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**BEFORE THE ARIZONA CORPORATION COMMISSION**

- DOUG LITTLE  
Chairman
- BOB STUMP  
Commissioner
- BOB BURNS  
Commissioner
- TOM FORESE  
Commissioner
- ANDY TOBIN  
Commissioner

IN THE MATTER OF THE APPLICATION  
OF APPALOOSA WATER COMPANY FOR  
APPROVAL OF A RATE INCREASE.

DOCKET NO. W-03443A-15-0271  
DECISION NO. 75717

**ORDER AMENDING DECISION**  
**NO. 75684**

Arizona Corporation Commission  
**DOCKETED**

**AUG 23 2016**

Open Meeting  
August 9 and 10, 2016  
Phoenix, Arizona

DOCKETED BY	<i>[Signature]</i>
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**BY THE COMMISSION:**

**FINDINGS OF FACT**

1. On July 28, 2015, Appaloosa Water Company ("Appaloosa" or "Company") filed an application with the Arizona Corporation Commission ("Commission") for approval of a rate increase.
2. On August 5, 2016, the Commission issued Decision No. 75684 which approved a rate increase for Appaloosa.
3. At its August 9, 2016 Open Meeting, the Commission considered reopening Decision No. 75684 because of ongoing concerns about the Company's accounting and record keeping practices.
4. After considering the matter, the Commission finds that it is in the public interest to amend Decision No. 75684 to require Appaloosa to file a signed letter from a certified public accountant, as part of its 2016 Arizona Corporation Commission Utility Annual Report,

1 confirming that Appaloosa has established a National Association of Regulatory Utility  
2 Commissioners Uniform System of Accounts ("NARUC USOA") and has commenced keeping all  
3 material accounts in accordance with the NARUC USOA. If Appaloosa fails to provide the  
4 ordered letter, the rates approved in Decision No. 75684 shall be rolled back to the previously  
5 authorized levels until such time as Appaloosa provides the signed letter.

### 6 CONCLUSIONS OF LAW

7 1. The Commission has jurisdiction over Appaloosa Water Company and over the  
8 subject matter herein pursuant to Article XV of the Arizona Constitution and A.R.S. § 40-252.

9 2. Notice of the proceeding has been given in the manner prescribed by law.

10 3. The Commission, having reviewed the request and considered the matter, concludes  
11 that the determinations made set forth in Finding of Fact No. 4 are reasonable and should be  
12 adopted.

### 13 ORDER

14 IT IS THEREFORE ORDERED that Decision No. 75684 is amended to require Appaloosa  
15 Water Company to file a signed letter from a certified public accountant, as part of its 2016  
16 Arizona Corporation Commission Utility Annual Report, confirming that Appaloosa has  
17 established a NARUC USOA and has commenced keeping all material accounts in accordance  
18 with the NARUC USOA.

19 IT IS FURTHER ORDERED that, if Appaloosa fails to provide the ordered letter, the rates  
20 approved in Decision No. 75684 shall be rolled back to the previously authorized levels until such  
21 time as Appaloosa provides the signed letter.

22 IT IS FURTHER ORDERED that all other aspects of Decision No. 75684 shall remain in  
23 effect.

24 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

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BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION

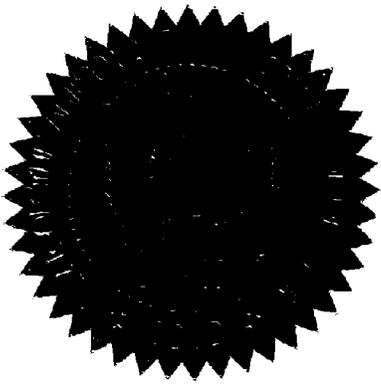
*[Signature]*  
CHAIRMAN LITTLE

*[Signature]*  
COMMISSIONER STUMP

*[Signature]*  
COMMISSIONER FORESE

*[Signature]*  
COMMISSIONER TOBIN

*[Signature]*  
COMMISSIONER BURNS



IN WITNESS WHEREOF, I, JODI A. 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 23rd day of August, 2016.

*[Signature]*  
JODI A. JERICH  
EXECUTIVE DIRECTOR

DISSENT: \_\_\_\_\_

DISSENT: \_\_\_\_\_

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1 SERVICE LIST FOR: APPALOOSA WATER COMPANY  
2 DOCKET NO. W-03443A-15-0271

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4 Appaloosa Water Company  
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7 Mr. Thomas Broderick  
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