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BEFORE THE ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION
DOCKET CONTROL

DOUG LITTLE, Chairman
BOB STUMP
BOB BURNS
TOM FORESE
VACANT

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

ARIZONA WATER COMPANY'S
NOTICE OF FILING
SUPPLEMENTAL
SURREBUTTAL TESTIMONY

Arizona Water Company hereby gives notice of filing the supplemental surrebuttal testimony of Paul Walker (attached as Exhibit A).

DATED this 1st day of February, 2016.

BRYAN CAVE LLP

By

Steven A. Hirsch
Coree E. Neumeyer
Two N. Central Avenue, Suite 2200
Phoenix, AZ 85004-4406
Attorneys for Arizona Water Company

Arizona Corporation Commission

DOCKETED

FEB 01 2016

DOCKETED BY

BRYAN CAVE LLP
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1 **ORIGINAL** and 13 copies filed this
2 1st day of February, 2016, with:

3 Docket Control
4 Arizona Corporation Commission
5 1200 W. Washington Street
6 Phoenix, AZ 85007

7 **COPY** of the foregoing hand-delivered
8 this 1st day of February, 2016, to:

9 Janice Alward, Chief Counsel
10 Legal Division
11 Arizona Corporation Commission
12 1200 W. Washington Street
13 Phoenix, AZ 85007

14 Thomas M. Broderick, Director
15 Utilities Division
16 Arizona Corporation Commission
17 1200 W. Washington Street
18 Phoenix, AZ 85007

19 Chief Administrative Law Judge
20 Arizona Corporation Commission
21 1200 W. Washington Street
22 Phoenix, AZ 85007

23 **COPY** of the foregoing mailed and e-mailed
24 this 1st day of February, 2016, to:

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Exhibit A

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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

DOUG LITTLE - CHAIRMAN
BOB STUMP
BOB BURNS
TOM FORESE

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

Supplemental Surrebuttal Testimony

of Paul Walker

Related to January 6, 2016 Staff Testimony

on Behalf of

Arizona Water Company

February 1, 2016

1 **I. Introduction.**

2

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

4 A. My name is Paul Walker. My business address is 330 East Thomas Road, Phoenix,
5 Arizona 85012.

6

7 **Q. Have any of your qualifications changed since the surrebuttal testimony you**
8 **submitted on January 11, 2016?**

9 A. No. I incorporate my prior testimony as to my qualifications for this additional testimony.

10

11

12 **Q. Have you reviewed the rebuttal testimony of Vicki Wallace (Hearing on Remand –**
13 **Phase 2)?**

14 A. Yes, I have.

15

16 **Q. Do you have any response to Ms. Wallace’s testimony?**

17 A. I do. On Page 3, lines 1 through 7, Ms. Wallace explains that Staff does not have “any
18 actual performance-related data comparing integrated water and wastewater utilities,” and
19 further that Staff does not have “any actual compliance-related data comparing integrated
20 water and wastewater utilities.” To me, this testimony defeats the entire premise of the
21 argument that the “public interest” supports the deletion of Arizona Water Company’s
22 CC&N in the area now owned by Cornman Tweedy 560 LLC.

23

24 **Q. Why is that the case?**

25 A. Because I believe that the Commission should, in all areas, act upon evidence and fact.
26 John Lubbock put it best: “Our duty is to believe that for which we have sufficient

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evidence, and to suspend our judgment when we have not.”¹

Staff has now made it crystal clear that the Commission has no evidence to show any compliance or performance distinctions between integrated water-wastewater providers and stand-alone water companies. In the absence of any evidence on those points, it would be exceedingly unwise of the Commission to issue an order deleting a water CC&N on this basis, which would destabilize the water utility industry in the myriad ways I addressed in my Surrebuttal Testimony of January 11, 2016.

Q. Is there anything else about Staff’s Testimony that causes you to wish to amend or change your surrebuttal testimony?

A. No. As mentioned above, the Staff Testimony affirms my opinions in every way.

Q. Does this conclude your supplemental testimony?

A. Yes.

¹ John Lubbock, 1st Baron Avebury, was the first president of the Institute of Bankers, which was created by Royal Charter in Britain in the late 19th Century and continues in existence to this very day.