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BEFORE THE ARIZONA CORPORATION

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AZ CORP COMMISSION

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2016 APR 26 PM 4:35 Arizona Corporation Commission

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**COMMISSIONERS**

DOUG LITTLE - CHAIRMAN  
BOB STUMP  
BOB BURNS  
TOM FORESE  
ANDY TOBIN

IN THE MATTER OF THE APPLICATION  
OF SAHUARITA WATER COMPANY,  
LLC, FOR A DETERMINATION OF THE  
CURRENT FAIR VALUE OF ITS UTILITY  
PROPERTY AND FOR THE  
ESTABLISHMENT OF JUST AND  
REASONABLE RATES AND CHARGES.

Docket No. W- 03718A-15-0213

**NOTICE OF FILING  
JOINT RESOLUTION**

Snell & Wilmer

LLP  
LAW OFFICES  
One Arizona Center, 400 E. Van Buren, Suite 1900  
Phoenix, Arizona 85004-2202  
602.382.6000

Sahuarita Water Company, LLC, ("Sahuarita") and Arizona Corporation Commission Utilities Division Staff ("Staff") (collectively "the Parties") indicate that, after further discussions since the filing of Sahuarita's Rejoinder Testimony, the Parties were able to resolve the three outstanding issues in the following manner:

1. Agreeing to rate case expense equal to \$175,000 (\$35,000 over five years)
2. Agreeing to Staff's adjusted management fees of \$736,267 (as set forth in Staff's Surrebuttal Schedule TBH-14) versus the Company's \$748,934 (as set forth in the Company's rebuttal filing) for a net difference of \$12,967.
3. A return on equity ("ROE") equal to 9.90%.

Sahuarita will submit final schedules either during the hearing, or after the hearing as a late-filed exhibit that incorporate these changes from its rejoinder filing, and allow opportunity for Staff to respond. The Parties believe the resolution of these issues results in just and reasonable rates and is in the public interest.

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Thomas Broderick  
Director, Utilities Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

By     *Jaclyn Howard*