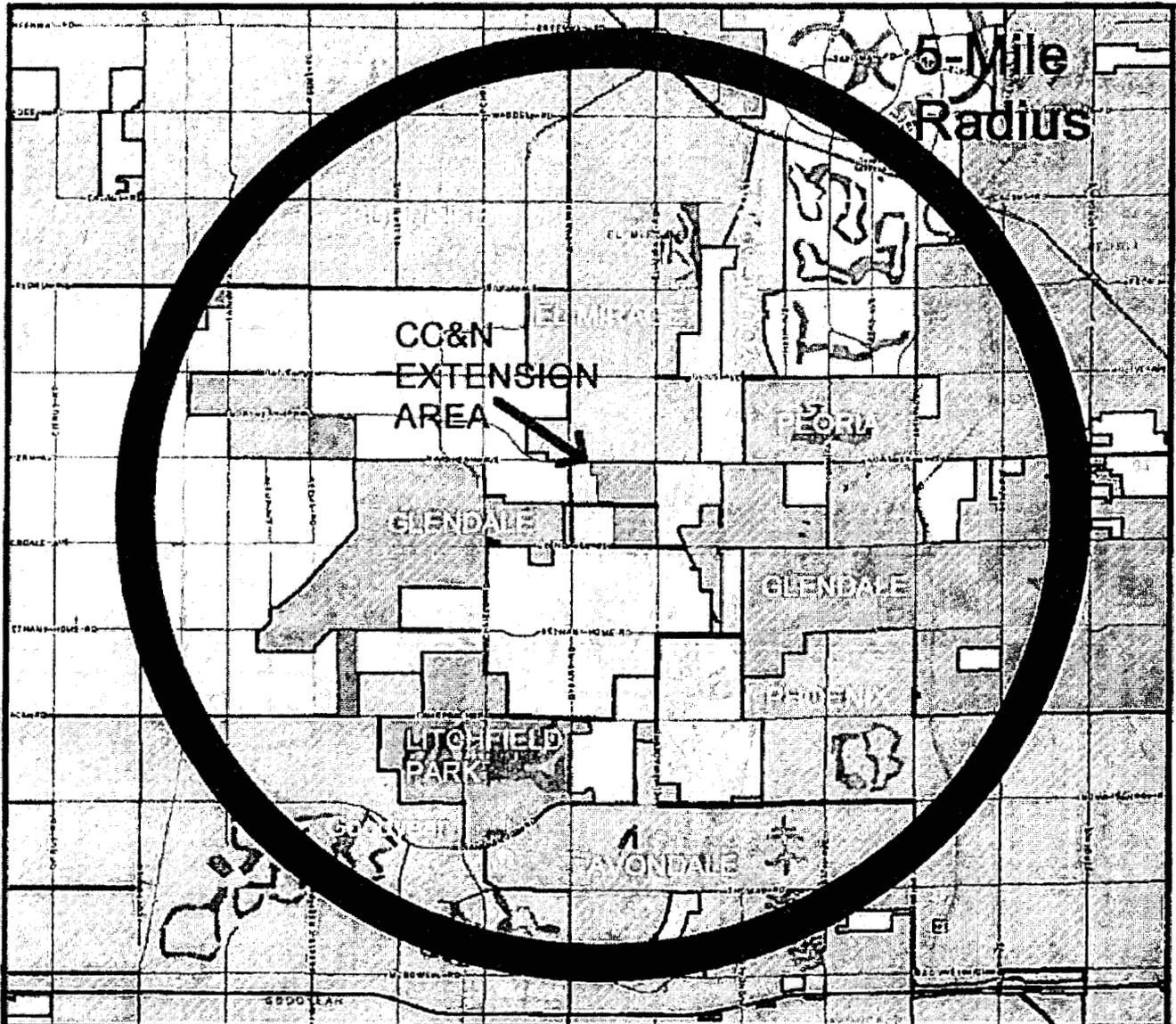
EXCEPT the south 20.00 feet of said Northeast Quarter;

The East $\frac{1}{2}$ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;
the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Extension and Nearby Municipalities

Map:

11-1

ARICOR
Water Solutions

**Liberty Utilities (Litchfield Park
Water & Sewer) Corp.**

DATE:
4-8-14

EXHIBIT
tabbies
L-5
ADMITTED



RECEIVED

BEFORE THE ARIZONA CORPORATION COMMISSION

JUL 18 P 1:50

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

ARIZONA CORP COMMISSION
DOCKET CONTROL

JUL 18 2014

BOB STUMP – Chairman
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH

DOCKETED BY

IN THE MATTER OF THE APPLICATION
OF LIBERTY UTILITIES (LITCHFIELD
PARK WATER AND SEWER), CORP. FOR
APPROVAL OF AN EXTENSION OF ITS
CERTIFICATE OF CONVENIENCE AND
NECESSITY FOR WATER UTILITY
SERVICE IN MARICOPA COUNTY,
ARIZONA.

DOCKET NO. W-01427A-14-0134

ORIGINAL

IN THE MATTER OF THE APPLICATION
OF LIBERTY UTILITIES (LITCHFIELD
PARK WATER AND SEWER), CORP. FOR
APPROVAL OF AN EXTENSION OF ITS
CERTIFICATE OF CONVENIENCE AND
NECESSITY FOR WASTEWATER
UTILITY SERVICE IN MARICOPA
COUNTY, ARIZONA.

DOCKET NO. SW-01428A-14-0180

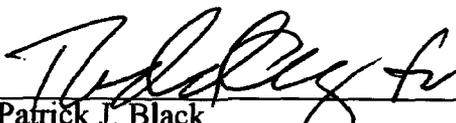
NOTICE OF FILING

Pursuant to A.A.C. R14-2-402(b)(5)(v), Liberty Utilities (Litchfield Park Water and Sewer) Corp. hereby files copies of the written notice sent to all municipal managers within a five (5) mile radius of the proposed extension area to provide wastewater service on June 9, 2014. See Exhibit A. The notices to municipal managers within a five (5) mile radius of the proposed extension area to provide water service were docketed on May 2, 2014.

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

RESPECTFULLY SUBMITTED this 18th day of July, 2014.

FENNEMORE CRAIG, P.C.

By: 
Patrick J. Black
Attorneys for Liberty Utilities (Litchfield
Park Water and Sewer) Corp.

ORIGINAL and 13 copies filed
this 18th day of July, 2014 with:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

COPY of the foregoing hand-delivered
this 18th day of July, 2014 to:

Sasha Paternoster, ALJ
Hearing Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Matthew Laudone
Wes Van Cleve
Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

COPY of the foregoing mailed
this 18th day of July, 2014 to:

Robert Metli
Munger Chadwick, P.L.C.
2398 E. Camelback Road, Suite 240
Phoenix, Arizona 85016
Attorneys for Intervenor Valley Utilities Water Company

By: 

EXHIBIT A



June 9, 2014

Mr. Ed Zuercher
City Manager
City of Phoenix
200 W. Washington St., 12th Floor
Phoenix, AZ 85003

Notice Required Pursuant to R14-2-602.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Liberty Utilities (Litchfield Park Water & Sewer) Corp.

Pursuant to A.A.C. R14-2-602.B.4, Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty") is providing this notice that Liberty has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide wastewater service to properties approximately 1/8 of a mile north of its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392
623-935-9367

Date Application was Filed

June 4, 2014

Type of Service to be Provided

Wastewater Service

A Description of Requested Service Area

See Exhibit 4 and Map – 11-1 from the Application to the ACC, attached.

Commission Docket Number

W-01428A-14-180

Instructions on How to Obtain a Copy of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Liberty Utilities, 12725 W. Indian School Road, Suite D-101, Avondale, AZ 85392. In addition, upon request, Liberty will provide a printed copy or electronic copy upon request.

Exhibit 4

**Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Wastewater CC&N Extension**

That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

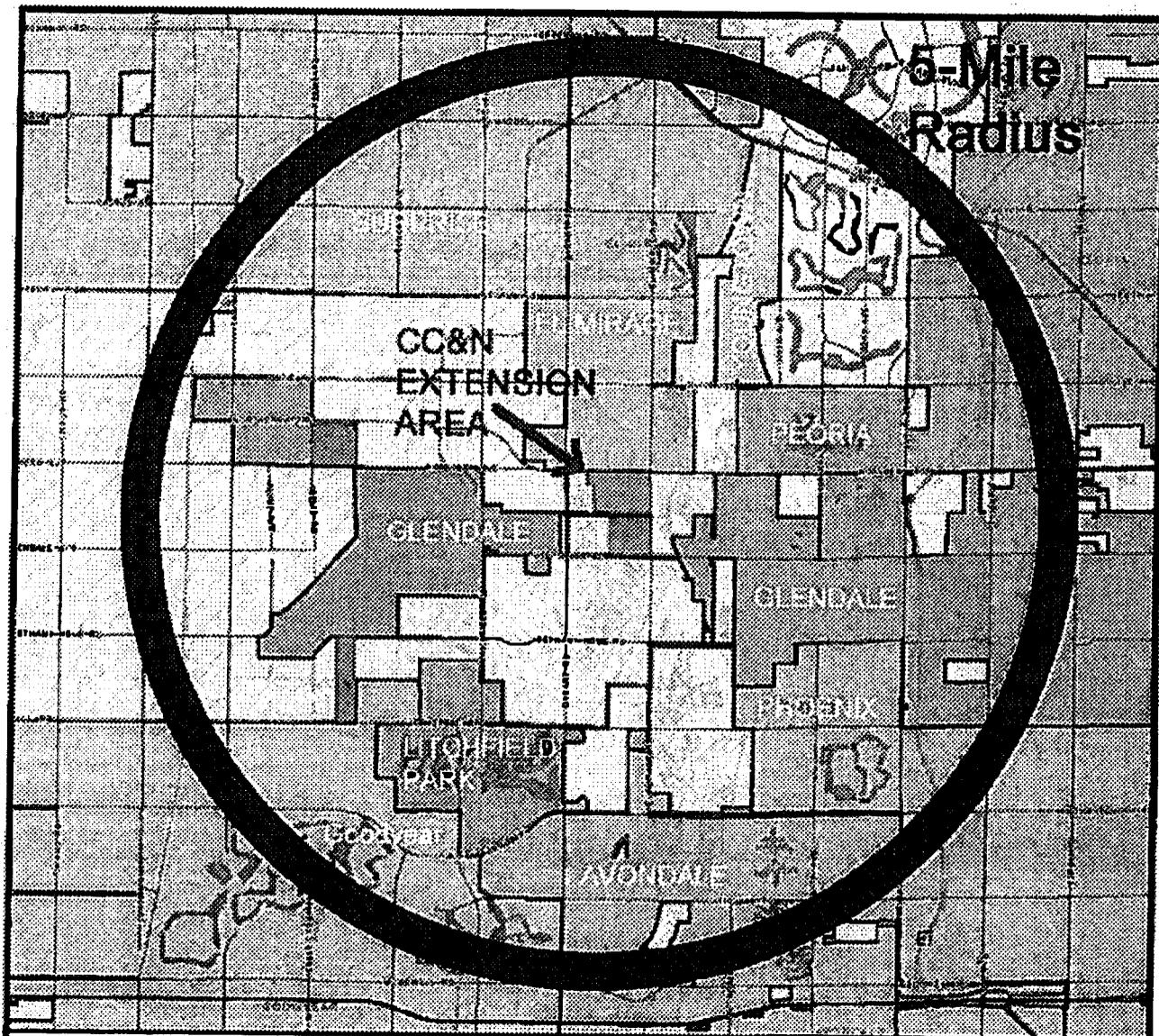
EXCEPT the south 20.00 feet of said Northeast Quarter;

The East ½ of the Northwest Quarter of said Section 2;

**EXCEPT the south 20.00 feet of said Northwest Quarter, and;
the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;**

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Extension and Nearby Municipalities

Map:

11-1

ARICOR
Water Solutions

**Liberty Utilities (Litchfield Park
Water & Sewer) Corp.**

DATE:
5-27-14



Liberty UtilitiesSM

June 9, 2014

Ms. Jeanne Blackman
Town Manager
Town of Youngtown
12030 Clubhouse Square
Youngtown, AZ 85363

Notice Required Pursuant to R14-2-602.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Liberty Utilities (Litchfield Park Water & Sewer) Corp.

Pursuant to A.A.C. R14-2-602.B.4, Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty") is providing this notice that Liberty has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide wastewater service to properties approximately 1/8 of a mile north of its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392
623-935-9367

Date Application was Filed

June 4, 2014

Type of Service to be Provided

Wastewater Service

A Description of Requested Service Area

See Exhibit 4 and Map - 11-1 from the Application to the ACC, attached.

Commission Docket Number

W-01428A-14-180

Instructions on How to Obtain a Copy of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Liberty Utilities, 12725 W. Indian School Road, Suite D-101, Avondale, AZ 85392. In addition, upon request, Liberty will provide a printed copy or electronic copy upon request.

Exhibit 4

**Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Wastewater CC&N Extension**

**That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian,
Maricopa County, Arizona more particularly described as follows:**

The Northeast Quarter of said Section 2;

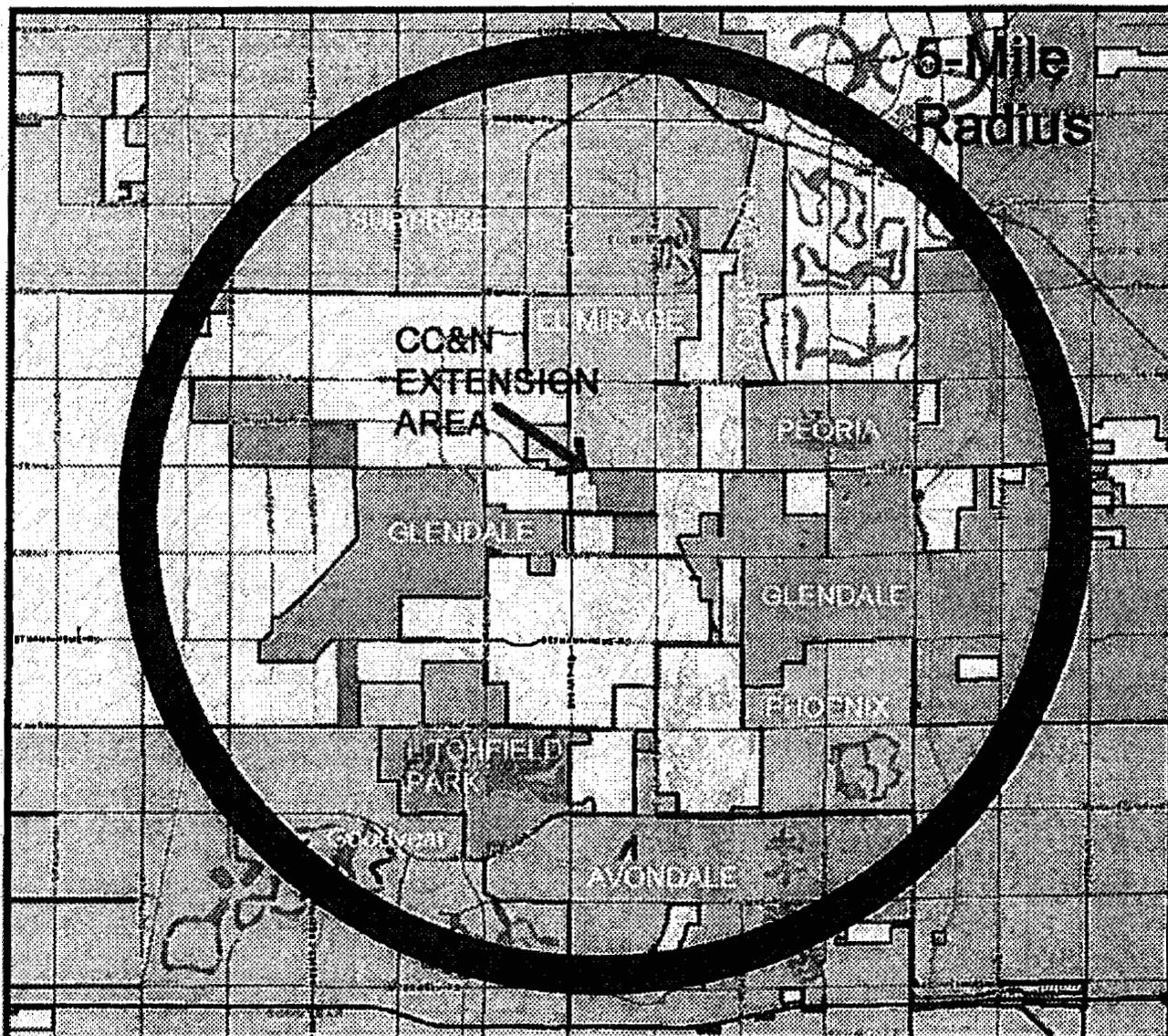
EXCEPT the south 20.00 feet of said Northeast Quarter;

The East ½ of the Northwest Quarter of said Section 2;

**EXCEPT the south 20.00 feet of said Northwest Quarter, and;
the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;**

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Extension and Nearby Municipalities

Map:

11-1

ARICOR
Water Solutions

**Liberty Utilities (Litchfield Park
Water & Sewer) Corp.**

DATE:
5-27-14



Liberty Utilities

June 9, 2014

Mr. Chris Hillman
City Manager
City of Surprise
16000 N Civic Center Plaza
Surprise, AZ 85374

Notice Required Pursuant to R14-2-602.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Liberty Utilities (Litchfield Park Water & Sewer) Corp.

Pursuant to A.A.C. R14-2-602.B.4, Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty") is providing this notice that Liberty has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide wastewater service to properties approximately 1/8 of a mile north of its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392
623-935-9367

Date Application was Filed

June 4, 2014

Type of Service to be Provided

Wastewater Service

A Description of Requested Service Area

See Exhibit 4 and Map - 11-1 from the Application to the ACC, attached.

Commission Docket Number

W-01428A-14-180

Instructions on How to Obtain a Copy of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Liberty Utilities, 12725 W. Indian School Road, Suite D-101, Avondale, AZ 85392. In addition, upon request, Liberty will provide a printed copy or electronic copy upon request.

Exhibit 4

**Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Wastewater CC&N Extension**

**That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian,
Maricopa County, Arizona more particularly described as follows:**

The Northeast Quarter of said Section 2;

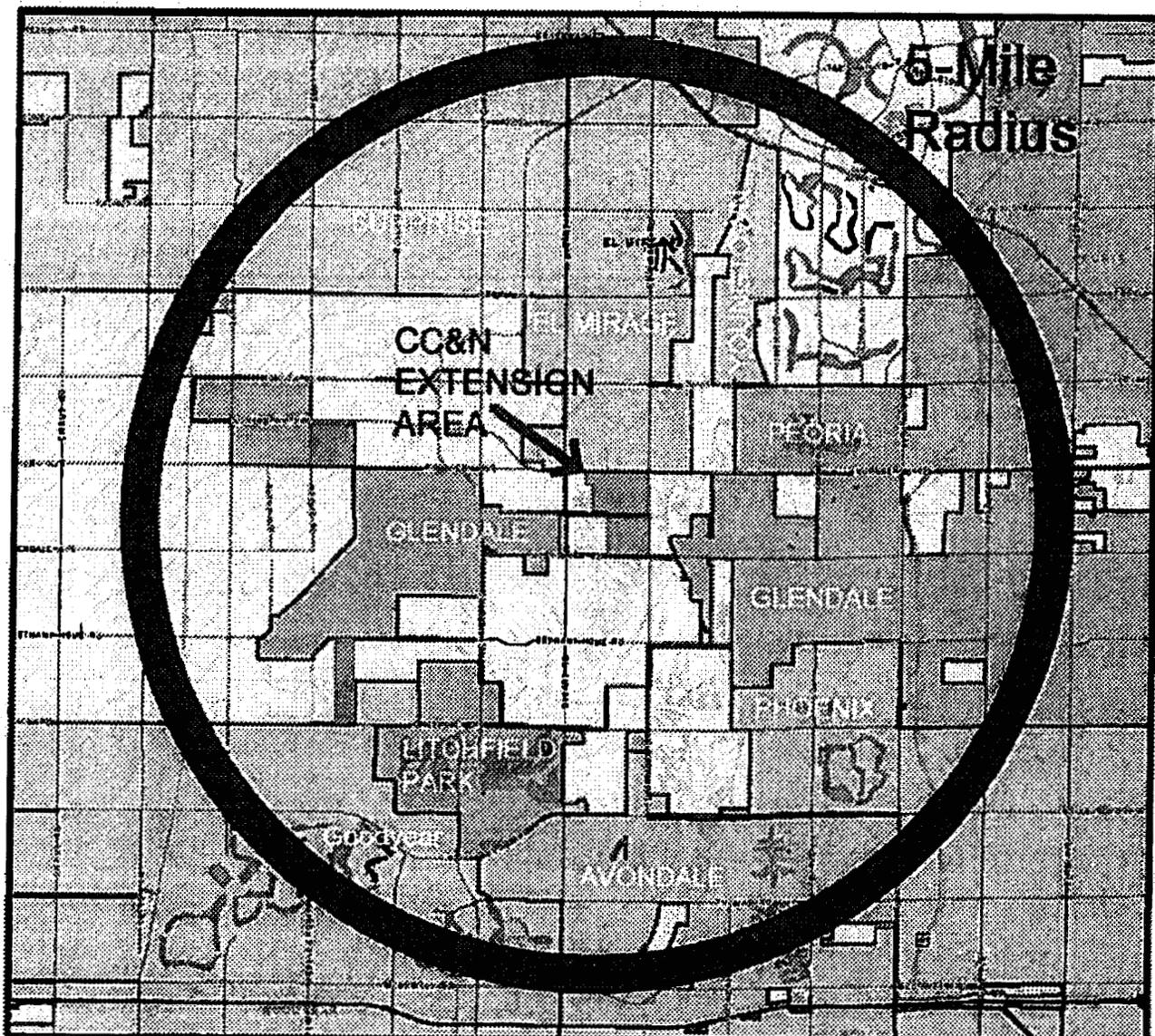
EXCEPT the south 20.00 feet of said Northeast Quarter;

The East ½ of the Northwest Quarter of said Section 2;

**EXCEPT the south 20.00 feet of said Northwest Quarter, and;
the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;**

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Extension and Nearby Municipalities

Map:

11-1

ARICOR
Water Solutions

**Liberty Utilities (Litchfield Park
Water & Sewer) Corp.**

DATE:
5-27-14



Liberty Utilities™

June 9, 2014

Mr. Carl Swenson
City Manager
City of Peoria
Municipal Complex
8401 W. Monroe Street
Peoria, Arizona 85345

Notice Required Pursuant to R14-2-602.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Liberty Utilities (Litchfield Park Water & Sewer) Corp.

Pursuant to A.A.C. R14-2-602.B.4, Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty") is providing this notice that Liberty has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide wastewater service to properties approximately 1/8 of a mile north of its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392
623-935-9367

Date Application was Filed

June 4, 2014

Type of Service to be Provided

Wastewater Service

A Description of Requested Service Area

See Exhibit 4 and Map – 11-1 from the Application to the ACC, attached.

Commission Docket Number

W-01428A-14-180

Instructions on How to Obtain a Copy of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Liberty Utilities, 12725 W. Indian School Road, Suite D-101, Avondale, AZ 85392. In addition, upon request, Liberty will provide a printed copy or electronic copy upon request.

Exhibit 4

**Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Wastewater CC&N Extension**

That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northeast Quarter;

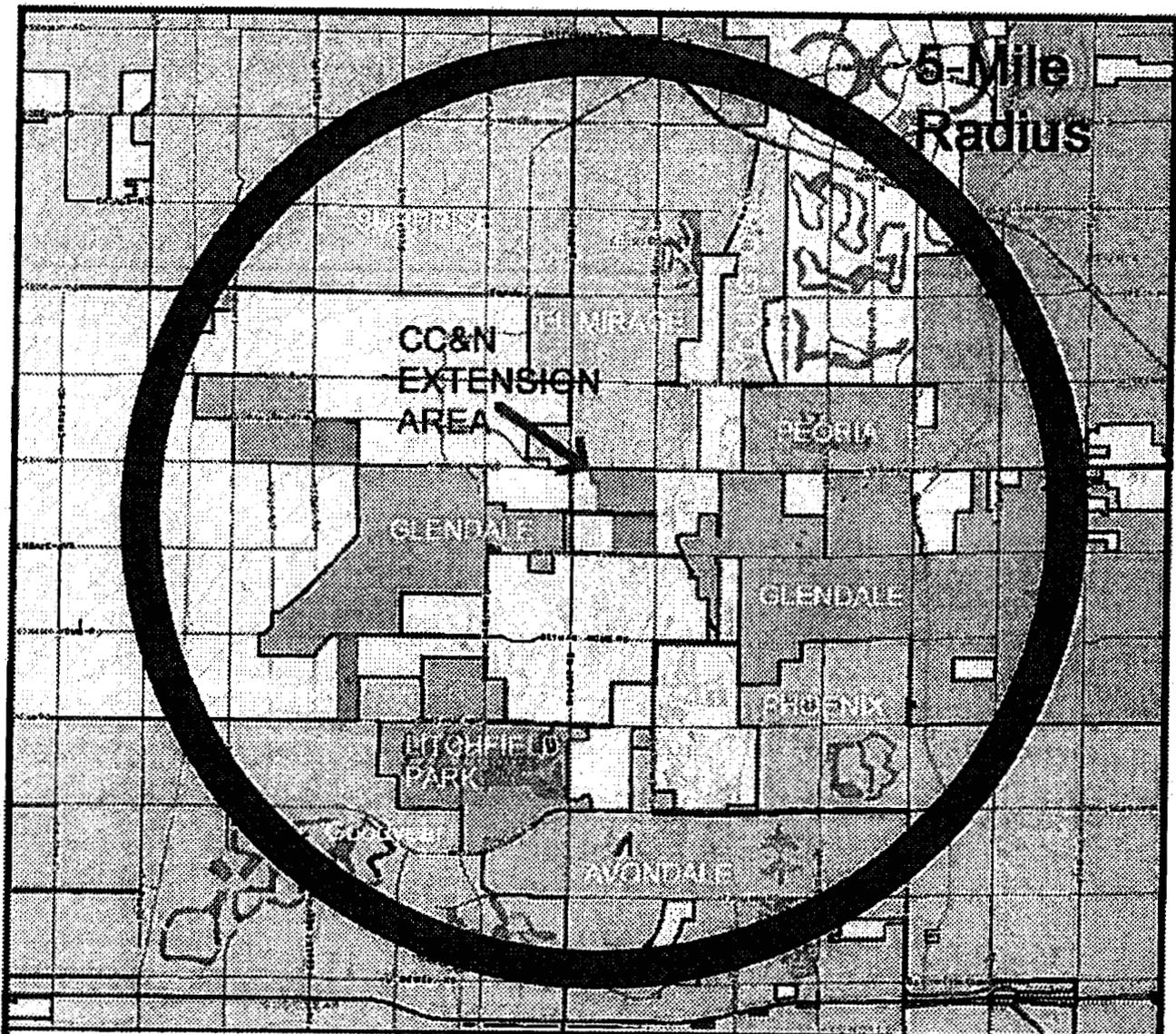
The East ½ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;

the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Extension and Nearby Municipalities

Map:

11-1

ARICOR
Water Solutions

**Liberty Utilities (Litchfield Park
Water & Sewer) Corp.**

DATE:
5-27-14



Liberty Utilities™

June 9, 2014

Mr. Darryl H. Crossman
City Manager
City of Litchfield Park
214 W. Wigwam Blvd.
Litchfield Park AZ 85340

Notice Required Pursuant to R14-2-602.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Liberty Utilities (Litchfield Park Water & Sewer) Corp.

Pursuant to A.A.C. R14-2-602.B.4, Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty") is providing this notice that Liberty has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide wastewater service to properties approximately 1/8 of a mile north of its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392
623-935-9367

Date Application was Filed

June 4, 2014

Type of Service to be Provided

Wastewater Service

A Description of Requested Service Area

See Exhibit 4 and Map - 11-1 from the Application to the ACC, attached.

Commission Docket Number

W-01428A-14-180

Instructions on How to Obtain a Copy of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Liberty Utilities, 12725 W. Indian School Road, Suite D-101, Avondale, AZ 85392. In addition, upon request, Liberty will provide a printed copy or electronic copy upon request.

Exhibit 4

**Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Wastewater CC&N Extension**

That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northeast Quarter;

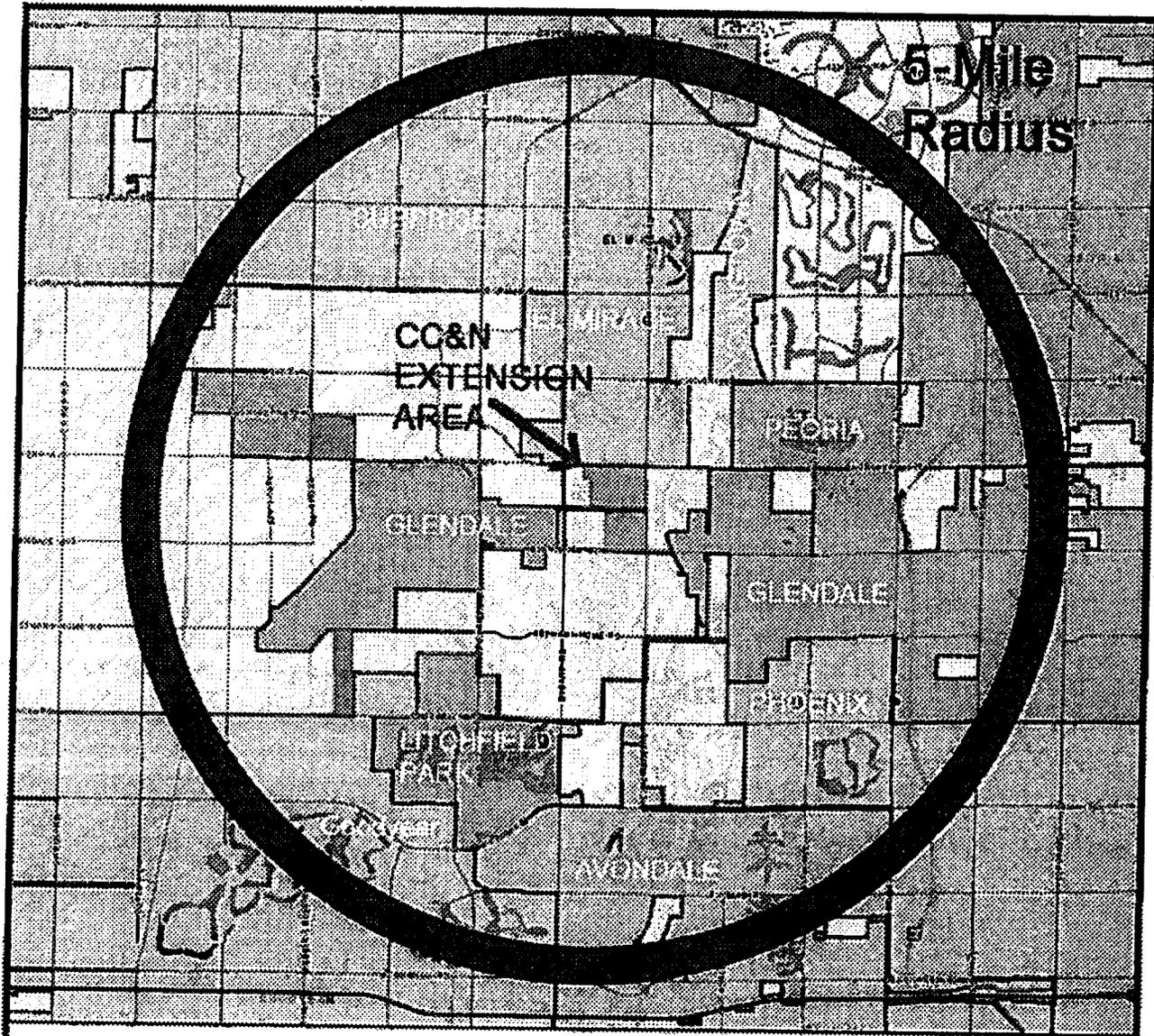
The East ¼ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;

the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Extension and Nearby Municipalities

Map:

11-1

ARICOR
Water Solutions

**Liberty Utilities (Litchfield Park
Water & Sewer) Corp.**

DATE:
5-27-14



Liberty Utilities

June 9, 2014

Mr. Brian Dalke
City Manager
City of Goodyear
190 N. Litchfield Rd.
Goodyear, AZ 85338

Notice Required Pursuant to R14-2-602.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Liberty Utilities (Litchfield Park Water & Sewer) Corp.

Pursuant to A.A.C. R14-2-602.B.4, Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty") is providing this notice that Liberty has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide wastewater service to properties approximately 1/8 of a mile north of its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392
623-935-9367

Date Application was Filed

June 4, 2014

Type of Service to be Provided

Wastewater Service

A Description of Requested Service Area

See Exhibit 4 and Map - 11-1 from the Application to the ACC, attached.

Commission Docket Number

W-01428A-14-180

Instructions on How to Obtain a Copy of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Liberty Utilities, 12725 W. Indian School Road, Suite D-101, Avondale, AZ 85392. In addition, upon request, Liberty will provide a printed copy or electronic copy upon request.

Exhibit 4

**Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Wastewater CC&N Extension**

That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

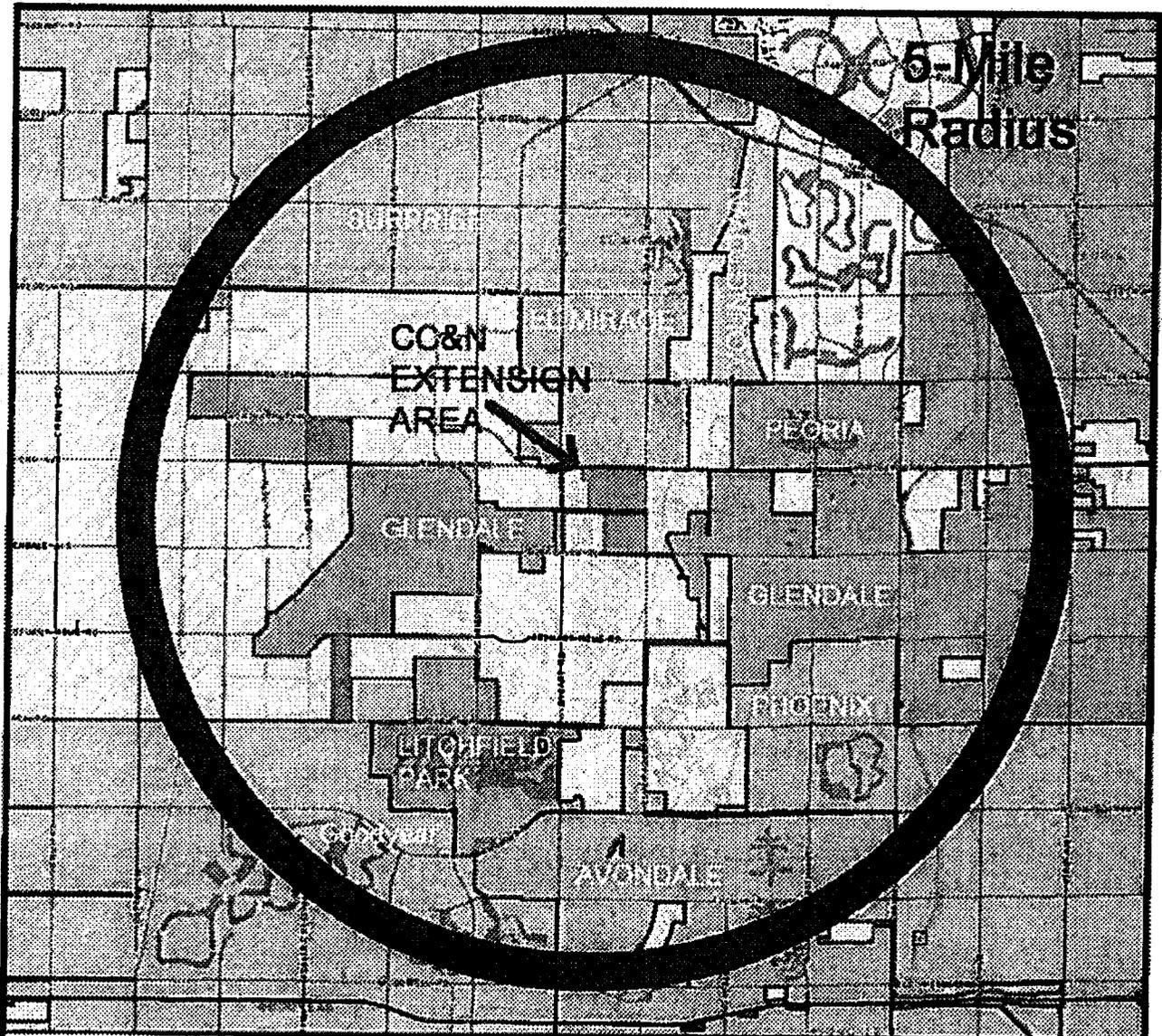
EXCEPT the south 20.00 feet of said Northeast Quarter;

The East ½ of the Northwest Quarter of said Section 2;

**EXCEPT the south 20.00 feet of said Northwest Quarter, and;
the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;**

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Extension and Nearby Municipalities

Map:

11-1



**Liberty Utilities (Litchfield Park
Water & Sewer) Corp.**

DATE:
5-27-14



June 9, 2014

Ms. Brenda Fischer
City Manager
City of Glendale
5850 West Glendale Avenue
Glendale, AZ 85301

Notice Required Pursuant to R14-2-602.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Liberty Utilities (Litchfield Park Water & Sewer) Corp.

Pursuant to A.A.C. R14-2-602.B.4, Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty") is providing this notice that Liberty has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide wastewater service to properties approximately 1/8 of a mile north of its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392
623-935-9367

Date Application was Filed

June 4, 2014

Type of Service to be Provided

Wastewater Service

A Description of Requested Service Area

See Exhibit 4 and Map - 11-1 from the Application to the ACC, attached.

Commission Docket Number

W-01428A-14-180

Instructions on How to Obtain a Copy of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Liberty Utilities, 12725 W. Indian School Road, Suite D-101, Avondale, AZ 85392. In addition, upon request, Liberty will provide a printed copy or electronic copy upon request.

Exhibit 4

**Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Wastewater CC&N Extension**

That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona more particularly described as follows:

The Northeast Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northeast Quarter;

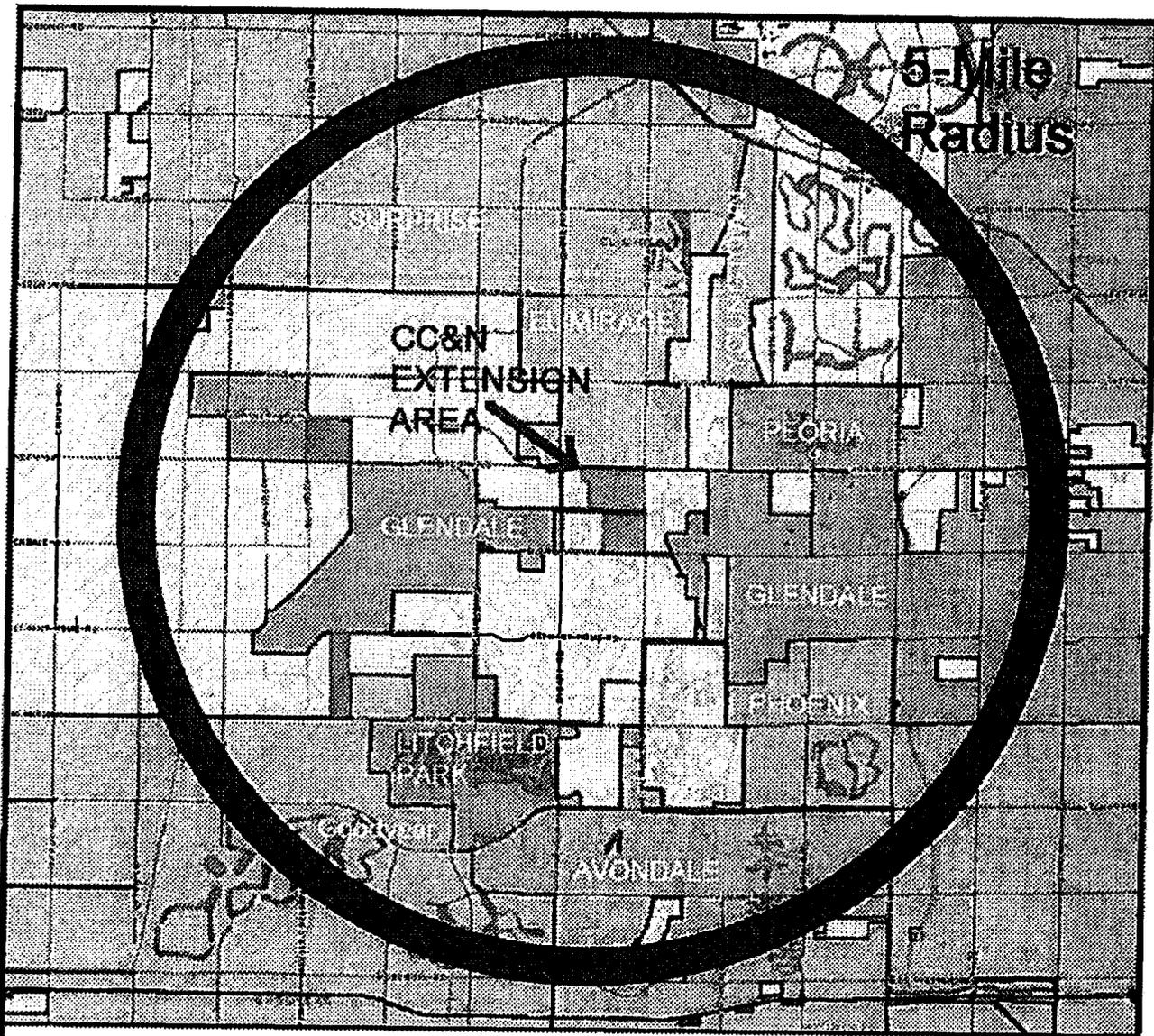
The East $\frac{1}{2}$ of the Northwest Quarter of said Section 2;

EXCEPT the south 20.00 feet of said Northwest Quarter, and;

the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;

The Southeast Quarter of said Section 2;

EXCEPT the north 140.00 feet of said Southeast Quarter.



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Extension and Nearby Municipalities

Map:

11-1



Liberty Utilities (Litchfield Park Water & Sewer) Corp.

DATE:
5-27-14



June 9, 2014

Dr. Spencer A. Isom
City Manager
City of El Mirage
12145 NW Grand Ave
El Mirage AZ 85335

Notice Required Pursuant to R14-2-602.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Liberty Utilities (Litchfield Park Water & Sewer) Corp.

Pursuant to A.A.C. R14-2-602.B.4, Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty") is providing this notice that Liberty has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide wastewater service to properties approximately 1/8 of a mile north of its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392
623-935-9367

Date Application was Filed

June 4, 2014

Type of Service to be Provided

Wastewater Service

A Description of Requested Service Area

See Exhibit 4 and Map – 11-1 from the Application to the ACC, attached.

Commission Docket Number

W-01428A-14-180

Instructions on How to Obtain a Copy of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Liberty Utilities, 12725 W. Indian School Road, Suite D-101, Avondale, AZ 85392. In addition, upon request, Liberty will provide a printed copy or electronic copy upon request.

Exhibit 4

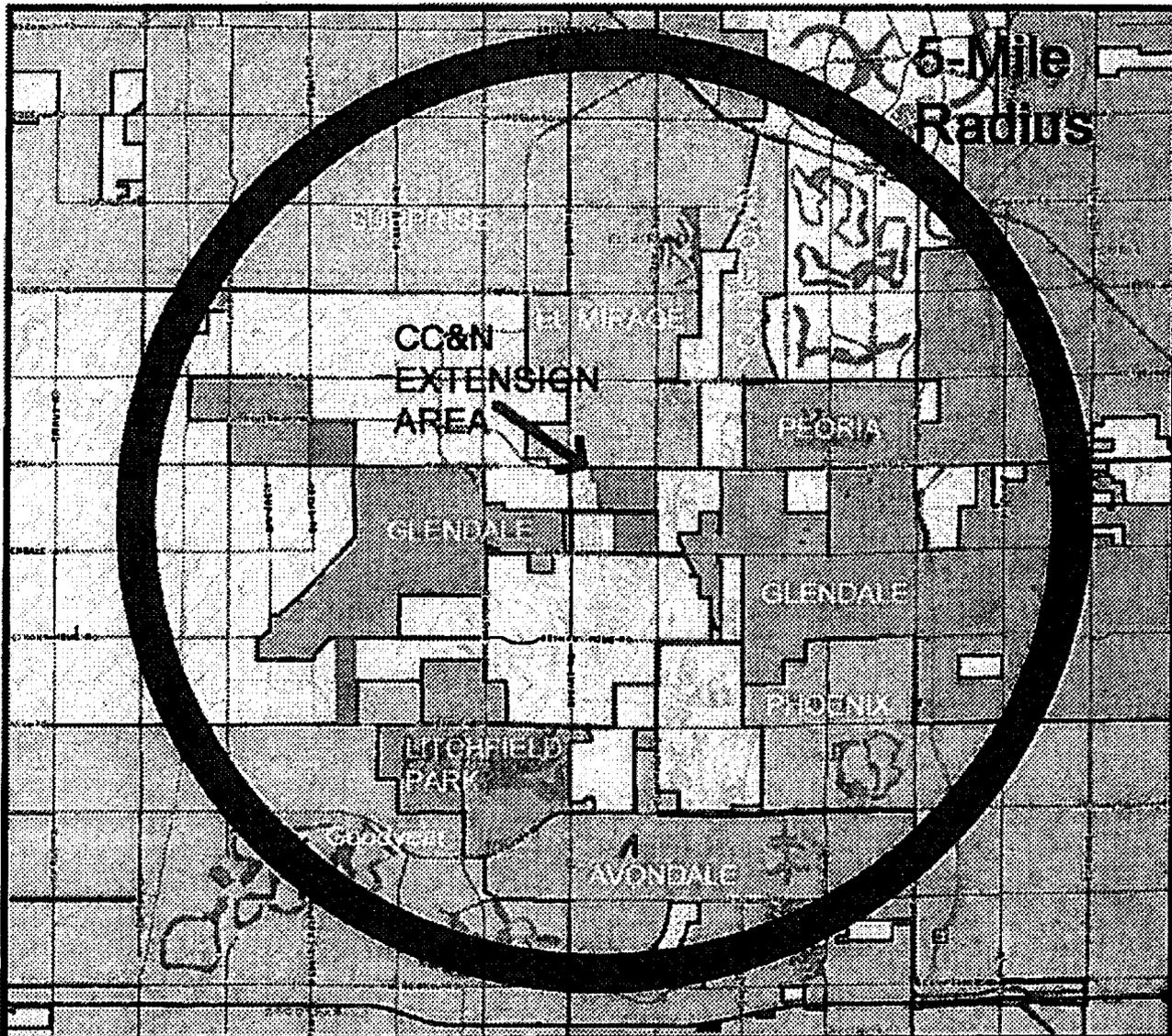
**Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Wastewater CC&N Extension**

**That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian,
Maricopa County, Arizona more particularly described as follows:**

**The Northeast Quarter of said Section 2;
EXCEPT the south 20.00 feet of said Northeast Quarter;**

**The East $\frac{1}{2}$ of the Northwest Quarter of said Section 2;
EXCEPT the south 20.00 feet of said Northwest Quarter, and;
the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;**

**The Southeast Quarter of said Section 2;
EXCEPT the north 140.00 feet of said Southeast Quarter.**



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Extension and Nearby Municipalities

Map:

11-1

ARICOR
Water Solutions

**Liberty Utilities (Litchfield Park
Water & Sewer) Corp.**

DATE:
5-27-14



Liberty Utilities™

June 9, 2014

Mr. David Fitzhugh
Acting City Manager
City of Avondale
11465 W Civic Center Drive
Avondale, AZ 85323

Notice Required Pursuant to R14-2-602.B.4
Request for Certificate of Convenience and Necessity Extension
Filed by Liberty Utilities (Litchfield Park Water & Sewer) Corp.

Pursuant to A.A.C. R14-2-602.B.4, Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty") is providing this notice that Liberty has made application to the Arizona Corporation Commission ("ACC") to extend its Certificate of Convenience and Necessity to provide wastewater service to properties approximately 1/8 of a mile north of its existing Certificate of Convenience and Necessity. The requested extension area is within five miles of your municipality's corporate limits. The specific notice requirements are as follows:

Applicant Name, Mailing Address and Telephone Number

Liberty Utilities (Litchfield Park Water & Sewer) Corp.
12725 W. Indian School Road, Suite D-101
Avondale, AZ 85392
623-935-9367

Date Application was Filed

June 4, 2014

Type of Service to be Provided

Wastewater Service

A Description of Requested Service Area

See Exhibit 4 and Map – 11-1 from the Application to the ACC, attached.

Commission Docket Number

W-01428A-14-180

Instructions on How to Obtain a Copy of Application

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Liberty Utilities, 12725 W. Indian School Road, Suite D-101, Avondale, AZ 85392. In addition, upon request, Liberty will provide a printed copy or electronic copy upon request.

Exhibit 4

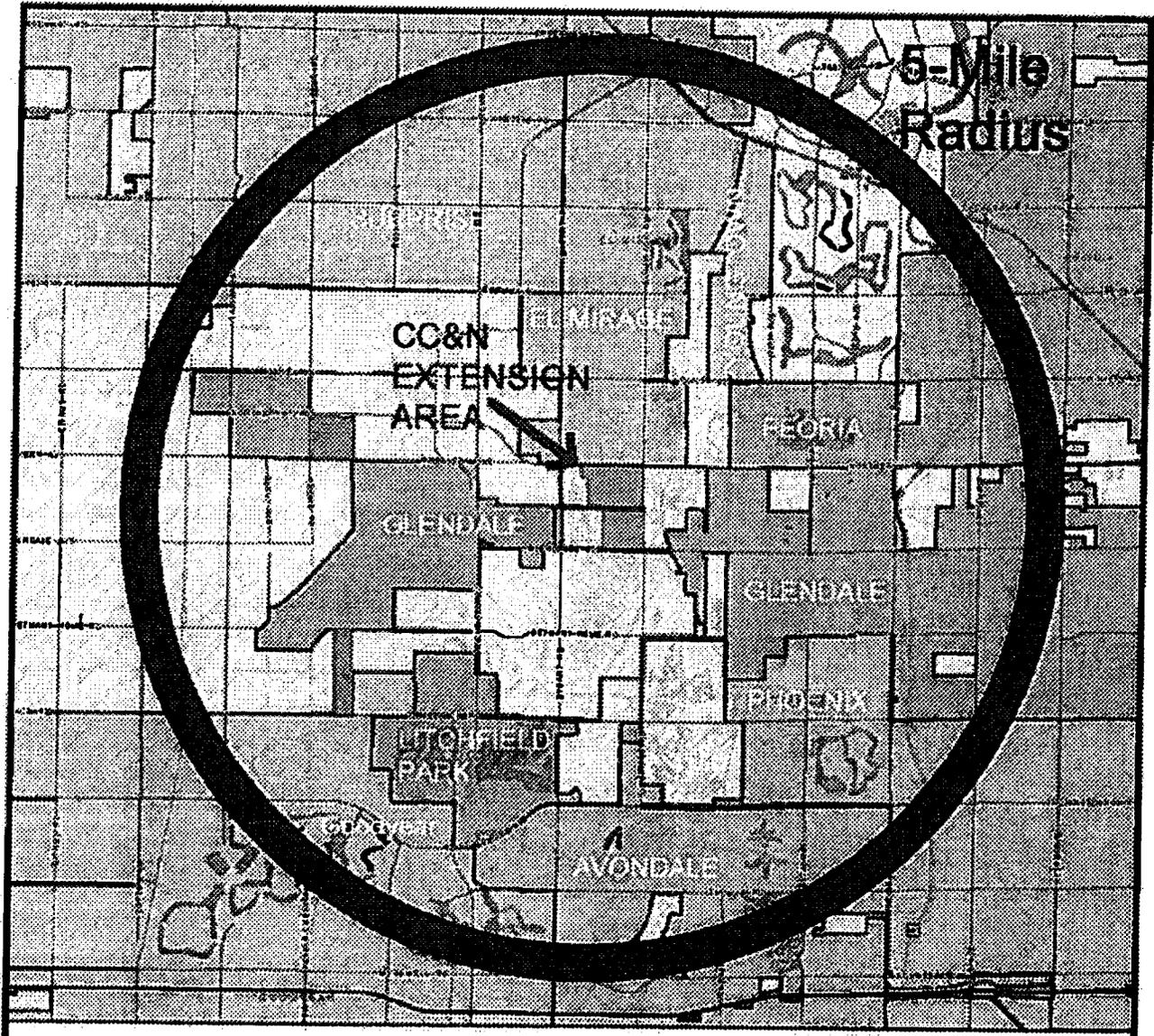
**Legal Description
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
Wastewater CC&N Extension**

**That portion of Section 2, Township 2 North, Range 1 West of the Gila and Salt River Base and Meridian,
Maricopa County, Arizona more particularly described as follows:**

**The Northeast Quarter of said Section 2;
EXCEPT the south 20.00 feet of said Northeast Quarter;**

**The East ½ of the Northwest Quarter of said Section 2;
EXCEPT the south 20.00 feet of said Northwest Quarter, and;
the west 400.44 feet of the south 1,724.91 feet of said Northwest Quarter;**

**The Southeast Quarter of said Section 2;
EXCEPT the north 140.00 feet of said Southeast Quarter.**



The City of Glendale is the closest municipality with portions of the CC&N Extension Area being part of the City of Glendale strip annex along both Glendale Ave. and Northern Ave. However, with the exception of the strip annex within the road right-of-way, the CC&N Extension area is within unincorporated Maricopa County.

Also within five miles is the City of Goodyear, City of Avondale, the City of Litchfield Park, the City of Phoenix, the City of Peoria, the Town of El Mirage, the Town of Youngtown and the City of Surprise.

CC&N Extension and Nearby Municipalities

Map:

11-1



Liberty Utilities (Litchfield Park Water & Sewer) Corp.

DATE:
5-27-14

EXHIBIT
L-6
~~ADMITTED~~


0000155880

ORIGINAL

RECEIVED

2014 SEP 11 P 4:07
AZ CORP COMMISSION
DOCKET CONTROL

1 FENNEMORE CRAIG
2 A Professional Corporation
3 Patrick J. Black (No. 017141)
4 2394 E. Camelback Rd, Suite 600
5 Phoenix, Arizona 85016
6 Telephone (602) 916-5000

7 Attorneys for Liberty Utilities (Litchfield Park Water and Sewer), Corp.

BEFORE THE ARIZONA CORPORATION COMMISSION

8 IN THE MATTER OF THE APPLICATION
9 OF LIBERTY UTILITIES (LITCHFIELD
10 PARK WATER AND SEWER), CORP. FOR
11 APPROVAL OF AN EXTENSION OF
12 THEIR CERTIFICATE OF CONVENIENCE
13 AND NECESSITY FOR WATER UTILITY
14 SERVICE IN MARICOPA COUNTY,
15 ARIZONA.

DOCKET NO. SW-01427A-14-0134
Arizona Corporation Commission
DOCKETED
SEP 11 2014

DOCKETED BY 

16 IN THE MATTER OF THE APPLICATION
17 OF LIBERTY UTILITIES (LITCHFIELD
18 PARK WATER AND SEWER), CORP. FOR
19 APPROVAL OF AN EXTENSION OF
20 THEIR CERTIFICATE OF CONVENIENCE
21 AND NECESSITY FOR WASTEWATER
UTILITY SERVICE IN MARICOPA
COUNTY, ARIZONA.

DOCKET NO. SW-01428A-14-0180

22 IN THE MATTER OF THE APPLICATION
23 OF VALLEY UTILITIES WATER
24 COMPANY, INC. FOR AN EXTENSION OF
25 ITS CERTIFICATE OF CONVENIENCE
26 AND NECESSITY TO PROVIDE WATER
UTILITY SERVICE IN MARICOPA
COUNTY, ARIZONA

DOCKET NO. W-01412A-14-0262

**NOTICE OF FILING
CERTIFICATION OF PUBLICATION
AND PROOF OF MAILING**

22 Pursuant to the Procedural Order issued August 12, 2014, Liberty Utilities
23 (Litchfield Park Water and Sewer) Corp. ("Company") hereby submits this Notice of
24 Filing Certification of Publication and Proof of Mailing in the above-captioned matters.

25 On August 14, 2014, the Company sent to property owners, via certified mail,
26 a notice regarding the Company's applications requesting approval of an extension of its

1 water and wastewater Certificates of Convenience and Necessity (CC&N), Valley
2 Utilities Water Company, Inc.'s application requesting an extension of its water CC&N,
3 and the associated hearing set to begin on September 24, 2014. Attached as **Exhibit 1** is
4 the Affidavit of Steve Carlson, Development Services Manager for the Company.

5 On August 19, 2014, notice regarding the hearing was published in the *West Valley*
6 *View* and *West Valley Business*. The affidavit of Elliott Freireich, publisher of *West*
7 *Valley View* and *West Valley Business*, is attached as **Exhibit 2**.

8 RESPECTFULLY SUBMITTED this 11th day of September, 2014.

9 FENNEMORE CRAIG, P.C.

10
11 
12 By: _____
13 Patrick J. Black
14 Attorneys for Liberty Utilities (Litchfield
15 Park Water and Sewer) Corp.

16 **ORIGINAL** and 13 copies filed
17 this 11th day of September, 2014 with:

18 Docket Control
19 Arizona Corporation Commission
20 1200 West Washington Street
21 Phoenix, Arizona 85007

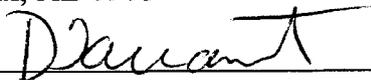
22 **COPY** of the foregoing was hand-delivered
23 this 11th day of September, 2014, to:

24 Sasha Paternoster, ALJ
25 Hearing Division
26 Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007

1 Matthew Laudone
2 Wes Van Cleve
3 Legal Division
4 Arizona Corporation Commission
5 1200 W. Washington Street
6 Phoenix, AZ 85007

7 **COPY** of the foregoing was mailed
8 this 11th day of September, 2014, to:

9 Robert J. Metli
10 Munger Chandwick, P.L.C.
11 2398 E. Camelback Road, Suite 240
12 Phoenix, AZ 85016

13 By: 

14

15

9475045.1

16

17

18

19

20

21

22

23

24

25

26

EXHIBIT 1

WEST VALLEY BUSINESS

1050 E. Riley Dr., Avondale, AZ 85323 ♦ (623) 535-8439 ♦ Fax: (623) 935-2103

AFFIDAVIT OF PUBLICATION

State of Arizona

County of Maricopa

I, Elliott Freireich, publisher of West Valley View and West Valley Business, newspapers of general circulation in Avondale, Buckeye, Goodyear, Litchfield Park and Tolleson, Arizona, attest that the legal advertisement for

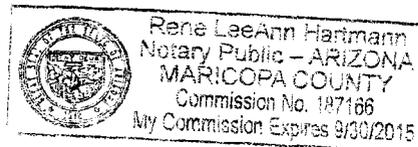
Liberty Utilities (Litchfield Park Water & Sewer) Corp.
-Public notice - Docket No. W-01412A-14-0134, ET AL.
Public Hearing for approval of an extension of
its certificate of convenience and necessity to
provide water service in Maricopa County, Az. Hearing
will be held on September 24, 2014, at 10:00am at Commission
will be / has been published on August 19, 2014 office


Elliott Freireich
President, West Valley View Inc.

August 19, 2014
Date

SUBSCRIBED AND SWORN TO BEFORE ME ON THE
19 DAY OF August (Month), 2014 (YEAR)

NOTARY SIGNATURE: Rene LeeAnn Hartmann



Public Notice

**PUBLIC NOTICE OF HEARING
ON THE APPLICATION OF
LIBERTY UTILITIES
(LITCHFIELD PARK WATER &
SEWER) CORP.
FOR APPROVAL OF AN
EXTENSION OF ITS
CERTIFICATE OF
CONVENIENCE AND
NECESSITY
TO PROVIDE WATER SERVICE
IN MARICOPA COUNTY,
ARIZONA.
DOCKET NO.
W-01412A-14-0134, ET AL.**

On April 17, 2014, Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty" or "Company") filed with the Arizona Corporation Commission ("Commission"), in Docket No. W-01427A-14-0134, an application requesting Commission approval of an extension of its current Certificate of Convenience and Necessity ("CC&N") to provide water utility service to an area known as Marbella Ranch in Maricopa County, Arizona ("Water Docket"). On June 3, 2014, Liberty filed with the Commission, in Docket No. SW-01428A-14-0180, an application requesting Commission approval of an extension of its current wastewater CC&N to provide wastewater utility service to Marbella Ranch ("Wastewater Docket").

On July 10, 2014, Valley Utilities Water Company, Inc. ("Valley") filed a competing application in Docket No. W-01412A-14-0262, which requests an extension of Valley's water CC&N to provide service to Marbella Ranch ("Valley Docket").

On August 7, 2014, all three dockets were consolidated for purposes of resolving the matters.

The Commission's Utilities Division Staff ("Staff") has not yet made a recommendation regarding the applications, and the Commission is not bound by the proposals made by Liberty, Staff, or any intervenors. The Commission will issue a Decision regarding the applications following consideration of testimony and evidence presented at an evidentiary hearing. A copy of Liberty's application is available at Liberty's offices, 12725 W. Indian School Road, Suite D-101, Avondale, Arizona 85392, and at the Commission's offices at 1200 West Washington Street, Phoenix, Arizona, for public inspection during regular business hours, and on the internet via the Commission website (www.azcc.gov) using the e-docket function.

The Commission will hold a hearing on the consolidated matters on **September 24, 2014, at 10:00 a.m.**, at the Commission's offices, in Hearing Room No. 1, 1200 West Washington Street, Phoenix, Arizona. Public comments will be taken **on the first day** of the hearing. You may also file written comments electronically by going to the Commission's homepage at www.azcc.gov and clicking on the "Submit a Public Comment" button or by mailing a letter referencing

Docket Nos. W-01427A-14-0134, et al, to: Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007.

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than **September 3, 2014**, and send a copy of the motion to Liberty or their counsel and to all parties of record. Your motion to intervene must contain the following:

1. The name, address, and telephone number and the name, address, and telephone number of any party upon whom service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of the Company etc.);
3. A statement certifying that you have mailed a copy of the motion to intervene to Liberty or its counsel and to all parties of record in the case; and
4. If the proposed intervenor is not represented by an attorney who is an active member of the Arizona State Bar, and is not an individual representing himself or herself, information and any appropriate documentation demonstrating the intervenor's compliance with Arizona Supreme Court Rules 31, 38 and 42, as applicable.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before September 3, 2014. For information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/intervenor.pdf>. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any interested person or entity from appearing at the hearing and providing public comment on the applications or from filing written comments in the record of the case.

If you have any questions concerning Liberty's applications, you may contact Liberty at (623) 298-3763. If you wish to file written comments on the applications or want further information on intervention, you may contact the Consumer Services Section of the Commission at 1200 W. Washington St., Phoenix, AZ 85007, or call 1-800-222-7000.

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.

Published in the West Valley View, and the West Valley Business on August 19, 2014.

EXHIBIT 2

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

AFFIDAVIT OF STEVE CARLSON

Steve Carlson, being duly sworn, deposes and says:

1. I am a resident of Maricopa County, over 18 years of age, and make this affidavit based on my own personal knowledge.

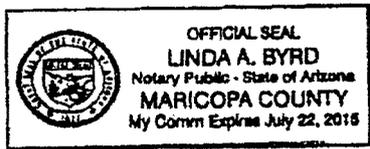
2. I am the Development Services Manager for Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty").

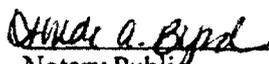
3. Pursuant to the Procedural Order dated August 12, 2014, on August 14, 2014 Liberty sent to property owners, via certified mail, the notice regarding Liberty's applications requesting approval of an extension of its water and wastewater Certificates of Convenience and Necessity (CC&N), Valley Utilities Water Company, Inc.'s application requesting an extension of its water CC&N, and the associated hearing set to begin on September 24, 2014. Attached as Exhibit A is a copy of the notice.

4. In further accordance with the Procedural Order, Liberty files this affidavit of mailing.


Steve Carlson

SUBSCRIBED and sworn to before me this 9th day of September, 2014.




Notary Public

My Commission Expires:
July 22, 2015

EXHIBIT A

**PUBLIC NOTICE OF HEARING ON THE APPLICATION OF
LIBERTY UTILITIES (LITCHFIELD PARK WATER & SEWER) CORP.
FOR APPROVAL OF AN EXTENSION OF ITS
CERTIFICATE OF CONVENIENCE AND NECESSITY
TO PROVIDE WATER SERVICE IN MARICOPA COUNTY, ARIZONA.
DOCKET NO. W-01412A-14-0134, ET AL.**

On April 17, 2014, Liberty Utilities (Litchfield Park Water & Sewer) Corp. ("Liberty" or "Company") filed with the Arizona Corporation Commission ("Commission"), in Docket No. W-01427A-14-0134, an application requesting Commission approval of an extension of its current Certificate of Convenience and Necessity ("CC&N") to provide water utility service to an area known as Marbella Ranch in Maricopa County, Arizona ("Water Docket"). On June 3, 2014, Liberty filed with the Commission, in Docket No. SW-01428A-14-0180, an application requesting Commission approval of an extension of its current wastewater CC&N to provide wastewater utility service to Marbella Ranch ("Wastewater Docket").

On July 10, 2014, Valley Utilities Water Company, Inc. ("Valley") filed a competing application in Docket No. W-01412A-14-0262, which requests an extension of Valley's water CC&N to provide service to Marbella Ranch ("Valley Docket").

On August 7, 2014, all three dockets were consolidated for purposes of resolving the matters.

The Commission's Utilities Division Staff ("Staff") has not yet made a recommendation regarding the applications, and the Commission is not bound by the proposals made by Liberty, Staff, or any intervenors. The Commission will issue a Decision regarding the applications following consideration of testimony and evidence presented at an evidentiary hearing. A copy of Liberty's application is available at Liberty's offices, 12725 W. Indian School Road, Suite D-101, Avondale, Arizona 85392, and at the Commission's offices at 1200 West Washington Street, Phoenix, Arizona, for public inspection during regular business hours, and on the internet via the Commission website (www.azcc.gov) using the e-docket function.

The Commission will hold a hearing on the consolidated matters on **September 24, 2014, at 10:00 a.m.**, at the Commission's offices, in Hearing Room No. 1, 1200 West Washington Street, Phoenix, Arizona. Public comments will be taken **on the first day** of the hearing. You may also file written comments electronically by going to the Commission's homepage at www.azcc.gov and clicking on the "Submit a Public Comment" button or by mailing a letter referencing Docket Nos. W-01427A-14-0134, et al, to: Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007.

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than **September 3, 2014**, and send a copy of the motion to Liberty or their counsel and to all parties of record. Your motion to intervene must contain the following:

1. The name, address, and telephone number and the name, address, and telephone number of any party upon whom service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of the Company etc.);
3. A statement certifying that you have mailed a copy of the motion to intervene to Liberty or its counsel and to all parties of record in the case; and
4. If the proposed intervenor is not represented by an attorney who is an active member of the Arizona State Bar, and is not an individual representing himself or herself, information and any appropriate documentation demonstrating the intervenor's compliance with Arizona Supreme Court Rules 31, 38 and 42, as applicable.

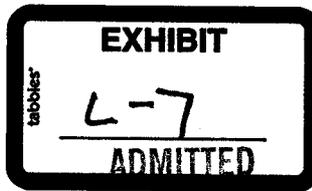
The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before **September 3, 2014**. For information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any interested person or entity from appearing at the hearing and providing public comment on the applications or from filing written comments in the record of the case.

If you have any questions concerning Liberty's applications, you may contact Liberty at (623) 298-3763. If you wish to file written comments on the applications or want further information on intervention, you may contact the Consumer Services Section of the Commission at 1200 W. Washington St., Phoenix, AZ 85007, or call 1-800-222-7000.

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.



0000155965



RECEIVED

2014 SEP 17 P 2:11

AZ CORP COMMISSION
DOCKET CONTROL

1 FENNEMORE CRAIG
2 A Professional Corporation
3 Patrick J. Black (No. 017141)
4 2394 E. Camelback Rd, Suite 600
5 Phoenix, Arizona 85016
6 Telephone (602) 916-5000

ORIGINAL

Attorneys for Liberty Utilities (Litchfield Park Water and Sewer), Corp.

BEFORE THE ARIZONA CORPORATION COMMISSION

7 IN THE MATTER OF THE APPLICATION
8 OF LIBERTY UTILITIES (LITCHFIELD
9 PARK WATER AND SEWER), CORP. FOR
10 APPROVAL OF AN EXTENSION OF
11 THEIR CERTIFICATE OF CONVENIENCE
AND NECESSITY FOR WATER UTILITY
SERVICE IN MARICOPA COUNTY,
ARIZONA.

DOCKET NO. ~~SW~~-01427A-14-0134
Arizona Corporation Commission

DOCKETED

SEP 17 2014

DOCKETED BY

12 IN THE MATTER OF THE APPLICATION
13 OF LIBERTY UTILITIES (LITCHFIELD
14 PARK WATER AND SEWER), CORP. FOR
15 APPROVAL OF AN EXTENSION OF
16 THEIR CERTIFICATE OF CONVENIENCE
AND NECESSITY FOR WASTEWATER
UTILITY SERVICE IN MARICOPA
COUNTY, ARIZONA.

DOCKET NO. SW-01428A-14-0180

17 IN THE MATTER OF THE APPLICATION
18 OF VALLEY UTILITIES WATER
19 COMPANY, INC. FOR AN EXTENSION OF
20 ITS CERTIFICATE OF CONVENIENCE
21 AND NECESSITY TO PROVIDE WATER
UTILITY SERVICE IN MARICOPA
COUNTY, ARIZONA

DOCKET NO. W-01412A-14-0262

**LIBERTY UTILITIES' RESPONSE TO
STAFF REPORT**

22 Pursuant to the Procedural Order issued August 12, 2014, Liberty Utilities
23 (Litchfield Park Water and Sewer) Corp. ("Liberty" or "Company"), hereby submits this
24 Response to the Staff Report filed on September 4, 2014.

25 Liberty appreciates and agrees with Commission Staff's ("Staff") recommendation
26 to grant the Company's application to extend both its water and wastewater Certificate of

1 Convenience and Necessity (“CC&N”) to serve the Marbella Ranch Development. Liberty,
2 however, takes exception to Staff Recommendation No. 5, which would require the
3 Company to fund its future infrastructure needs with 70 percent equity, and no more than 30
4 percent of advances in aid of construction (AIAC) and contributions in aid of construction
5 (CIAC) combined. For the reasons detailed below, Liberty asserts that this
6 recommendation is contrary to requirements set forth in the Company’s existing service
7 tariffs with regard to financing both water and wastewater infrastructure. In addition, the
8 Company believes that issues concerning financing and investment in utility infrastructure
9 are more appropriate to address in rate case proceedings.

10 **1. Liberty’s Existing Tariffs Are in Conflict with Staff Recommendation No. 5.**

11 Liberty’s existing general wastewater service tariff, approved in Decision No. 74437
12 (April 18, 2014), requires that all main extensions shall be completed at cost and shall be
13 treated as CIAC. Attached hereto as Exhibit A, the tariff specifically states “Per A.A.C.
14 R14-2-606(b) - All main extensions shall be completed at cost and shall be treated as
15 non-refundable contributions in aid of construction.” Liberty believes that this requirement
16 in its wastewater tariff was an error and the Company is in the process of filing a corrected
17 tariff for review by Staff. Until that tariff correction is made, however, Staff
18 Recommendation No. 5 conflicts with the Company’s tariff.

19 In addition, the Wastewater Hook-Up Fee Tariff requires the Company to charge
20 \$1,800 for each new wastewater hook-up based on the Equivalent Residential Unit
21 (“ERU”) of 320 gallons per day, specifying that such funds shall be treated as CIAC.¹
22 Because the cost of new wastewater infrastructure can vary from project to project, there are
23 some instances where Liberty will be required to charge more than 30 percent of the costs as
24 CIAC alone. Given these two legal requirements imposed by the Commission-approved
25

26 ¹ Commercial, industrial and “active adult” communities are assessed hook-up fees based on different ERU factors.

1 tariff, it is not reasonable to specify that Liberty fund all new infrastructure needs with no
2 more than 30 percent AIAC and CIAC.

3 Similarly, the Water Hook-Up Fee Tariff requires a non-refundable contribution
4 between \$1,800 (for each 5/8" x 3/4" meter) and \$967,500 (for each 12-inch meter). This
5 hook-up fee, like the wastewater hook-up fee, shall be in addition to any costs associated
6 with the construction of on-site facilities under a main extension agreement.² As a result, in
7 addition to being contrary to its main extension tariff, the Company's ability to fund plant
8 with less than 30 percent AIAC and CIAC is hampered by the requirement to charge
9 hook-up fees and treat such financing as CIAC.

10 **2. The Reasonableness of Plant Financing is an Issue for a Rate Case.**

11 As discussed, the Company is legally required under its tariffs to require a certain
12 amount of CIAC from developers, and that CIAC could exceed Staff's 30 percent
13 AIAC/CIAC cap. Moreover, Staff's recommendation could actually force Liberty to take
14 on development risk and pass it on to the customers. This is true because the purpose of
15 AIAC is to keep the build out risk for new development on the developer, not the utility and
16 its customers. But if Liberty is required by this Commission to fund plant for new
17 development with equity, then Liberty is entitled to a return on and of that investment
18 through the rates paid by all customers. This would be true even if the development does
19 not build out as planned and all the plant is not yet used and useful because Liberty would
20 have been obligated by the Commission to fund plant for new growth with equity.

21 In such light, it can be said that Staff's recommendation invades the management
22 function of a public service corporation. Specifically, it is up to Liberty to determine how to
23 finance plant, consistent with law and regulation. This should be especially true for an
24 entity like Liberty, which has access to the capital markets through its parent company, as
25

26 ² Sheets 33 and 37 of the Company's Tariff.

1 Staff has repeatedly testified in Liberty's rate cases. Ultimately, all plant financing
2 decisions are subject to scrutiny in a rate case where the plant is to be included in plant in
3 service. If, in such a rate case, Staff (or any other party) feels that certain plant has not been
4 prudently financed, then it can make such an argument and offer a recommendation for
5 how to address its concerns. There is simply no basis to impose such restrictions in
6 advance, particularly given the clear risk of having to fund plant for new growth that would
7 be faced by Liberty and its customers if Staff's recommendation were adopted by the
8 Commission in this docket. At a minimum, Staff Recommendation No. 5 should be
9 modified to state: "To require Liberty to fund its future infrastructure needs with 70 percent
10 equity and no more than 30 percent AIAC and CIAC combined, subject to Liberty's
11 applicable water and wastewater tariffs."

12 RESPECTFULLY SUBMITTED, this 17th day of September, 2014.

13 FENNEMORE CRAIG, P.C.

14
15 for By: 

16 Patrick J. Black
17 Attorneys for Liberty Utilities (Litchfield
18 Park Water and Sewer) Corp.

19
20
21
22 ORIGINAL and 13 copies filed
23 this 17th day of September, 2014 with:

24 Docket Control
25 Arizona Corporation Commission
26 1200 West Washington Street
Phoenix, Arizona 85007

1 **COPY** of the foregoing was hand-delivered and/or
2 mailed/mailed this 17th day of September, 2014, to:

3 Sasha Paternoster
4 Hearing Division
5 Arizona Corporation Commission
6 1200 W. Washington Street
7 Phoenix, AZ 85007

8 Matthew Laudone, Esq.
9 Legal Division
10 Arizona Corporation Commission
11 1200 W. Washington Street
12 Phoenix, AZ 85007

13 Blessing Chuckwu
14 Utilities Division
15 Arizona Corporation Commission
16 1200 W. Washington Street
17 Phoenix, AZ 85007

18 By:  _____

19 9490727.4/035227.0035

20
21
22
23
24
25
26

EXHIBIT A

Applies to all WASTEWATER service areas
PART THREE
STATEMENT OF CHARGES FOR WASTEWATER SERVICE

C. Miscellaneous Service Charges

<u>Service</u>	<u>Charge</u>
Establishment	\$20.00
Re-Establishment (within 12 months)	(a)
Reconnection	\$20.00
NSF Check	25.00
Deferred Payment (per month)	1.50%
After Hours Service Calls*	\$40.00
Deposit	(b)
Deposit Interest	6.00%
Late Charge	(c)
Service Lateral Connection Charge – All Sizes	(d)
Main Extension Tariff	(e)

(a) Number of full months off the system times the minimum charge, per A.A.C. R14-2-603(D).

(b) Per Rule R14-2-603(B). Residential – two times the average monthly bill. Non-residential – two and one half times the average monthly bill.

(c) Greater of \$5.00 or 1.50% of unpaid balance.

(d) At cost. Customer/Developer shall install or cause to be installed all Service Laterals as a non-refundable contributions in aid of construction.

(e) Per A.A.C. R14-2606(b). All Main Extensions shall be completed at cost and shall be treated as non-refundable contribution-in-aid of construction.

*For After Hours Service Calls for work performed on the customer's property after hours, at customer's request. In addition to the charge for an utility service provided.

ISSUED BY:

Greg Sorensen, President - Arizona
 Liberty Utilities (Litchfield Park Water & Sewer) Corp.
 12725 W. Indian School Road, Suite D-101
 Avondale, AZ 85392