

# NEW APPLICATION



0000178401

Coldwater Canyon Water Company  
P.O. Box 637  
Black Canyon City, Arizona 85324

ORIGINAL

RECEIVED  
AZ CORP COMMISSION  
DOCKET CONTROL

2017 MAR 27 P 12:55

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

Arizona Corporation Commission

DOCKETED

MAR 27 2017

DOCKETED BY

*CSB*

March 27, 2017

Re: EMERGENCY RATE CASE APPLICATION (Docket No. W-01559A-17-0074)

Coldwater Canyon Water Company is formally requesting an emergency surcharge to be effective immediately. The surcharge is necessary to ensure continued safe and adequate water service to our 216 customers. The Company's 30,000 gallon storage tank is leaking and needs to be repaired (see the provided pictures). Because this is the Company's only storage tank currently in production it is not possible to take the tank offline to effect the necessary repairs. Therefore the Company will need to hire a commercial diving crew to repair the leak from the inside of the tank while the tank still has water in it. The Company's research determined that at present there aren't any vendors in Arizona with the expertise to make this type of repair. However, the Company identified Midco Diving & Marine Services Inc. out of Colorado, who is qualified to make underwater repairs and contacted them for a quote.

On March 1<sup>st</sup>, 2017, Midco provided the Company with a quote (see Attachment 2). In discussing the scope of work with Midco the Company was informed that the existing manhole on top of the tank is too small per federal standards. Therefore, Midco will first have to cut out a properly sized hole and install a larger manhole at a cost of \$1,097.40. The cost for removal, installation and coating repair is \$1,478.00. The cleaning and inspection of the tank (including a DVD and written report) is \$2,699.00. In addition, Midco will charge the Company \$400 per hour for an estimated 2 days. The Company calculates that at 16 hours the total cost would be \$11,674.40 and at 24 hours the total cost would be \$14,874.40. Because there is uncertainty in the final price at the time of this request the Company proposes that the actual surcharge be determined once the work is complete.

The Company proposes to collect the emergency surcharge on a per month basis over 12 months. The Company currently has 204 customers with 5/8 X 3/4 inch meters, 9 customers with 1 inch meters, 1 customer with an inch and a half meter, and 2 customers with 2 inch meters, and as such we propose that a multiplier be used to set the surcharge for the larger meter sizes. The Company proposes that the surcharge stop as soon as the full cost has been collected and any over collections be refunded to customers at a prorated amount as a reduction in the next regular bill as soon as the full amount has been recovered. With the uncertainty in the final price the Company offers the following per month per customer surcharge proposals at 16 hours, 20 hours and 24 hours of work:

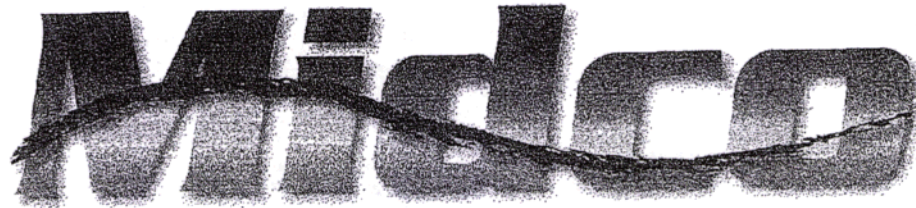
Meter Size	16 hours Surcharge	20 hours Surcharge	24 hours Surcharge
5/8 X 3/4"	\$4.21	\$4.78	\$5.36
1"	\$5.89	\$6.69	\$7.50
1 1/2"	\$14.31	\$16.25	\$18.22
2"	\$24.42	\$27.72	\$31.09



125







# Diving & Marine Services, Inc.

PO BOX 513 RAPID CITY, SD 57709  
24 HRS (800) 479-1558; FAX (800) 238-0217  
[www.midcodiving.com](http://www.midcodiving.com) info@midcodiving.com

Regional Office  
PO Box 7396  
Loveland, CO 80537  
970-532-2128

## Fax

<b>To:</b> Roger Wagner	<b>From:</b> Ruth Knoeller
<b>Fax:</b> (623) 374-0073	<b>Pages:</b> 3 including cover
<b>Phone:</b> (602) 882-1323	<b>Date:</b> March 1, 2017
<b>Re:</b>	<b>CC:</b>

Urgent     For Review     Please Comment     Please Reply     Please Recycle

• **Comments:**

Hi Roger,

Here is the updated proposal on the tank work we discussed. Upon receiving the *initialed & signed* approval we will get you into our schedule in a way that works for you. If you have any questions please call me.

CONFIDENTIALITY NOTE

*The documents accompanying this fax contain information which is confidential, and may be legally privileged. The information is intended only for the individual or entity named on this cover letter. If you are not the intended recipient, be aware that any disclosures, copying, distribution or use of this information is prohibited. If you have received this fax in error, please notify us by telephone immediately so that we can arrange for the retrieval of the original documents at no cost to you.*



Coldwater Canyon Water Company  
Attn: Roger Wagner  
PO Box 637  
Black Canyon City, AZ 85324

March 1, 2017

**RE: 2017 Tank Maintenance Project**

Midco Diving & Marine Services, Inc. is pleased to provide the following proposal to perform the scope of work outlined below.

All diving operations are fully insured for "**Commercial Diving Operations**" including General Liability and Workman's compensation. **Verifiable Certificates of Insurance** are available upon request. Midco Diving & Marine Services, Inc. is in full compliance with OSHA 29 CFR 1910, Subpart T - Commercial Diving Operations regulations. OSHA specifies that the minimum acceptable dive crew size is three qualified divers. Not all firms are complying with this mandate and continue to use two person dive crews or unqualified personnel; please be aware of this when evaluating our proposal. Further, prior to commencing work, and if requested, we will provide your firm with copies of personnel and equipment certifications which meet or exceed those mandated by OSHA, specifically;

Diver training – from accredited commercial dive school (each dive team member)

Association of Diving Contractors International (ADC) Commercial Diver Certification Cards indicating each dive team member's qualifications and competency level as defined in the ADC Consensus Standards

Current First Aid/CPR training (each dive team member)

Annual medical examination determining diver is fit to perform assigned tasks (each dive team member)

Air purity test for breathing air source(s) – tested every 6 months

Breathing gas supply hoses – tested at least annually to 1.5 times their working pressure

Depth gauges – calibrated every 6 months

**TANK DESCRIPTION**

**30 KG  
Steel Welded On Grade  
14' High x 19' Diameter**

**Scope of Work:**

1. Remove old access hatch.
2. Install new access hatch.
3. Coating repair as needed on new hatch opening.
4. Clean, if necessary, & inspect the tank upon completion of new access hatch install.
5. Complete coating repair as requested. Utility states there are several spots of coating failure throughout the tank in need of repair.

800-479-1558 (P)

800-238-0217 (F)

[www.midcodiving.com](http://www.midcodiving.com)

[info@midcodiving.com](mailto:info@midcodiving.com)

Home Office P.O. Box 513 Rapid City, South Dakota 57709 605-791-3030  
Regional Office P.O. Box 7396 Loveland, Colorado 80537 970-532-2128

**Inspection**

An inspection with a live video recording in DVD format will be made documenting the findings in the tank as well as an **EPA Compliant** electronic written report. Inspection procedures include:

- Inlet and outlet
- Overflow
- Roof and Roof hatch
- Walls and floors
- Baffle/support walls
- Interior ladders
- Roof vents
- Exterior coatings
- Exterior ladder & rails
- Sumps
- Internal plumbing
- Joints and seams
- Interior coating
- Telemetry
- Sediment depths

**Cleaning**

Remove up to three inches (3") of accumulated material from the storage tank floor using underwater vacuum procedures as needed. Any material that cannot be removed by normal vacuum procedures or material in excess of three inches (3") will be removed for an additional charge with a firm price given while on site. Material such as sand, gravel and concrete is considered debris and will be removed by hand **at an additional charge**. All discharged materials including water are the responsibility of the owner unless prior arrangements are made.

<b>New Access Hatch .....</b>	<b>\$1,097.40</b>
<b>Removal, Installation, &amp; Coating Repair .....</b>	<b>\$1,478.00</b>
<b>Cleaning &amp; Inspection Pricing (Including DVD &amp; Written Report) .....</b>	<b>\$2,699.00</b>
<b>Repair Pricing (If Requested) .....</b>	<b>\$400/Hour</b>
<b>(Repair Pricing Includes Equipment Set Up, Break Down, &amp; Materials)</b>	

This quote and pricing is valid for Thirty Days (30). Terms are net 10 days for completed on site work; interest at 1.5% per month on any unpaid balance. Any fees required to obtain a city business license will be added to the final invoice at the current city rate plus appropriate markup. Pricing is also contingent on utility personnel working with our scheduling department to complete the project in timely and proficient manner which includes potentially working over a weekend. Although we strive to work with utility personnel in regards to scheduling availability, some instances necessitate weekend access. All Midco Diving quotes are subject to availability of personnel and equipment; upon approval have this signed and faxed back to 800-238-0217 to confirm scheduling.

This quotation has been prepared exclusively for your firm. The contents of this quotation are considered confidential and are not to be divulged to third parties. This quotation has been prepared using information provided by your firm/utility. Incorrect or inaccurate information used for estimate purposes or that delays progress could influence your final price (\_\_\_). Interruptions in the work progression, not in control of Midco Diving & Marine Services, Inc. may also affect your final pricing. If Midco Diving & Marine Services, Inc is unable to complete the work as described above due to tank access, water levels, safety issues, etc. a nominal trip fee may be charged.

Sincerely,

*Ruth Knoeller*

Ruth Knoeller  
Regional Sales Manager

Accepted by:

Name & Title	Utility/Company Name	Date

800-479-1558 (P)

800-238-0217 (F)

www.midcodiving.com

info@midcodiving.com

Home Office P.O. Box 513 Rapid City, South Dakota 57709 605-791-3030

Regional Office P.O. Box 7396 Loveland, Colorado 80537 970-532-2128

**PUBLIC NOTICE OF THE APPLICATION OF COLDWATER CANYON WATER COMPANY FOR AN EMERGENCY RATE INCREASE (DOCKET NO. W-01559A-17-0074)**

On March 27, 2017, Coldwater Canyon Water Company ("Coldwater Canyon" or "Company") filed with the Arizona Corporation Commission ("Commission") an Application for an emergency rate increase. The 30,000 gallon storage tank is leaking and needs to be repaired. The Company estimates that it will require up to \$14,874.40 to repair the tank and alleviate the emergency condition. The Company is requesting authorization to recover this amount in emergency rates by implementing a surcharge in the amount of up to \$5.36 per month for 12 months to be finalized upon completion of the repair.

**The Commission's Utilities Division ("Staff") is in the process of reviewing and analyzing the Application. Neither Staff nor any intervenor(s) has yet made any recommendation regarding the Company's request. The Commission is not bound by the proposals made by the Company, Staff, or any intervenor(s), and the Commission may approve the amount of the request, modify the amount higher or lower, or deny the request.**

If you have any questions concerning how the Application may affect your bill or have other substantive questions about the Application, you may contact the Company at Coldwater Canyon Water Company, 34551 South Old Black Canyon Highway, Black Canyon City, AZ, 85324, by calling (602) 882-1323, or via email at [coldwatercanyonwater@gmail.com](mailto:coldwatercanyonwater@gmail.com).

**How You Can View or Obtain a Copy of the Application**

Copies of the Application are available from Coldwater Canyon Water Company, 34551 South Old Black Canyon Highway, Black Canyon City, AZ, 85324; at the Commission's Docket Control Center at 1200 West Washington Street, Phoenix, Arizona, during regular business hours; and on the Commission's website ([www.azcc.gov](http://www.azcc.gov)) using the e-Docket function.

**Arizona Corporation Commission Public Hearing Information**

The Commission will hold a full public hearing on this matter. The Commission's Hearing Division will schedule a procedural conference to occur within five business days of the filing of the Application in order to set a public hearing date and establish other procedural requirements.

The Company will provide notice of the hearing date by means of posting notice in a conspicuous location within the affected communities, emailing notice to customers, and/or posting on the Company's website (or by other appropriate means), to allow an opportunity for customers to attend the hearing and provide verbal public comment.

Public comments will be taken on the first day of the hearing. Written public comments may be submitted at any time by mailing a letter referencing **Docket No. W-01559A-17-0074** to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by submitting comments on the Commission's website ([www.azcc.gov](http://www.azcc.gov)) using the "Submit a Public Comment for a Utility" function. If you require assistance, you may contact the Consumer Services Section during regular business hours at 602-542-4251 or 1-800-222-7000.

**About Intervention**

The law provides for an open public hearing at which, under appropriate circumstances, interested persons may intervene. An interested person may be granted intervention if the outcome of the case will directly and substantially impact the person, and the person's intervention will not unduly broaden the issues in the case. Intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other parties' witnesses. **Intervention is not required if you want to appear at the hearing and provide public comment on the Application, or if you want to file**



written comments in the record of the case.

To request intervention, you must file an **original plus one hard copy** of a written request to intervene with Docket Control, 1200 West Washington Street, Phoenix, AZ 85007, no later than April 7, 2017. You also **must** serve a copy of the request to intervene on each party of record on the same day that you file the request to intervene with the Commission. **Information about what intervention means, including an explanation of the rights and responsibilities of an intervenor, is available on the Commission's website ([www.azcc.gov](http://www.azcc.gov)) using the "Intervention in Utility Cases" link.** The link also includes sample intervention requests.

If you choose to request intervention, your request must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any person upon whom service of documents is to be made, if not yourself;
2. A reference to **Docket No. W-01559A-17-0074**;
3. A short statement explaining:
  - a. Your interest in the proceeding (e.g., a customer of the Company, etc.);
  - b. How you will be directly and substantially affected by the outcome of the case; and
  - c. Why your intervention will not unduly broaden the issues in the case;
4. A statement certifying that you have served a copy of the request to intervene on the Company or its attorney and to all parties of record in the case; and
5. If you are not represented by an attorney who is an active member of the Arizona State Bar, and you are not representing yourself as an individual, sufficient information and any appropriate documentation to demonstrate compliance with Arizona Supreme Court Rules 31, 38, 39, and 42, as applicable.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that **all motions to intervene must be filed on or before April 7, 2017**.

**If you do not intervene in this proceeding, you may not receive any further notice of the proceedings in this docket. However, all documents filed in this docket are available online (usually within 24 hours after docketing) at the Commission's website ([www.azcc.gov](http://www.azcc.gov)) using the e-Docket function. You may choose to subscribe to an RSS feed for this case using the e-Docket function.**

#### **ADA/Equal Access Information**

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting Kacie Cannon, ADA Coordinator, voice phone number at 602-542-3931, and email at [kcannon@azcc.gov](mailto:kcannon@azcc.gov). Requests should be made as early as possible to allow time to arrange the accommodation.

Coldwater Canyon Water Company  
P.O. Box 637  
Black Canyon City, AZ 85324

Arizona Corporation Commission  
Docket Control  
1200 W. Washington Street  
Phoenix, AZ 85007

March 24, 2017

RE: IN THE MATTER OF THE APPLICATION OF COLDWATER CANYON WATER COMPANY FOR APPROVAL OF AN EMERGENCY RATE INCREASE (Docket No. W-01559A-17-0074)

THIS SERVES AS CERTIFICATION THAT THE CUSTOMER NOTIFICATION LETTER WAS MAILED TO ALL COLDWATER CANYON WATER COMPANY CUSTOMERS REGARDING THE EMERGENCY SURCHARGE APPLICATION. THE NOTICE WAS MAILED VIA US MAIL SERVICE ON MARCH 24, 2017.


*Roger A. Wagner*

STATE OF ARIZONA

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC IN AND FOR THE COUNTY OF Yavapai ON THIS 24 DAY OF March, 2017.

MY COMMISSION EXPIRES 3/26/18

*Stacie Priest*

 **STACIE PRIEST**  
Notary Public - State of Arizona  
YAVAPAI COUNTY  
My Commission Expires March 26, 2018