

ORIGINAL



0000164505

BEFORE THE ARIZONA CORPORATION COMI

RECEIVED

2015 AUG -7 A 10: 28

- 1 SUSAN BITTER SMITH
CHAIRMAN
- 2
- 3 BOB STUMP
COMMISSIONER
- 4 BOB BURNS
COMMISSIONER
- 5 DOUG LITTLE
COMMISSIONER
- 6 TOM FORESE
COMMISSIONER
- 7

Arizona Corporation Commission

DOCKETED

AUG 07 2015

AZ CORP COMMISSION
DOCKET CONTROL

DOCKETED BY	
-------------	--

8 IN THE MATTER OF THE COMMISSION
9 INQUIRY CONCERNING POSSIBLE
SOLUTIONS AND FUNDING MECHANISMS
FOR SMALL WATER COMPANIES.

Docket No. W-00000C-15-0250

RUCO'S COMMENTS

11 The Residential Utility Consumer Office ("RUCO") offers the following Comments in
12 response to Staff's letter of July 10, 2015, seeking Comments from interested parties on the
13 issue of Small Water System Funds.

BACKGROUND

15 On July 8, 2015, at the direction of the Commissioners, Docket No. W-00000C-15-0250
16 was opened by the Arizona Corporation Commission ("ACC") in order to consider possible
17 solutions and funding mechanisms for small water systems.¹ As a result of the most recent
18 revisions to the Arizona Revised Statues ("A.R.S.") §49-355 the ACC Commissioners directed
19 Commission Staff personnel to research available options for permanent funding mechanism
20 for the Small Water System Fund ("SWSF").

21 The Arizona Revised Statue §49-355 states that "*the small water systems fund is*
22 *established in the department of environmental quality. On designation of the director*

23 _____
24 ¹ The definition of "Small Water Systems" means a Public Water System that serves five hundred or fewer connections. See Arizona Revised Statue §49-355

1 *of environmental quality, the fund may be administered by the water infrastructure*
2 *finance authority of Arizona. The fund consists of monies appropriated by the*
3 *legislature.”*

4 The purpose of the SWSF is used to *“provide emergency grants to interim*
5 *operators or interim managers of small water systems that are appointed by the Arizona*
6 *corporation commission to repair or replace failing water infrastructure.”*²

7 The Arizona Revised Statue §49-355 goes on to state that *“on recommendation of the*
8 *Arizona corporation commission the water infrastructure finance authority of Arizona*
9 *may approve a grant FROM THE FUND to an interim operator or an interim manager of a*
10 *small water system pursuant to the section only if the operator or manager*
11 *demonstrates that it requires immediate financial assistance to REPLACE, make repairs*
12 *to or to rehabilitate the public water system INFRASTRUCTURE that is operated by the*
13 *interim operator or manager in order to correct or avoid an interruption in water*
14 *service.”*³

15 On July 10, 2015, Staff distributed a letter requesting comments on ideas discussed at
16 the Commission Staff meeting and any additional ideas that should be considered. Comments
17 were to be filed by August 7, 2015.

18 **COMMENTS**

19 RUCO believes that additional background is necessary before it can make meaningful
20 comments or suggestions for improvement of this process.

21
22
23
24 ² See Arizona Revised Statue §49-355

³ See Arizona Revised Statue §49-355

1 AN ORIGINAL AND THIRTEEN COPIES
2 of the foregoing filed this 7th day
3 of August, 2015 with:

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

5 COPIES of the foregoing hand delivered/
6 mailed this 7th day of August, 2015 to:

7 Dwight D. Nodes
8 Hearing Division
9 Arizona Corporation Commission
10 1200 West Washington
11 Phoenix, Arizona 85007

10 Janice Alward, Chief Counsel
11 Legal Division
12 Arizona Corporation Commission
13 1200 West Washington
14 Phoenix, Arizona 85007

13 Steve Olea, Director
14 Utilities Division
15 Arizona Corporation Commission
16 1200 West Washington
17 Phoenix, Arizona 85007

16

17 By Cheryl Fraulob
18 Cheryl Fraulob

19

20

21

22

23

24