

OPEN MEETING ITEM

COMMISSIONERS
SUSAN BITTER SMITH - Chairman
BOB STUMP
BOB BURNS
DOUG LITTLE
TOM FORESE



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ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

ARIZONA CORPORATION COMMISSION

DATE: JANUARY 14, 2015

DOCKET NO.: W-02113A-13-0118

TO ALL PARTIES: ORIGINAL

Enclosed please find the recommendation of Administrative Law Judge Teena Jibilian. The recommendation has been filed in the form of an Order on:

CHAPARRAL CITY WATER COMPANY
(NUNC PRO TUNC CORRECTING DECISION NO. 74585)

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Administrative Law Judge by filing an original and thirteen (13) copies of the exceptions with the Commission's Docket Control at the address listed below by **4:00** p.m. on or before:

JANUARY 23, 2015

The enclosed is NOT an order of the Commission, but a recommendation of the Administrative Law Judge to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Open Meeting to be held on:

FEBRUARY 3, 2015 and FEBRUARY 4, 2015

For more information, you may contact Docket Control at (602) 542-3477 or the Hearing Division at (602) 542-4250. For information about the Open Meeting, contact the Executive Director's Office at (602) 542-3931.

Arizona Corporation Commission

DOCKETED

JAN 14 2015

DOCKETED BY 

JODI JERICH
EXECUTIVE DIRECTOR

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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

SUSAN BITTER SMITH - Chairman
BOB STUMP
BOB BURNS
DOUG LITTLE
TOM FORESE

IN THE MATTER OF THE APPLICATION OF
CHAPARRAL CITY WATER COMPANY FOR A
DETERMINATION OF THE CURRENT FAIR
VALUE OF ITS UTILITY PLANT AND
PROPERTY AND FOR INCREASE IN ITS RATES
AND CHARGES BASED THEREON.

DOCKET NO. W-02113A-13-0118

DECISION NO. _____

ORDER CORRECTING
DECISION NO. 74585
NUNC PRO TUNC

Open Meeting
February 3 and 4, 2015
Phoenix, Arizona

BY THE COMMISSION:

* * * * *

Having considered the entire record herein and being fully advised in the premises, the Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

FINDINGS OF FACT

1. On June 20, 2014, the Commission issued Decision No. 74568, setting new rates for Chaparral City Water Company ("CCWC" or the "Company").
2. On July 30, 2014, the Commission issued Decision No. 74585. Decision No. 74585 corrected errors in Decision No. 74568 *nunc pro tunc*.
3. On December 17, 2014, CCWC filed a Request for Order *Nunc Pro Tunc* to correct Decision No. 74585 ("Request").
4. The Request asks that the Commission issue a Decision that corrects references to "third tier commodity rate" in Decision No. 74585 to "highest block commodity rate".
5. CCWC states in the Request that after conferring with Commission Staff, CCWC has determined that the specific language of Decision No. 74585 is in error, as it indicates that the additional \$0.0573 per kgal charge designed to fund CCWC's low income program only applies to

1 the "third tier commodity rate". CCWC states that contrary to language in Decision No. 74585 that
2 describes the \$0.0573 per kgal charge as being included only in third tier rates to fund CCWC's low
3 income program, the \$0.0573 per kgal charge is actually incorporated into the highest block
4 commodity rate for all residential and commercial customer classes. For all meter sizes other than
5 the 3/4 inch meter residential and commercial meters, the highest block is the second tier.

6 6. The rate design approved in Decision No. 74585 correctly recovers the revenue
7 authorized by Decision No. 74568. CCWC does not allege otherwise in the Request, and does not
8 allege that any change to its tariffs is necessary.

9 7. Findings of Fact in Decision No. 74585 incorrectly refer to "third tier commodity rate"
10 whereas they should have referred to "highest block commodity rate," because some rate classes do
11 not have a third tier commodity rate.

12 8. Decision No. 74585 should be corrected, *nunc pro tunc*, to clarify that the \$0.0573 per
13 kgal charge to fund CCWC's low income program is incorporated not only into the highest (third
14 tier) block commodity rate for 3/4 inch meter residential and commercial meters, but also into the
15 highest block commodity rate for all other residential and commercial customer classes, which is the
16 second tier for those rate classes.

17 9. This Decision *Nunc Pro Tunc* does not result in any change to the rates and charges
18 authorized by Decision No. 74568, as corrected by Decision No. 74585.

19 CONCLUSIONS OF LAW

20 1. CCWC is a public service corporation within the meaning of Article XV of the
21 Arizona Constitution and A.R.S. §§ 40-250 and 40-251.

22 2. The Commission has jurisdiction over CCWC and the subject matter of the
23 application.

24 3. Decision No. 74585 should be corrected, *nunc pro tunc*, as discussed in Findings of
25 Fact No. 8.

26 4. This Decision *Nunc Pro Tunc* does not result in any change to the rates and charges
27 authorized by Decision No. 74568, as corrected by Decision No. 74585, and therefore no revised
28 tariff filing is necessary.

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ORDER

IT IS THEREFORE ORDERED that Decision No. 74585 is hereby corrected, *nunc pro tunc*, to clarify that the \$0.0573 per kgal charge to fund Chaparral City Water Company's low income program is incorporated not only into the highest (third tier) block commodity rate for 3/4 inch meter residential and commercial meters, but also into the highest block commodity rate for all other residential and commercial customer classes, which is the second tier for those rate classes.

IT IS FURTHER ORDERED that this Decision *Nunc Pro Tunc* does not result in any change to the rates and charges authorized by Decision No. 74568, as corrected by Decision No. 74585, and therefore no revised tariff filing is necessary.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

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|--------------|--------------|--------------|
| CHAIRMAN | | COMMISSIONER |
| COMMISSIONER | COMMISSIONER | COMMISSIONER |

IN WITNESS WHEREOF, I, JODI JERICH, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this _____ day of _____ 2015.

JODI JERICH
EXECUTIVE DIRECTOR

DISSENT _____

DISSENT _____

TJ:tv

1 SERVICE LIST FOR: CHAPARRAL CITY WATER COMPANY

2 DOCKET NO.: W-02113A-13-0118

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