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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

DOUG LITTLE – Interim Chairman
BOB STUMP
BOB BURNS
TOM FORESE
VACANT

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AZ CORP COMMISSION
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IN THE MATTER OF THE APPLICATION OF
ARIZONA WATER COMPANY TO EXTEND
ITS CERTIFICATE OF CONVENIENCE AND
NECESSITY IN CASA GRANDE, PINAL
COUNTY, ARIZONA.

DOCKET NO. W-01445A-03-0559
STAFF'S RESPONSIVE TESTIMONY

Staff of the Arizona Corporation Commission (“Staff”) hereby provides notice of filing the responsive testimony of Vicki Wallace, in the above-referenced docket.

RESPECTFULLY SUBMITTED this 6th day of January, 2016.

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Original and thirteen (13) copies of the foregoing were filed this 6th day of January, 2016, with:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Arizona Corporation Commission

DOCKETED

JAN 06 2016

DOCKETED BY

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BEFORE THE ARIZONA CORPORATION COMMISSION

DOUG LITTLE
Interim Chairman
BOB STUMP
Commissioner
BOB BURNS
Commissioner
TOM FORESE
Commissioner

IN THE MATTER OF THE APPLICATION OF) DOCKET NO. W-01445A-03-0559
ARIZONA WATER COMPANY TO EXTEND)
ITS EXISTING CERTIFICATE OF)
CONVENIENCE AND NECESSITY AT CASA)
GRANDE AND PINAL COUNTY, ARIZONA.)
_____)

DIRECT
TESTIMONY
OF
VICKI WALLACE
EXECUTIVE CONSULTANT III
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION

JANUARY 6, 2016

1 **INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. I am Vicki Wallace, and my business address is 1200 West Washington Street, Phoenix, AZ,
4 85007.

5
6 **Q. For whom do you work and in what capacity?**

7 A. I work for the Arizona Corporation Commission in the Utilities Division as an Executive
8 Consultant III.

9
10 **Q. Please briefly describe your relevant background.**

11 A. I have an undergraduate Business Degree and 30 years of experience in public utility
12 regulation, 12 of which have been in various capacities with the Arizona Corporation
13 Commission, Utilities Division.

14
15 **Q. What are your duties in your capacity as an Executive Consultant III?**

16 A. My primary duties include, but are not limited to, the review and analysis of applications
17 involving Certificates of Convenience and Necessity ("CC&N") to provide electric, water, or
18 wastewater services to the public. I also review and provide Staff approval for main line
19 extension submissions of water utilities, coordinate the recruitment and management
20 activities of Interim Managers appointed by the ACC, and conduct research and prepare
21 special reports/testimony for the Director's Office.

22
23 **Q. Did you review the Staff Report prepared by Steve Olea in this matter and filed on
24 June 12, 2006 as well as the pre-filed testimonies also prepared by Steve Olea in this
25 matter and filed on July 5, 2006 and January 18, 2008?**

26 A. Yes.

1 **Q. Did you review the testimony filed by Arizona Water Company filed on May 30, 2014**
2 **and by Cornman Tweedy 560, LLC filed on July 18, 2014?**

3 A. Yes.

4
5 **Q. In response to the procedural order dated December 9, 2015, did you investigate the**
6 **number of integrated versus non-integrated water and wastewater utilities in Arizona,**
7 **the differences between integrated and non-integrated water and wastewater utilities,**
8 **and actual performance- and compliance-related data for integrated and non-**
9 **integrated Arizona water and wastewater utilities?**

10 A. Yes.

11
12 **Q. How many integrated water and wastewater utilities are there in Arizona?**

13 A. There are approximately 24 combination water and sewer providers under our jurisdiction.

14
15 **Q. How many non-integrated water utilities are there are in Arizona?**

16 A. There are approximately 280 water companies operating approximately 400 systems.

17
18 **Q. Does Staff have a view as to the differences between integrated and non-integrated**
19 **water and wastewater utilities?**

20 A. Staff views an integrated utility as one that is in a situation where the water and wastewater
21 utilities serving in a given service territory have common ownership (the same company or
22 parent company). A non-integrated utility provides only water or only wastewater service
23 within the service territory.
24

1 **Q. Does Staff have any actual performance-related data comparing integrated and non-**
2 **integrated water and wastewater utilities?**

3 A. Not to my knowledge.
4

5 **Q. Does Staff have any actual compliance-related data comparing integrated and non-**
6 **integrated water and wastewater utilities?**

7 A. Not to my knowledge.
8

9 **Q. Does this conclude your testimony?**

10 A. Yes, it does.