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E ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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

IN THE MATTER OF THE APPLICATION
OF ARIZONA WATER COMPANY, AN
ARIZONA CORPORATION, FOR A
DETERMINATION OF THE FAIR VALUE
OF ITS UTILITY PLANT AND PROPERTY
AND FOR ADJUSTMENTS TO ITS RATES
AND CHARGES FOR UTILITY SERVICE
FURNISHED BY ITS EASTERN GROUP
AND FOR CERTAIN RELATED
APPROVALS.

DOCKET NO. W-01445A-11-0310

DECISION NO. 75298

Arizona Corporation Commission
DOCKETED

OCT 27 2015

DOCKETED BY

Open Meeting
October 20, 2015
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. On August 4, 2014, the Arizona Corporation Commission ("Commission") issued Decision No. 74590. Among other things, Decision No. 74590 approved Arizona Water Company's ("Company") implementation of a system improvement benefits ("SIB") surcharge consistent with the Commission's approval of a SIB mechanism for the Company in Decision No. 73938 (June 27, 2013). On August 18, 2015, the Arizona Court of Appeals issued an opinion in Case No. 1 CA-CC 13-0002 which set aside the Commission's approval of the SIB mechanism approved by Decision No. 73938.

2. In light of the Court's ruling, and in balancing the interests that are implicated in this matter, the Commission finds it is reasonable and in the public interest to stay collection of the surcharge approved by Decision No. 74590 pending the outcome of further court proceedings.

CONCLUSIONS OF LAW

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2 1. Arizona Water Company is a public service corporation within the meaning of Article
3 XV of the Arizona Constitution.

4 2. The Commission has jurisdiction over Arizona Water Company, and the subject
5 matter of this filing.

6 3. It is in the public interest to stay the collection of of the System Improvement Benefits
7 Mechanism surcharge approved by Decision No. 74590 pending the outcome of further court
8 proceedings and until further order of the Commission.

9 **ORDER**

10 IT IS THEREFORE ORDERED that the System Improvement Benefit Mechanism surcharge
11 approved by Decision No. 74590, is hereby stayed until further order of the Commission.

12 IT IS FURTHER ORDERED that all compliance requirements specifically associated with
13 operation of the System Improvement Benefits Mechanism are stayed until further order of the
14 Commission.

15 IT IS FURTHER ORDERED that all other aspects of Decision No. 74590 shall remain in
16 effect.

17 IT IS FURTHER ORDERED that this Decision shall become effective immediately.
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BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION

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 this Commission to be affixed at the Capitol, in the City of Phoenix, this 27th day of October, 2015.

JODI JERICH
EXECUTIVE DIRECTOR

DISSENT: _____

DISSENT: _____

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