



ORIGINAL

ROBIN'S PROPOSED AMENDMENT NO. 1

TIME/DATE PREPARED: October 26<sup>TH</sup>, 2016

COMPANY: EAGLE TAIL WATER COMPANY, L.L.C. Arizona Corporation Commission AGENDA ITEM NO. 22

DOCKET NO.: W-03936A-16-0095 & W-03936A-16-0096

OPEN MEETING DATE: October 27 & 28, 2016

DOCKETED

OCT 26 2016

DOCKETED BY *Yh*

RECEIVED  
AZ CORP COMMISSION  
DOCKET CONTROL  
2016 OCT 26 P 1:34

On page 12, line 25, **DELETE** "proposed revised rates are", and **INSERT** "proposed revenue requirement is".

On page 13, line 3, **INSERT** the following new findings of fact:

- 51. Although we are granting rate relief, we are concerned that the rate design set forth in the Hearing Division's recommended order presents a steep and sudden increase that is not justified under the present circumstances.
- 52. Under the circumstances, we would like to consider a phase-in of the new rates over a four-year period.
- 53. Within ten days of the issuance of this order, the Company shall file a proposal for phasing in the new rates. This proposal will be subject to Staff's analysis and subsequent Commission review and approval. Staff's analysis of the Company's proposal should pay particular attention to ensuring that the phased-in rates will not jeopardize the Company's efforts to obtain financing from WIFA, and Staff's report on the phase-in proposal should specifically address whether phased-in rates would be appropriate in these circumstances. The Company is not authorized to charge new rates, pending the Commission's consideration of the Company's phase-in proposal.
- 54. In addition, we have been informed that the Company's present managers wish to resign in the foreseeable future. We want to ensure that the Company is taking appropriate steps to identify and install replacement management.
- 55. The Company should take steps to install a suitable contract manager/operator to ensure a smooth transition for the management of the Company on a prospective basis. Staff is directed to assist the Company to both identify and select a suitable manager/operator. Staff and the Company should consult the recent filing regarding interim managers/operators in Docket No. W-00000C-16-0151 for guidance.
- 56. The rate relief and financing approvals granted herein shall not go into effect until the Company has installed an appropriate manager/operator that has been reviewed and approved by Staff. Once the manager/operator is in place, Staff shall file a notice in this docket, and the rate relief and financing approvals granted herein shall then go into effect.

**RENUMBER TO CONFORM, ADD APPROPRIATE ORDERING PARAGRAPHS, AND MAKE ALL OTHER CONFORMING CHANGES.\*\* Make all conforming changes**

**THIS AMENDMENT:**

\_\_\_\_\_ Passed \_\_\_\_\_ Passed as amended by \_\_\_\_\_

\_\_\_\_\_ Failed \_\_\_\_\_ Not Offered \_\_\_\_\_ Withdrawn