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OPEN MEETING AGENDA ITEM

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

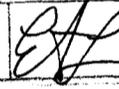
SUSAN BITTER SMITH - CHAIRMAN
BOB STUMP
BOB BURNS
DOUG LITTLE
TOM FORESE

Arizona Corporation Commission

DOCKETED

SEP 24 2015

ORIGINAL

DOCKETED BY 

ARIZONA CORPORATION COMMISSION
DOCKET CONTROLLER
2015 SEP 24 AM 10:58
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IN THE MATTER OF THE APPLICATION OF
QUAIL CREEK WATER COMPANY, INC.,
AN ARIZONA CORPORATION, FOR A
DETERMINATION OF THE FAIR VALUE OF
ITS UTILITY PLANT AND PROPERTY AND
FOR INCREASES IN ITS WATER RATES
AND CHARGES FOR UTILITY SERVICES
BASED THEREON.

DOCKET NO. W-02514A-14-0343

**STAFF'S REQUEST FOR CLARIFYING
COMMENTS TO RECOMMENDED
OPINION AND ORDER**

On September 16, 2015, a Recommended Opinion and Order ("ROO") was filed in the above-captioned matter. The Utilities Division ("Staff") of the Arizona Corporation Commission ("Commission") supports the conclusions reached by the ROO. However, upon its review of the ROO, Staff noted an omission pertaining to depreciation rates that it believes should be mentioned with particularity.

Prior to and at the time of the hearing in this matter, Quail Creek Water Company ("QCW") and Staff were in agreement with the change of depreciation rates from a composite as ordered in Decision No. 61611 to the account specific depreciation rates by individual National Association of Regulatory Commissioners ("NARUC") category. The ROO reflects that the parties had resolved all issues in dispute, including this issue. However, due to the fact that there is a change in the depreciation rates to be applied going forward, Staff requests that language be added to the ROO that states with particularity the adoption of the aforementioned NARUC account specific depreciation rates. Staff has contacted counsel for QCW, Jay Shapiro, who has no objection to this change being set forth specifically in the ROO.

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1 For the convenience and consideration of the Hearing Division, Staff has prepared the
2 following language in the form of an amendment to the ROO which reflects this clarification.

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4 INSERT

5 Page 10, Line 20:

6 In its Application, QCW proposed that, going forward, account specific depreciation rates by
7 individual National Association of Regulatory Utility Commissioners ("NARUC") category be used.¹
8 Staff recommended that such NARUC account specific depreciation rates be adopted as set forth in
9 the Staff Report.² The parties jointly agreed to the adoption of such rates prior to the hearing.³ The
10 parties' resolution of this issue is reasonable and shall be adopted.

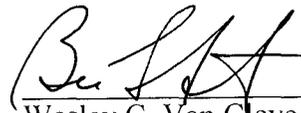
11
12 INSERT

13 Page 21, Line 1:

14 IT IS FURTHER ORDERED that, going forward, Quail Creek Water Company shall use the
15 depreciation rates by individual National Association of Regulatory Utility Commissioners account
16 as presented in Table E of the Engineering Report attached to the Direct Testimony of Staff Witness,
17 Michael Thompson, in this matter.

18 RESPECTFULLY SUBMITTED this 24th day of September, 2015.

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27 ¹ Ex. A-1 Application, Bourassa Direct at 8; Schedule C-2, p. 2.

² Ex. S-4, Engineering Report, p. 11.

28 ³ Ex. J-2, Hearing Schedule C-2, p. 2.

1 Original and thirteen (13) copies of
2 the foregoing filed this 24th day
of September, 2015, with:

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

7 Copy of the foregoing emailed/mailed
8 this 24th day of September, 2015, to:

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